

Associated Students Inc.



Audit Committee

Tue Sep 17, 2024 1:30 PM - 2:30 PM PDT

1. Call to Order

Jared Brown, Audit Committee Chair, called the meeting to order at 1:33 pm

2. Roll Call

Members Present: Brown, Lopez, Merida, Nebedum, Ngo, Scialdone, Walkley

Members Absent: None

Liaisons Present: Edwards, Postal

Liaisons Absent: None

Internal Auditors: Spencer Kimball

Independent Audit Firm: Aldrich CPAs & Advisors LLP ~ Andi Maffia, partner, Aldrich CPAs & Advisors LLP ~ Kenton Popovich, Manager, Aldrich CPAs & Advisors LLP

According to the ASI Policy Concerning Board of Directors Operations, attendance is defined as being present prior to the announcement of Unfinished Business and remaining until the scheduled end of the meeting.

* Indicates that the member was in attendance prior to the announcement of Unfinished Business, but left before the scheduled end of the meeting.

** Indicates that the member was in attendance for a portion of the meeting, but not in attendance prior to the announcement of Unfinished Business.

3. Approval of Agenda

(Walkley-m / Lopez-s) The agenda was approved by unanimous consent

4. Approval of Minutes

a. 07/25/2024 Audit Committee Special Meeting Minutes

The July 25th meeting minutes are approved by unanimous consent

5. Public Speakers

Members of the public may address the Audit Committee members on any item appearing on this posted agenda.

None

6. Reports

a. Chair

Brown urged attendees to pay close attention to the information shared to prepare for the review and consideration of the final report, which will be presented at the Board of Directors meeting next Tuesday. Brown also mentioned that this would be the final Audit Committee meeting of the semester, with no follow-up meetings anticipated in the spring unless needed.

7. Unfinished Business

a. None

8. New Business

a. Action: Resolution to Accept the 2023-24 Audited Financial Statements

The Committee will consider accepting the Associated Students Inc., audited financial statements for fiscal year 2024.

AUD 001 24-25 (Walkley-m / Lopez-s) A motion was made and seconded to accept the Associated Students Inc., audited financial statements for fiscal year 2024.

Brown yielded the floor to Postal, ASI CFO, to introduce the auditors.

Postal acknowledged the hard work of the accounting department. She introduced Andi Maffia, partner, Aldrich CPAs & Advisors LLP, who would present the financial statements.

Maffia began by introducing Kenton Popovich, Manager, Aldrich CPAs & Advisors LLP, who assisted in performing day-to-day audits.

Maffia discussed the nature of estimates used in audits, emphasizing that while guidance exists to compare estimates, such as the useful life of equipment, precise predictions are not always possible. Adjustments, which may be identified by both the audit team and management, are a common part of the audit process. These adjustments are documented in the report package to ensure consistency between the audit team's findings and the organization's records.

The timeline for the audit process is relatively tight, spanning from the end of the fiscal year (June 30) to the presentation of results. Occasionally, additional information comes in after the initial data submission, necessitating further adjustments. Maffia highlighted that the report includes a detailed breakdown of adjustments, indicating whether they were identified by the audit team or the management team. Adjustments marked as "PBC" (provided by client) signify that they were identified by the organization itself.

Maffia then moved on to describe the audit report's structure. The report encompasses the Independent Auditor's Report, which presents the audit opinion, and required financial statements including the Statement of Financial Position, Statement of Activities, Statement of Functional Expenses, and Statement of Cash Flows. These statements adhere to Generally Accepted Accounting Principles (GAAP), ensuring consistency across different organizations. Additionally, the report includes detailed notes that support the financial statements and supplemental information required by the Chancellor's office, which contributes to a system-wide audit report for the entire CSU system.

The report provides a comparative analysis of the current and prior year's data to facilitate understanding of financial trends. Specific sections are formatted according to the Chancellor's office requirements, including pages with a distinctive format to meet these standards. The final report will be updated to remove draft stamps and include the finalized date upon approval by the Board of Directors.

Maffia concluded by confirming that all necessary information had been covered, and Popovich added that everything from their end was complete.

Brown, Chair, opened the floor to questions and points of discussion.

Edwards began by complimenting Maffia and the team for their work, noting that the auditor's review of the financials was very successful and positive. He extended his thanks to the audit team and particularly to the financial team for their efforts in preparing for the review.

Brown announced that the committee would move to a breakout room for a Q&A session with the auditors, while other staff and guests would remain in the main room. Susan Collins clarified that if there were questions, the entire committee would be moved to the breakout room with the auditors, as mentioned by Brown.

There were no questions for the auditors.

Brown highlighted the importance of staying positive throughout the process and being inquisitive about financials, even for those not majoring in business.

AUD 001 24-25 (Walkley-m / Lopez-s) Roll Call Vote: 7-0-0. The resolution to accept the Associated Students Inc., audited financial statements for fiscal year 2024 was adopted.

9. Announcements/Member's Privilege

Brown expressed his gratitude to everyone on the call and highlighted the importance of being involved in other aspects of ASI if possible. He emphasized the value of teamwork and encouraged participation in events like the Ballot Bowl initiative. Brown also mentioned BSU's first general meeting later that day, with President Rochon attending.

10. Adjournment

Jared Brown, Audit Committee Chair, adjourned the meeting at 3:58 pm.

Jared Brown, Audit Committee Chair

Erika Perret-Martinez, Recording Secretary

Reviewed and approved by the Audit Committee 7/24/2025:

Audit Committee Chair:



Deniz Suzer
2025-09-27 04:29 UTC

Recording Secretary:



Erika Perret-Martinez
2025-09-26 17:50 UTC

Roll Call 2024-2025

09/17/2024 ASI Audit Committee Meeting Roll Call

Attendance		COMMITTEE MEMBERS		
			Present	Absent
CHAIR	BROWN	JARED	1	
ARTS	LOPEZ	JOSHUA	1	
CAMPUS MEMBER	MERIDA	CINDY	1	
HSS	NEBEDUM	SOMI	1	
CBE	NGO	SAMANTHA	1	
CAMPUS MEMBER	SCIALDONE	ROB	1	
EDU	WALKLEY	BRIAN	1	
			Present	Absent
			7	0

Attendance		Liaisons		
			Present	Absent
EXECUTIVE DIR	EDWARDS	DAVE	1	
CFO	POSTAL	KATHLEEN	1	
			Present	Absent
			2	0

QUORUM: 5

Guests: Kenton Popovich

Absences:

*Recording Secretary: Erika Perret-Martinez

Roll Call Votes		001-Resolution to Accept the 2023-2024 Audited Financial Statements			
			Yes	No	Abstain
ARTS	LOPEZ	JOSHUA	1		
CAMPUS MEMBER	MERIDA	CINDY	1		
HSS	NEBEDUM	SOMI	1		
CBE	NGO	SAMANTHA	1		
CAMPUS MEMBER	SCIALDONE	ROB	1		
EDU	WALKLEY	BRIAN	1		
CHAIR	BROWN	JARED	1		
			Yes	No	Abstain
			7	0	0

Majority 4

Associated Students, Inc., California State University, Fullerton

FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

Years Ended June 30, 2024 and 2023

DRAFT

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON
Financial Statements and Supplemental Information
Years Ended June 30, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Associated Students, Inc., California State University, Fullerton

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Associated Students, Inc., California State University, Fullerton (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Associated Students, Inc., California State University, Fullerton as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Associated Students, Inc., California State University, Fullerton and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Associated Students, Inc., California State University, Fullerton's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

Auditor's Responsibility, continued

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Associated Students, Inc., California State University, Fullerton's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Associated Students, Inc., California State University, Fullerton's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information included on pages 31-50 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated **REPORT DATE - TBD**, on our consideration of Associated Students, Inc., California State University, Fullerton's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Associated Students, Inc., California State University, Fullerton's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Associated Students, Inc., California State University, Fullerton's internal control over financial reporting and compliance.

San Diego, California
REPORT DATE - TBD

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Statements of Financial Position**

June 30, 2024 and 2023

	2024	2023
ASSETS		
Cash	\$ 797,880	\$ 1,674,428
Accounts receivable, net of allowance for doubtful accounts of \$4,437 (2024) and \$4,437 (2023)	319,372	854,585
Accounts receivable, related parties	813,675	464,875
Investments	22,024,339	20,214,720
Furniture and equipment, net of accumulated depreciation	1,328,155	1,446,833
Right-of-use asset - operating lease	292,751	-
Other assets	379,606	134,240
Total Assets	<u>\$ 25,955,778</u>	<u>\$ 24,789,681</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 184,628	\$ 224,175
Related party payable	882,809	808,177
Accrued expenses	1,053,400	1,045,808
Deferred revenue	732,863	524,142
Lease liability - operating lease	294,600	-
Funds held for others	311,804	444,539
Related party funds held for others	487,846	426,943
Unfunded pension obligation	10,520,615	9,971,143
Unfunded post-retirement liability	2,442,036	2,672,470
Total Liabilities	16,910,601	16,117,397
Net Assets:		
Without donor restrictions:		
Undesignated	4,683,021	3,501,658
Board designated (See Note 8)	4,222,714	4,986,187
Total Without Donor Restrictions	8,905,735	8,487,845
With donor restrictions	139,442	184,439
Total Net Assets	<u>9,045,177</u>	<u>8,672,284</u>
Total Liabilities and Net Assets	<u>\$ 25,955,778</u>	<u>\$ 24,789,681</u>

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Statement of Activities**

Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Student activity fees	\$ 16,963,959	\$ -	\$ 16,963,959
In-kind contribution of facilities	8,428,525	-	8,428,525
Grants and contributions	1,454,837	100,261	1,555,098
Student center fees	1,498,474	-	1,498,474
Other	1,329,426	-	1,329,426
Children's Center tuition	701,226	-	701,226
Net assets released from restrictions	145,258	(145,258)	-
Total Revenue and Support	30,521,705	(44,997)	30,476,708
Expenses:			
Program services:			
Student services	13,602,197	-	13,602,197
Student recreation center	3,853,882	-	3,853,882
Children's Center	3,420,828	-	3,420,828
Total Program Expenses	20,876,907	-	20,876,907
Supporting services:			
Building services	2,730,105	-	2,730,105
Public services	51,575	-	51,575
Administrative	8,519,048	-	8,519,048
Total Supporting Services	11,300,728	-	11,300,728
Total Operating Expenses	32,177,635	-	32,177,635
Change in Net Assets from Operations	(1,655,930)	(44,997)	(1,700,927)
Non-Operating Income (Expense):			
Pension and postretirement related changes other than service cost	690,373	-	690,373
Investment return	1,383,447	-	1,383,447
Total Non-Operating Income	2,073,820	-	2,073,820
Change in Net Assets	417,890	(44,997)	372,893
Net Assets, beginning	8,487,845	184,439	8,672,284
Net Assets, ending	\$ 8,905,735	\$ 139,442	\$ 9,045,177

See accompanying notes to financial statements.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Statement of Activities**

Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:			
Student activity fees	\$ 17,711,917	\$ -	\$ 17,711,917
In-kind contribution of facilities	8,428,525	-	8,428,525
Grants and contributions	1,284,496	253,820	1,538,316
Student center fees	1,408,425	-	1,408,425
Other	717,363	-	717,363
Children's Center tuition	597,565	-	597,565
Administrative fees	330,815	-	330,815
Net assets released from restrictions	137,207	(137,207)	-
Total Revenue and Support	30,616,313	116,613	30,732,926
Expenses:			
Program services:			
Student services	13,444,904	-	13,444,904
Student recreation center	3,847,138	-	3,847,138
Children's Center	2,973,531	-	2,973,531
Total Program Expenses	20,265,573	-	20,265,573
Supporting services:			
Building services	2,685,783	-	2,685,783
Public services	162,853	-	162,853
Administrative	6,289,658	-	6,289,658
Total Supporting Services	9,138,294	-	9,138,294
Total Operating Expenses	29,403,867	-	29,403,867
Change in Net Assets from Operations	1,212,446	116,613	1,329,059
Non-Operating Income (Expense):			
Pension and postretirement related changes other than service cost	(3,665,026)	-	(3,665,026)
Investment return	762,871	-	762,871
Total Non-Operating Expense	(2,902,155)	-	(2,902,155)
Change in Net Assets	(1,689,709)	116,613	(1,573,096)
Net Assets, beginning	10,177,554	67,826	10,245,380
Net Assets, ending	\$ 8,487,845	\$ 184,439	\$ 8,672,284

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON
Statement of Functional Expenses

Year Ended June 30, 2024

	Program Services				Supporting Services			
	Student Services	Student Recreation Center	Children's Center	Total Program	Building Services	Public Services	Administrative	Total
Salaries	\$ 2,151,117	\$ 1,519,018	\$ 1,760,040	\$ 5,430,175	\$ 715,825	\$ -	\$ 2,675,321	\$ 8,821,321
Employee benefits and taxes	695,481	381,287	828,404	1,905,172	286,796	65	2,131,776	4,323,809
Total Personnel	2,846,598	1,900,305	2,588,444	7,335,347	1,002,621	65	4,807,097	13,145,130
Awards and scholarships	2,541,690	-	-	2,541,690	-	-	-	2,541,690
Communications	24,776	12,632	5,898	43,306	2,351	80	26,774	72,511
Contracts and rentals	272,445	18,099	1,210	291,754	736	410	15,207	308,107
Cost share from campus	-	-	-	-	-	-	498,012	498,012
Depreciation and amortization	-	334	-	334	-	-	342,891	343,225
In-kind rent for facilities	5,907,365	1,642,284	468,700	8,018,349	148,149	-	262,027	8,428,525
Insurance	25,496	11,002	29,465	65,963	-	-	327,540	393,503
Office and supplies	486,781	98,032	70,282	655,095	153,800	7,703	210,697	1,027,295
Other	505,601	114,975	24,101	644,677	5,213	43,170	534,802	1,227,862
Professional fees	751,518	11,201	199,624	962,343	1,292,393	137	688,709	2,943,582
Repairs and maintenance	56,083	26,967	835	83,885	40,709	-	120,068	244,662
Staff development	2,094	11,098	-	13,192	1,800	-	41,690	56,682
Travel	181,750	6,953	2,821	191,524	424	10	65,963	257,921
Utilities	-	-	29,448	29,448	81,909	-	577,571	688,928
Total Operating Expenses	13,602,197	3,853,882	3,420,828	20,876,907	2,730,105	51,575	8,519,048	32,177,635
Pension and postretirement related changes other than service cost	(55,851)	(67,518)	(135,865)	(259,234)	(3,107)	-	(428,032)	(690,373)
Total Expenses	\$ 13,546,346	\$ 3,786,364	\$ 3,284,963	\$ 20,617,673	\$ 2,726,998	\$ 51,575	\$ 8,091,016	\$ 31,487,262

See accompanying notes to financial statements.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON
Statement of Functional Expenses

Year Ended June 30, 2023

	Program Services				Supporting Services			
	Student Services	Student Recreation Center	Children's Center	Total Program	Building Services	Public Services	Administrative	Total
Salaries	\$ 2,400,824	\$ 1,395,592	\$ 1,522,200	\$ 5,318,616	\$ 610,750	\$ 66,560	\$ 2,438,780	\$ 8,434,706
Employee benefits and taxes	816,169	335,316	620,387	1,771,872	397,756	5,589	1,290,335	3,465,552
Total Personnel	3,216,993	1,730,908	2,142,587	7,090,488	1,008,506	72,149	3,729,115	11,900,258
Awards and scholarships	2,289,527	-	-	2,289,527	-	-	-	2,289,527
Communications	30,728	10,982	1,289	42,999	2,106	132	18,152	63,389
Contracts and rentals	287,956	64,612	44,970	397,538	214,972	2,723	92,942	708,175
Depreciation	-	-	-	-	-	-	313,841	313,841
In-kind rent for facilities	5,907,365	1,642,284	468,700	8,018,349	148,150	-	262,026	8,428,525
Insurance	31,021	35,869	11,237	78,127	-	-	251,961	330,088
Office and supplies	628,749	110,562	65,179	804,490	57,893	43,112	60,092	965,587
Other	421,687	68,783	18,248	508,718	11,516	20,952	211,481	752,667
Professional fees	331,408	26,353	106,838	464,599	1,001,235	23,785	222,293	1,711,912
Repairs and maintenance	109,218	117,641	71,967	298,826	119,901	-	368,404	787,131
Staff development	11,829	10,499	1,481	23,809	3,945	-	31,764	59,518
Travel	178,423	28,620	3,276	210,319	2,392	-	31,042	243,753
Utilities	-	25	37,759	37,784	115,167	-	696,545	849,496
Total Operating Expenses	13,444,904	3,847,138	2,973,531	20,265,573	2,685,783	162,853	6,289,658	29,403,867
Pension and postretirement related changes other than service cost	913,691	491,846	608,761	2,014,298	286,605	20,158	1,343,965	3,665,026
Total Expenses	\$ 14,358,595	\$ 4,338,984	\$ 3,582,292	\$ 22,279,871	\$ 2,972,388	\$ 183,011	\$ 7,633,623	\$ 33,068,893

See accompanying notes to financial statements.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Statements of Cash Flows**

Years Ended June 30, 2024 and 2023

	2024	2023
Cash Flow from Operating Activities:		
Change in net assets	\$ 372,893	\$ (1,573,096)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	343,225	313,841
Loss on sale of property and equipment	14,426	-
Unrealized gain on investments	(211,513)	(375,387)
Change in assets and liabilities:		
Accounts receivable	535,213	(556,438)
Accounts receivable, related	(348,800)	2,464,376
Other assets	(245,366)	(25,349)
Accounts payable	(39,547)	389
Related party payable	74,632	234,500
Accrued expenses	7,592	(262,223)
Deferred revenue	208,721	123,834
Funds held for others	(132,735)	(7,306)
Related party funds held for others	60,903	(15,854)
Pension obligation	549,472	3,608,784
Unfunded post-retirement liability	(230,434)	240,300
Net Cash Provided by Operating Activities	958,682	4,170,371
Cash Flow from Investing Activities:		
Purchase of furniture and equipment	(180,423)	(475,797)
Sale of investments	14,875,762	9,732,430
Purchase of investments	(16,473,868)	(12,818,636)
Net Cash Used by Investing Activities	(1,778,529)	(3,562,003)
Cash Flows Used by Financing Activity:		
Payments on finance lease liability	(56,701)	-
Net Increase (Decrease) in Cash	(876,548)	608,368
Cash, beginning	1,674,428	1,066,060
Cash, ending	\$ 797,880	\$ 1,674,428
Supplemental Disclosures of Noncash Investing and Financing Activity:		
Right-of-use asset - finance lease acquired under lease liability	\$ 351,301	-

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 1 - Organization

Associated Students, Inc., California State University, Fullerton (ASI), is a California public benefit corporation which is an auxiliary organization to California State University, Fullerton (the University). The purpose of ASI is to further educational services and related activities of the students of the University. Student activity fees and other revenue are collected to support student-related programs and to acquire assets for the benefit of the student body. ASI consists of two departments, Associated Students and Titan Student Center.

ASI's financial statements are presented by major program activities. The major programs are:

Student Services

ASI advises, supports and oversees the functions of student government, as well as a variety of student programs. Additionally, ASI plans and implements a variety of student leader development, training, and retreat programs hosted throughout the year. The Student Government department aids student leaders, including the Board of Directors, Executive Officers, and the Inter-Club Councils, in navigating their experiences in ASI and serving the students of the University.

ASI provides expertise in planning and completion of events and activities for students. Additionally, ASI advises student leaders on budget and finance, and monitors the campus funding/funded councils, organizations, and clubs receiving funding from ASI. ASI is also responsible for administering and overseeing Student Research Grants and providing office and storage spaces for clubs and activities.

Student Recreation Center

The Student Recreation Center (SRC) features a cardio floor, weight room, 35-foot-high rock wall, indoor jogging track, outdoor swimming pool, and 22,000 square feet of gymnasium space. Titan Recreation, the recreational arm of ASI, offers aquatics, personal training, instructional fitness, rock climbing training, and intramural sports. With the addition of the F45 fitness classes and Outdoor Adventure programs, the SRC continues to expand to meet the needs of a growing student population.

University students who have paid the Student Center fee receive access to the SRC and all the programs offered by Titan Recreation. Memberships are also available to the rest of the campus community and alumni.

Children's Center

The Children's Center (Center) provides top-quality care and an exceptional educational program for the children of University students, faculty, and staff. It serves the fundamental purpose of making higher education accessible to student parents by offering affordable and quality childcare. The Center also provides subsidized childcare for low-income students, which enables many to attend who otherwise could not afford or arrange for childcare.

ASI's financial statements also include supporting services in the following categories:

Building Services

Provides all maintenance of ASI's three facilities and surrounding grounds as delineated in the campus agreement. The Building Engineering department is responsible for maintenance of facilities and building systems, custodial services, landscape maintenance, and leaseholder improvements. The Building Engineering coordinates with University Facilities to oversee appropriate maintenance of fire/life safety systems, elevator maintenance, and access to utilities. ASI reimburses the University for any costs associated with facility maintenance, improvement, and utilities.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 1 - Organization, continued

Public Services

ASI supports the University Arboretum, which is the botanical garden located on campus, by providing financial support to employ student employees. Additionally, ASI provides programming services to external stakeholders through our summer youth camp programs as well as Camp Titan and Learn to Swim programs year-round.

Administrative

Administration of ASI includes oversight of all departments as well as risk management, strategic planning, assessment, and compliance with California State University (CSU) and University regulations and California non-profit corporate law. ASI administration includes Human Resources, Financial Services, Building Engineering, and IT Services.

ASI and the University have entered into a Memorandum of Understanding (MOU) to provide accounting services to the Intercollegiate Athletic Program. The services provided by ASI under the terms of the agreement include, but are not limited to: NCAA audit assistance, process and issue payments for scholarships, travel, student grants, personnel expenses, and the issuance of financial reports. Funds are advanced by ASI to cover expenses and are reimbursed monthly. At the end of the fiscal year there may be a "Due from the University" balance shown on ASI's financial statements reflecting a balance owed to ASI and collected in the following fiscal year. ASI processes payments that are generated and approved by the University and Athletics, therefore ASI does not record expenses related to this activity.

ASI and the University have entered into a MOU to provide accounting services to the University's Instructionally Related Activities (IRA). The services provided by ASI under the terms of the agreement include, but are not limited to: promotional, operational, and general services and materials. Such services and materials include budget preparation and coordination, accounting services, administrative and fiscal support to IRA accounts and the University IRA Advisory Committee. The MOU has been terminated as of July 1, 2023. As ASI considered themselves as an agent when operating this program, this discontinuation has no effect on the statements of activities for the years ended June 30, 2024 and 2023.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of ASI have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP), which requires ASI to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of ASI. These net assets may be used at the discretion of ASI's management and the Board of Directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ASI or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. ASI did not have any donor restrictions that were perpetual in nature for the years ended June 30, 2024 and 2023.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies, continued

Estimates

ASI uses estimates in preparing financial statements in conformity with US GAAP. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Fair Value of Financial Instruments

ASI's financial instruments, none of which are held for trading purposes, include cash, accounts receivable, and accounts payable. ASI estimates that the fair value of all of these nonderivative financial instruments at June 30, 2024 and 2023 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statements of financial position.

Accounts Receivable

Account receivables are stated at unpaid balances, less an allowance for doubtful accounts. ASI provides for losses on account receivables using the allowance method. The allowance is based on the length of time the receivable has been outstanding and management's estimate of collectability.

Investment Valuation and Income Recognition

ASI's investments are stated at fair value in the statements of financial position, with all gains and losses included in the statements of activities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the statement of financial position date. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Realized gains or losses on the sale of marketable securities are calculated using the specific-identification method. Unrealized gains and losses represent the change in the fair value of the individual investments for the year, or since the acquisition date, if acquired during the year.

Furniture and Equipment

Legal title to the Titan Student Union building, Recreational Center, and Children's Center building are retained by the California State University Board of Trustees. Initial furnishings and equipment were purchased by the University. Accordingly, the related assets and liabilities are excluded from ASI's financial statements. Any purchases following the opening that are for building or building improvements are paid for by ASI and subsequently transferred to the University for capitalization according to the University policy. Any purchases of equipment or furniture are purchased by ASI and recorded as furniture and equipment on ASI's financial statement according to ASI's capitalization policy.

ASI capitalizes all furniture and equipment with a normal useful life of at least one year and costing \$5,000 or more if purchased, or at fair value as of the date of receipt, if donated. Depreciation is provided for using the straight-line method over the estimated useful lives of the assets, which range from 3 to 20 years. Repairs and maintenance expenses are capitalized if they extend the useful life or enhance the value of the asset and are over \$5,000.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies, continued

Leases

The Company adheres to the accounting standard for leases, which provides detailed guidance for financial statement recognition, measurement, and disclosure of leases. The significant policies used by the Company to assist in determining the financial statement treatment of leasing arrangements are described in Note 11.

Funds Held for Others

Funds held for others consists of amounts that are included in cash and investments of ASI but belong to other related organizations. The amounts are reported as an asset and a liability for the same amount. No revenue or expenses are recognized for these activities.

Pension

For purposes of measuring the net pension obligation related to pensions, and pension expense, information about the fiduciary net position of the California Public Employees' Retirement System (CalPERS) plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are deposited in the plan. Investments are reported at fair value.

Revenue Recognition

Student activity fees – Students are required to pay an Associated Student Body (ASB) fee each semester. Of these fees, specific amounts are designated for Associated Students, the Titan Student Center, and Athletics. The ASB fees are recognized as revenue when they are received from the University, net of any University fees and bond payments. The CSU Board of Trustees has the right of first call on these funds for revenue bond debt service requirements and repairs and replacement of assets. The remaining funds are available for use in the operations of ASI. Any fees that are received in advance of the school year are recorded as deferred revenue.

In-kind contribution of facilities – As noted in Note 10, ASI is provided the use of the Titan Student Union, Recreation Center, and Children's Center at no cost. US GAAP requires an estimate of the value of the space contributed to ASI be recorded as revenue and expense. The amount recorded was based on the total square footage of each facility and a cost per square foot estimate.

Grants and contributions – Grant revenue is recognized in the period in which the related work is performed in accordance with the terms of the grant. Grants receivable are recorded when revenue earned under a grant or contract exceeds the cash received. Deferred revenue is recorded when cash received under a grant or contract exceeds the revenue earned. No allowance for doubtful accounts has been recorded as management believes that all amounts are collectible.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies, continued

Revenue Recognition, continued

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Functional Expense Allocations

The cost of providing program and other activities has been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. Such allocations are determined by management on an equitable basis. All other expenses are directly charged to the programs or support services benefitted.

The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries and benefits	Time and effort
Pension benefits	Full time salaries
Insurance and utilities	Square footage
Depreciation	Function usage
Custodial services (included in Professional Fees)	Square footage

Income Taxes

ASI is a qualified nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. However, ASI remains subject to taxes on any net income, which is derived from a trade or business regularly carried on and unrelated to its exempt purpose.

ASI follows accounting standards generally accepted in the United States of America related to the recognition of uncertain tax positions. ASI recognizes accrued interest and penalties associated with uncertain tax positions as part of the statement of activities, when applicable. Management has determined that ASI has no uncertain tax positions at June 30, 2024 and 2023 and therefore, no amounts have been accrued.

Subsequent Events

ASI has evaluated subsequent events through **REPORT DATE - TBD**, which is the date the financial statements were available to be issued.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 3 - Liquidity and Availability

The following reflects ASI's financial assets at June 30, less amounts not available for general use due to donor or board restrictions.

	2024	2023
Financial assets at year end:		
Cash	\$ 797,880	\$ 1,674,428
Accounts receivable, net	1,133,047	1,319,460
Investments	22,024,339	20,214,720
Total financial assets	23,955,266	23,208,608
Less amounts not available for general use:		
Cash held for others	(172,440)	(842,307)
Investments held for others	(629,691)	(629,691)
Donor restricted for non-operating purposes	(139,442)	(184,439)
IRA receivables	-	(128,835)
Board designated funds	(4,222,714)	(4,986,187)
Financial assets available to meet cash needs for general expenditures due within one year	\$ 18,790,979	\$ 16,437,149

ASI reserve funds are maintained to address the long-term financial needs of the organization and include Undesignated, Children's Center, Working Capital, and Restricted (Scholarships) Funds. In addition, ASI continues to meet the need to fund ASI's unfunded pension obligations through the maintenance of the reserve funds. ASI has a goal to have the working capital reserve fund balance equal to 15% of the operating budget. These funds can be re-designated upon the approval of the board of directors should the funds be needed for other purposes. There are also funds held by the University that can be used for repairs and maintenance of ASI's facilities.

Note 4 - Investments

Fair Value Measurements

ASI defines fair value as the exchange price that would be received for an asset or paid for a liability in the principal or most advantageous market. ASI applies fair value measurements to assets and liabilities that are required to be recorded at fair value under US GAAP. Fair value measurement techniques maximize the use of observable inputs and minimize the use of unobservable inputs and are categorized in a fair value hierarchy based on the transparency of inputs. The three levels are defined as follows:

Level 1 - Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the same term of the financial instrument.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Notes to Financial Statements**

Years Ended June 30, 2024 and 2023

Note 4 - Investments, continued

As a practical expedient, certain financial instruments may be valued using net asset value (NAV) per share. NAV is the amount of net assets attributable to each share of outstanding capital stock at the end of the period.

Following is a description of the valuation methodologies used for assets measured at fair value:

Local Agency Investment Fund (LAIF) – Invested with the State of California which pools these funds with other governmental agencies and invests in various investment vehicles. These pooled funds approximate fair value and are carried at NAV. Regulatory oversight is provided by the State Pooled Money Investment Board and the Local Investment Advisory Board.

Cash and Equivalents – Includes cash and money market funds valued at cost plus accrued interest.

Equities – Valued at quoted market prices in active markets, which approximates fair value.

Fixed Income – Valued at cost plus interest, which approximates fair value.

	Assets at Fair Value as of June 30, 2024				
	Level 1	Level 2	Level 3	NAV	Total
Cash and Cash Equivalents	\$ 356,443	\$ -	\$ -	\$ -	\$ 356,443
Fixed Income:					
U.S. government and agency bonds	377,308	-	-	-	377,308
Corporate bonds	896,129	-	-	-	896,129
Foreign bonds	39,023	-	-	-	39,023
Equities:					
Technology	970,284	-	-	-	970,284
Healthcare	560,626	-	-	-	560,626
Financial services	420,594	-	-	-	420,594
Consumer cyclical	271,256	-	-	-	271,256
Industrial	362,713	-	-	-	362,713
Communication services	268,769	-	-	-	268,769
Consumer Defensive	173,031	-	-	-	173,031
Real estate	69,140	-	-	-	69,140
Basic materials	29,400	-	-	-	29,400
LAIF	-	-	-	17,229,623	17,229,623
	<u>\$ 4,794,716</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,229,623</u>	<u>\$ 22,024,339</u>

Commitments and redemption schedules for those investments' value based on net asset values are as follows:

Description	Fair Value	Unfunded Commitments	Frequency	Redemption Notice
Local Agency Investment Fund	\$ 17,229,623	\$ -	n/a	n/a

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 4 - Investments, continued

	Level 1	Level 2	Level 3	NAV	Total
Cash and Cash Equivalents	\$ 302,516	\$ -	\$ -	\$ -	\$ 302,516
Fixed Income:					
U.S. government and agency bonds	534,688	-	-	-	534,688
Corporate bonds	471,257	-	-	-	471,257
Foreign bonds	55,347	-	-	-	55,347
Mortgage backed gov't issued	47,990	-	-	-	47,990
Equities:					
Technology	658,195	-	-	-	658,195
Healthcare	585,302	-	-	-	585,302
Financial	394,635	-	-	-	394,635
Consumer cyclical	314,679	-	-	-	314,679
Industrial	256,092	-	-	-	256,092
Communication services	197,020	-	-	-	197,020
Consumer discretionary	180,401	-	-	-	180,401
Real estate	85,307	-	-	-	85,307
Credit services	34,840	-	-	-	34,840
Utilities	25,212	-	-	-	25,212
LAIF	-	-	-	16,071,239	16,071,239
	<u>\$ 4,143,481</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,071,239</u>	<u>\$ 20,214,720</u>

Commitments and redemption schedules for those investments' value based on net asset values are as follows:

Description	Fair value	Unfunded Commitments	frequency	Redemption notice
Local Agency Investment Fund	\$ 16,071,239	\$ -	n/a	n/a

Note 5 - Furniture and Equipment

The following is a summary of furniture and equipment as of June 30:

	2024	2023
Furniture and equipment	\$ 3,622,195	\$ 3,892,767
Less accumulated depreciation	<u>(2,294,040)</u>	<u>(2,445,934)</u>
	<u>\$ 1,328,155</u>	<u>\$ 1,446,833</u>

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 6 - Pension Plan

ASI participates in a cost sharing multiple-employer defined benefit plan through the CalPERS which covers substantially all regular full-time employees of ASI. CalPERS acts as a common investment and administrative agent for participating public entities with the state of California and reports information to ASI.

CalPERS released information providing ASI with a net pension liability measured as of June 30, 2023 and 2022. This estimate was used to record the unfunded liability at June 30, 2024 and 2023, respectively.

Plan Description

Qualified employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Plan under CalPERS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The Public Agency Cost-Sharing Multiple-Employer Plan is comprised of a Miscellaneous Risk Pool and a Safety Risk Pool. Individual employers may sponsor more than one Miscellaneous or Safety plan. ASI sponsors three Miscellaneous Risk Pool plans, however, the information presented represents the sum of the allocated pension amounts for each of ASI's respective plans (the Plan). The Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law.

Benefits Provided

The Plan provides service retirement and disability benefits, annual cost of living adjustments and death benefits to eligible plan members. Benefits are based on years of service credit, a benefit factor and the member's final compensation. All members are eligible for employment related disability benefits regardless of length of service and non-duty disability benefits after five years of service. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. The Post-Retirement Death Benefit is a one-time payment made to a retiree's designated survivor or estate upon the retiree's death. The Basic Death Benefit is a lump sum paid to any member's beneficiary if the member dies while actively employed. The spouse or registered domestic partner of a deceased member, who was eligible to retire for service at the time of death, may elect to receive the Pre-Retirement Option 2W Death Benefit in lieu of the Basic Death Benefit lump sum. The Pre-Retirement Option 2W Death Benefit is a monthly allowance equal to the amount the member would have received if he/she had retired for service on the date of death and elected Option 2W, the highest monthly allowance a member can leave a spouse or domestic partner. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The First Tier Plan closed to new entrants on or after June 26, 2011. The Second Tier Plan was closed to new entrants on or after December 31, 2012.

The Plan provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous Risk Pool		
	First Tier Plan	Second Tier Plan	PEPRA Misc. Plan
	On or before June 25, 2011	June 26, 2011 - December 31, 2012	On or after January 1, 2013
Hire date	On or before June 25, 2011	June 26, 2011 - December 31, 2012	On or after January 1, 2013
Benefit formula	2% at 55	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life	Monthly for life
Retirement age	55	60	62
Required employee contribution rate	5.000%	5.000%	7.000%
Required employer contribution rate	14.15%	12.33%	7.91%

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 6 - Pension Plan, continued

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1, following notice of a change in the rate. Total plan contributions are determined annually through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

ASI is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2024 are presented above and the total ASI contributions were \$814,899 (\$846,131 in 2023). These contributions are not included in the liability as they were made after the valuation date.

Pension Liabilities and Pension Expense

As of June 30, 2024, ASI reported net pension liabilities totaling \$10,520,615 (\$9,971,143 in 2023). The net pension liability was measured as of June 30, 2023. ASI's net pension liability was based on a projection of ASI's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024 and 2023, ASI's proportion was 0.13%.

Actuarial Methods and Assumptions

The collective total pension liability for the June 30, 2023, measurement period was determined by an actuarial valuation as of June 30, 2023. The collective total pension liability for the June 30, 2022, measurement period was determined by an actuarial valuation as of June 30, 2022. The June 30 total pension liability was based on the following actuarial methods and assumptions:

	June 30, 2023	June 30, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Discount rate	6.90%	6.90%
Consumer price inflation	2.30%	2.30%
Salary increases	Varies by Entry Age and Service	Varies by Entry Age and Service
	Derived using CalPERS' Membership	Derived using CalPERS' Membership
Mortality rate table	Data for all Funds	Data for all Funds

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 15 years of mortality improvement using Scale BB published by the Society of Actuaries.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Notes to Financial Statements**

Years Ended June 30, 2024 and 2023

Note 6 - Pension Plan, continuedActuarial Methods and Assumptions, continued

The target allocation and best estimates of long-term expected real rate of return by asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Real Return Years 1-10
Global equity-cap-weighted	30%	4.45%
Global equity non-cap-weighted	12%	3.84%
Private equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed Securities	5%	0.50%
Investment Grade Corporates	10%	1.56%
High Yield	5%	2.27%
Emerging Market Debt	5%	2.48%
Private Debt	5%	3.57%
Real Assets	15%	3.21%
Leverage	-5%	-0.59%

Discount Rate

The discount rate used to measure the total pension liability was 6.90% for the measurement period ended June 30, 2023, and 6.90% for the measurement period ended June 30, 2022. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

The following presents ASI's proportionate share of the net pension liability as of June 30, 2024, calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (5.80%)	\$ 15,172,952
Current discount rate (6.80%)	10,520,615
1% increase (7.80%)	6,708,412

The following presents ASI's proportionate share of the net pension liability as of June 30, 2023, calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate:

Discount Rate	Net Pension Liability
1% decrease (5.80%)	\$ 14,363,749
Current discount rate (6.80%)	9,971,143
1% increase (7.80%)	6,370,743

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Notes to Financial Statements**

Years Ended June 30, 2024 and 2023

Note 6 - Pension Plan, continuedPlan Fiduciary Net Position

Detailed information about CalPERS Miscellaneous Risk Plan fiduciary net position is available in a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

Note 7 - Postretirement Health Benefit Plan

In addition to providing pension benefits, ASI sponsors a defined benefit postretirement medical plan. Employees are eligible for certain medical benefits under the plan if they meet certain age and service requirements at the time of retirement. ASI accrues actuarially determined costs ratably to the date an employee becomes eligible for such benefits. The following tables set forth further information about ASI's postretirement health benefit plan obligation and funded status as of June 30:

	2024	2023
Projected benefit obligation	\$ (7,567,295)	\$ (7,339,148)
Plan assets at fair value	5,125,259	4,666,678
Funded status at end of year	<u>\$ (2,442,036)</u>	<u>\$ (2,672,470)</u>
Benefits paid	<u>\$ 399,521</u>	<u>\$ 356,846</u>
Postretirement benefit payable	<u>\$ 2,442,036</u>	<u>\$ 2,672,470</u>
Amounts recognized in the statements of activities at June 30 consist of:		
	2024	2023
Service cost	\$ 194,512	\$ 155,911
Interest cost	349,947	295,060
Employer contributions	83,209	(80,846)
Actuarial gain (loss)	(123,521)	377,809
Asset return	(734,581)	(507,634)
	<u>\$ (230,434)</u>	<u>\$ 240,300</u>

The components of net periodic postretirement benefit cost, other than the service cost component, are included in the line item pension and postretirement related changes other than service cost in the statements of activities and functional expenses.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Notes to Financial Statements**Years Ended June 30, 2024 and 2023

Note 7 - Postretirement Health Benefit Plan, continued

Actuarial assumptions that were utilized in the calculation of the unfunded liability for the years ended June 30:

Expected future benefit payments expected to be paid during the year ending:

Year ending June 30,	
2025	\$ 313,328
2026	314,827
2027	315,059
2028	314,082
2029	326,669
2030	341,765
2031	354,636
2032	359,458
2033	378,701

The following presents ASI's accrued postretirement benefit obligation calculated using the current medical cost trend rate as well as what the accrued postretirement benefit obligation would be if it were calculated using a rate that is one percent lower or higher than the current rate at June 30, 2024:

Discount Rate	Projected Benefit Obligation
1% decrease (3.41%)	\$ 6,671,214
Current discount rate (5.32%)	7,567,295
1% increase (5.41%)	8,661,637

The following presents ASI's accrued postretirement benefit obligation calculated using the current medical cost trend rate as well as what the accrued postretirement benefit obligation would be if it were calculated using a rate that is one percent lower or higher than the current rate at June 30, 2023:

Discount Rate	Projected Benefit Obligation
1% decrease (3.41%)	\$ 8,408,349
Current discount rate (4.41%)	7,339,148
1% increase (5.41%)	6,464,325

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Notes to Financial Statements**Years Ended June 30, 2024 and 2023

Note 8 - Net Assets

Included in ASI's net assets without donor restrictions are Board designated reserve funds. Reserve funds are accounts that have been created by the Board of Directors for specific purposes.

The following are net assets without donor restrictions that are reserved for a specific purpose by the Board of Directors as of June 30:

	<u>2024</u>	<u>2023</u>
Children's Center Building Fund	\$ 2,000,000	\$ 2,000,000
Working Capital Reserve	1,130,414	1,894,414
Catastrophic Reserve	360,000	360,000
Loss of External Funding Reserve	434,250	434,250
Equipment Replacement Reserve	297,523	297,523
Titan Recreation Center	527	-
Total Designations	<u>\$ 4,222,714</u>	<u>\$ 4,986,187</u>

The Children's Center Building Fund was established by ASI's Board of Directors to address the future repairs and equipment replacement needs of the Children's Center. Funds in this reserve are invested, according to ASI policy, and governed by ASI's Board of Directors and Investment Committee. The minimum fund balance is set at \$2,000,000.

Net assets with donor restrictions consist of contributions that have been restricted to the following purposes as of June 30:

	<u>2024</u>	<u>2023</u>
Food pantry	\$ 84,021	\$ 105,021
Camp Titan	13,087	39,577
Scholarships	24,984	24,983
Children's Center	17,350	14,858
	<u>\$ 139,442</u>	<u>\$ 184,439</u>

During the year ended June 30, the following assets were released from restrictions:

	<u>2024</u>	<u>2023</u>
Satisfaction of Purpose Restrictions:		
Camp Titan	\$ 46,490	\$ 86,726
Food pantry	76,001	42,480
Scholarships	22,767	8,000
	<u>\$ 145,258</u>	<u>\$ 137,207</u>

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Notes to Financial Statements**

Years Ended June 30, 2024 and 2023

Note 9 - Related Parties

ASI entered into transactions during the fiscal year with the University, which is considered a related party. There were also transactions between the University and the IRA and Athletics activity for which ASI manages but does not record in the statement of activities as noted in Note 1.

ASI receives grant and rent payments from CSU Fullerton Auxiliary Services Corporation, a related party.

Total receipts, disbursements, receivables, and payables for the ASI portion of these activities for the year ended June 30 were as follows:

<u>Related Party</u>	<u>Description</u>	<u>2024</u>	<u>2023</u>
Revenues from:			
University	Activity fees	\$ 16,963,959	\$ 17,711,917
University	Plus amounts recognized in prior year	-	1,981,293
	Total student activity fees	<u>\$ 16,963,959</u>	<u>\$ 19,693,210</u>
University	Services, space, and programs	<u>\$ 2,297,499</u>	<u>\$ 629,818</u>
Auxiliary Services Corporation	Children's center grant	\$ 172,635	\$ 146,258
	Rent and commissions	<u>245,845</u>	<u>177,594</u>
		<u>\$ 418,480</u>	<u>\$ 323,852</u>
Expenses to:			
University	Salaries of University personnel	\$ 220,429	\$ 372,438
University	Other than salaries	<u>3,410,581</u>	<u>3,105,916</u>
		<u>\$ 3,631,010</u>	<u>\$ 3,478,354</u>

The amounts received and paid by ASI to the University for the activities of IRA and Athletics are as follows at June 30:

	<u>2024</u>	<u>2023</u>
Transfers to the University for Athletics	\$ -	\$ (39,332)
Transfers from the University for Athletics	<u>\$ (3,529,279)</u>	<u>\$ (2,621,516)</u>
Transfers to the University for IRA	<u>\$ 598,962</u>	<u>\$ (856,430)</u>
Transfers from the University for IRA	<u>\$ -</u>	<u>\$ 2,990,074</u>

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Notes to Financial Statements**

Years Ended June 30, 2024 and 2023

Note 9 - Related Parties, continued

Amounts due to and due from related parties at June 30 consist of the following:

<u>Related party</u>	<u>Description</u>	<u>Reported In</u>	<u>2024</u>	<u>2023</u>
Due from:				
University	IRA activities	Accounts receivable, related party	\$ -	\$ 128,835
University	Various services	Accounts receivable, related party	656,334	336,040
Auxiliary Services Corporation	Children's center grant	Accounts receivable, related party	157,341	-
			813,675	464,875
	Minus amounts accrued by ASI but not University	Accounts receivable, related party	(380,396)	-
			<u>\$ 433,279</u>	<u>\$ 464,875</u>
Due to:				
University	IRA activities	Related party payable	\$ -	\$ 402,867
University	Various services	Related party payable	882,809	405,310
University	Various services	Related party funds held for others	487,846	426,943
			1,370,655	1,235,120
	Plus amounts paid prior to June 30	Related party payable	16,492	495,861
	Minus amounts accrued by ASI but not University	Related party payable	(55,982)	-
			<u>\$ 1,331,165</u>	<u>\$ 1,730,981</u>

Any difference in receivables and payables balances between ASI and the University's independent accounting records are a result of timing differences.

For 2023, ASI had a contractual agreement with the University to provide promotional, operational, and general services and materials for IRA accounts. Such services and materials include budget preparation and coordination, accounting services, administrative and fiscal support to IRA and the campus IRA Advisory Committee. For 2024, services to the IRA were reduced to Committee support services. ASI receives an administrative fee from the University for managing and supporting the IRA funds. For the year ended June 30, 2024, this fee was \$94,845 (\$330,815 in 2023) and is included in the statements of activities.

Note 10 - Contributed Nonfinancial Assets

ASI leases the Titan Student Union, Student Recreation Center, and the Children's Center facilities from the University and acts as its operator under a lease in effect through December 31, 2033. No lease payments from ASI are required under this lease, but ASI reimburses the University for utilities and certain other costs. As such, ASI recognizes contributed nonfinancial assets for this activity as an in-kind contribution of facilities on the statement of activities.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 10 - Contributed Nonfinancial Assets, continued

For the years ended June 30, 2024 and 2023, contributed in-kind revenue and lease expense recorded, to reflect the fair market value of the space utilized, was \$8,428,526 for each year. The revenue and expense are calculated by the University on a biennial basis using the fair market rate that they would charge an unrelated third-party to lease the same space. As required, ASI will also pay for building maintenance and improvements which are expensed in the statements of activities and transferred to campus.

Note 11 - Leasing Arrangements

ASI leases equipment under finance lease agreement which expire on December 11, 2026. Leases with an initial term of 12 months or less are not recorded on the balance sheet. Lease expense is recognized for these leases on a straight-line basis over the lease term. The lease agreements do not contain any material residual value guarantees.

The ASI has elected the practical expedient to account for the lease and non-lease components as a single lease component (e.g. maintenance and operating services). Therefore, for those leases, the lease payments used to measure the lease liability include all of the fixed consideration in the contract. All variable payments not based on a market rate or an index are expensed as incurred.

ASI determines if an arrangement is or contains a lease at contract inception. ASI recognizes a right-of-use asset and a lease liability at the lease commencement date. The lease liability is initially measured at the present value of the unpaid lease payments at the lease commencement date. Key estimates and judgments include how the Company determines the discount rate, the lease term, and the lease payments.

When the discount rate implicit in a lease is not readily determinable, ASI calculates the lease liability using the risk-free rate.

The following summarizes the finance right-of-use asset as of June 30, 2024:

<u>Finance Lease</u>	
Right-of-use assets	\$ 350,551
Accumulated amortization	(57,800)
	<u>\$ 292,751</u>

The amounts contractually due on finance lease liability as of June 30, 2024, were as follows:

<u>Year Ending</u>	
<u>June 30,</u>	
2025	\$ 124,864
2026	124,864
2027	61,011
Total lease payments	<u>310,739</u>
Less amount representing imputed interest	(16,139)
Present value of lease liabilities	<u>\$ 294,600</u>

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 11 - Leasing Arrangements, continued

The following summarizes the line items in the income statement which include the components of lease expense for the year ended June 30, 2024:

Finance lease:

Amortization of lease assets, included in operating expenses	\$	58,550
Interest on lease liabilities, included in interest expense		12,564
Total lease cost	\$	<u>71,114</u>

Supplemental balance sheet information related to finance lease as of June 30, 2024 was as follows:

Weighted average remaining lease term - Finance leases	2.5
Weighted average discount rate - Finance leases	4.49%

Lessee Arrangements

As noted in Note 10, ASI leases the Titan Student Union, Student Recreation Center, and the Children's Center facilities from the University and acts as its operator under a lease in effect through December 31, 2033. As these leases have no payment terms, they are accounted for as contributed nonfinancial assets rather than as leases.

Lessor Arrangements

Under the new lease standard, a lessor records a lease as sales-type, direct-financing, or operating. A lease is a sales-type lease if any one of five criteria are met indicating that the lease effectively transfers control of the underlying asset to the lessee. If those five criteria are not met, but two additional criteria are both met, indicating that the lessor has transferred substantially all the risks and benefits of the underlying asset to the lessee, the lease is a direct-financing lease. All leases that are not sales-type or direct-financing leases are operating leases. ASI elected the practical expedient that permitted it to not reassess under the new standard its prior conclusions about lease identification, lease classification, and initial direct costs.

ASI subleases space within the Titan Student Union to CSU Fullerton Auxiliary Services Corporation (a related party), banks for ATMs, and to Amazon for its lockers. The subleases generate approximately \$9,847 in lease revenue per month and expire on dates ranging from 2025 through 2026. Subleases have the option to extend upon mutual written consent from both parties. All these subleases are classified as operating leases. Revenue from these agreements is recognized on a straight-line basis over the lease term. Some of the subleases include escalating payments which result in deferred lease incentives, which are included in prepaid expenses and other assets.

ASI has elected the practical expedient under ASC 842 to account for the lease and non-lease components as a single lease component (e.g. maintenance and operating services). Therefore, for those subleases, the sublease payments include all of the fixed consideration in the contract. Certain of these sublease agreements provide for variable consideration related to common area maintenance charges, utilities, and taxes which are considered earned as incurred. Certain of these sublease agreements also provide for variable consideration related to a percentage of related lessee sales which are considered earned as incurred.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Notes to Financial Statements**

Years Ended June 30, 2024 and 2023

Note 11 - Leasing Arrangements, continued

Sublease income is included in the statement of activities as part of other revenue and support. Cash receipts from operating subleases are classified within cash flows from operating activities. Sublease income was as follows for the year ended June 30, 2024:

	Related Parties	Others	Total
ATMs	\$ 52,090	\$ -	\$ 52,090
Dining space	53,384	-	53,384
Lockers	1,584	-	1,584
Variable sublease income	138,787	-	138,787
	<u> </u>	<u> </u>	<u> </u>
Total sublease income	\$ 245,845	\$ -	\$ 245,845
	<u> </u>	<u> </u>	<u> </u>

Sublease income was as follows for the year ended June 30, 2023:

	Related Parties	Others	Total
ATMs	\$ -	\$ 61,982	\$ 61,982
Dining space	55,133	-	55,133
Lockers	-	1,584	1,584
Variable sublease income	122,461	-	122,461
	<u> </u>	<u> </u>	<u> </u>
Total sublease income	\$ 177,594	\$ 63,566	\$ 241,160
	<u> </u>	<u> </u>	<u> </u>

As all of the assets being subleased are related to contributed nonfinancial assets recognized annually, there are no carrying amounts of the underlying assets related to these operating subleases.

Future annual minimum sublease receipts are as follows:

Year Ending June 30,	Related Parties	Others	Total
2025	\$ 56,084	\$ 63,770	\$ 119,854
2026	-	15,701	15,701
	<u> </u>	<u> </u>	<u> </u>
Total	\$ 56,084	\$ 79,471	\$ 135,555
	<u> </u>	<u> </u>	<u> </u>

Note 12 - Commitments and ContingenciesLitigation

From time to time, ASI becomes involved in legal proceedings incidental to ASI. If and when a loss is deemed probable and reasonably estimable, ASI records the liability or expense in the financial statements.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Notes to Financial Statements

Years Ended June 30, 2024 and 2023

Note 13 - Concentration of Credit Risk

ASI maintains bank accounts which may, at times, exceed depository insurance limits and therefore expose ASI to credit risk. ASI maintains its cash in bank deposit accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000 per depositor. ASI monitors the cash balances regularly and evaluates the risk due to balances in excess of insurance limits.

ASI is exposed to credit loss for the amount of investments in the event of nonperformance by LAIF or the state investment pools. However, management of ASI does not anticipate nonperformance by LAIF or the state investment pools. In accordance with ASI's cash management policy, all excess cash is invested in LAIF or state investment pools.

ASI has some exposure to investment risk, including interest rate, market, and credit risk for both marketable and non-marketable securities. Due to the level of risk exposure, it is possible that near-term valuation changes for investment securities may occur to an extent that could materially affect the amounts reported in the accompanying financial statements.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Associated Students, Inc., California State University, Fullerton

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Associated Students, Inc., California State University, Fullerton (a nonprofit organization)(ASI), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated **REPORT DATE - TBD**.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered ASI's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ASI's internal control. Accordingly, we do not express an opinion on the effectiveness of ASI's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether ASI's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*, CONTINUED

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

San Diego, California
REPORT DATE - TBD

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SUPPLEMENTAL INFORMATION

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ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Schedule of Financial Position by Unit

June 30, 2024

	ASI	Titan Student Center	Eliminations	Total
ASSETS				
Cash	\$ 237,924	\$ 559,956	\$ -	\$ 797,880
Accounts receivable, net	269,368	50,004	-	319,372
Interfund receivables	-	31,008	(31,008)	-
Accounts receivable, related parties	813,675	-	-	813,675
Investments	12,032,541	9,991,798	-	22,024,339
Furniture and equipment, net	57,287	1,270,868	-	1,328,155
Right-of-use asset - operating lease	-	292,751	-	292,751
Other assets	337,636	41,970	-	379,606
Total Assets	<u>\$ 13,748,431</u>	<u>\$ 12,238,355</u>	<u>\$ (31,008)</u>	<u>\$ 25,955,778</u>
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable	\$ 142,227	\$ 42,401	\$ -	\$ 184,628
Interfund payable	31,008	-	(31,008)	-
Related party payable	63,300	819,509	-	882,809
Accrued expenses	693,250	360,150	-	1,053,400
Deferred revenue	458,554	274,309	-	732,863
Lease liability - current portion	-	115,102	-	115,102
Funds held for others	311,804	-	-	311,804
Related party funds held for others	487,846	-	-	487,846
Unfunded pension obligation	4,356,256	6,164,359	-	10,520,615
Unfunded post-retirement liability	1,629,328	812,708	-	2,442,036
Lease liability - net of current portion	-	179,498	-	179,498
Total Liabilities	8,173,573	8,768,036	(31,008)	16,910,601
Net Assets:				
Without donor restrictions:				
Undesignated	2,709,137	1,973,884	-	4,683,021
Board designated	2,810,300	1,412,414	-	4,222,714
Total Without Donor Restrictions	5,519,437	3,386,298	-	8,905,735
With donor restrictions	55,421	84,021	-	139,442
Total Net Assets	5,574,858	3,470,319	-	9,045,177
Total Liabilities and Net Assets	<u>\$ 13,748,431</u>	<u>\$ 12,238,355</u>	<u>\$ (31,008)</u>	<u>\$ 25,955,778</u>

See independent auditor's report.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Schedule of Financial Position by Unit

June 30, 2023

	ASI	Titan Student Center	IRA	Eliminations	Total
ASSETS					
Cash	\$ 370,813	\$ 722,068	\$ 581,547	\$ -	\$ 1,674,428
Accounts receivable, net	640,515	214,070	-	-	854,585
Interfund receivables	-	350,755	-	(350,755)	-
Accounts receivable, related parties	336,040	-	128,835	-	464,875
Investments	10,768,914	9,445,806	-	-	20,214,720
Furniture and equipment, net	75,648	1,371,185	-	-	1,446,833
Other assets	71,960	62,280	-	-	134,240
Total Assets	<u>\$ 12,263,890</u>	<u>\$ 12,166,164</u>	<u>\$ 710,382</u>	<u>\$ (350,755)</u>	<u>\$ 24,789,681</u>
LIABILITIES AND NET ASSETS					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 224,175	\$ -	\$ 224,175
Interfund payable	350,755	-	-	(350,755)	-
Related party payable	33,602	345,740	428,835	-	808,177
Accrued expenses	700,807	345,001	-	-	1,045,808
Deferred revenue	368,086	156,056	-	-	524,142
Funds held for others	387,167	-	57,372	-	444,539
Related party funds held for others	426,943	-	-	-	426,943
Unfunded pension obligation	4,128,737	5,842,406	-	-	9,971,143
Unfunded post-retirement liability	1,735,328	937,142	-	-	2,672,470
Total Liabilities	8,131,425	7,626,345	710,382	(350,755)	16,117,397
Net Assets:					
Without donor restrictions:					
Undesignated	1,138,253	2,363,405	-	-	3,501,658
Board designated	2,809,773	2,176,414	-	-	4,986,187
Total Without Donor Restrictions	3,948,026	4,539,819	-	-	8,487,845
With donor restrictions	184,439	-	-	-	184,439
Total Net Assets	4,132,465	4,539,819	-	-	8,672,284
Total Liabilities and Net Assets	<u>\$ 12,263,890</u>	<u>\$ 12,166,164</u>	<u>\$ 710,382</u>	<u>\$ (350,755)</u>	<u>\$ 24,789,681</u>

See independent auditor's report.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Schedule of Activities by Unit**

Year Ended June 30, 2024

	ASI	Titan Student Center	Eliminations	Total
Revenue and Support:				
Student activity fees	\$ 7,013,938	\$ 9,950,021	\$ -	\$ 16,963,959
In-kind contribution of facilities	925,100	7,503,425	-	8,428,525
Grants and contributions	1,494,549	60,549	-	1,555,098
Student center fees	99,945	1,398,529	-	1,498,474
Other	871,292	458,134	-	1,329,426
Children's Center tuition	701,226	-	-	701,226
Administrative fees	2,337,376	-	(2,337,376)	-
Total Revenue and Support	13,443,426	19,370,658	(2,337,376)	30,476,708
Expenses:				
Program services:				
Student services	5,338,335	8,263,862	-	13,602,197
Student recreation center	-	3,853,882	-	3,853,882
Children's Center	3,420,828	-	-	3,420,828
Total Program Expenses	8,759,163	12,117,744	-	20,876,907
Supporting services:				
Building services	-	5,067,481	(2,337,376)	2,730,105
Public services	51,575	-	-	51,575
Administrative	4,425,134	4,093,914	-	8,519,048
Total Supporting Services	4,476,709	9,161,395	(2,337,376)	11,300,728
Total Operating Expenses	13,235,872	21,279,139	(2,337,376)	32,177,635
Change in Net Assets from Operations	207,554	(1,908,481)	-	(1,700,927)
Non-Operating Income (Expense):				
Pension and postretirement related changes other than service cost	305,381	384,992	-	690,373
Investment income	929,458	453,989	-	1,383,447
Total Non-Operating Income	1,234,839	838,981	-	2,073,820
Change in Net Assets	1,442,393	(1,069,500)	-	372,893
Net Assets, beginning	4,132,465	4,539,819	-	8,672,284
Net Assets, ending	\$ 5,574,858	\$ 3,470,319	\$ -	\$ 9,045,177

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Schedule of Activities by Unit**

Year Ended June 30, 2023

	ASI	Titan Student Center	Eliminations	Total
Revenue and Support:				
Student activity fees	\$ 6,638,851	\$ 11,073,066	\$ -	\$ 17,711,917
In-kind contribution of facilities	5,691,386	2,737,139	-	8,428,525
Grants and contributions	1,400,695	137,621	-	1,538,316
Student center fees	76,861	1,331,564	-	1,408,425
Other	279,097	438,266	-	717,363
Children's Center tuition	597,565	-	-	597,565
Administrative fees	2,252,988	-	(1,922,173)	330,815
Total Revenue and Support	16,937,443	15,717,656	(1,922,173)	30,732,926
Expenses:				
Program Services:				
Student services	9,433,563	4,011,341	-	13,444,904
Student recreation center	-	3,847,138	-	3,847,138
Children's Center	2,973,531	-	-	2,973,531
Total Program Expenses	12,407,094	7,858,479	-	20,265,573
Supporting services:				
Building services	-	4,607,956	(1,922,173)	2,685,783
Public services	162,853	-	-	162,853
Administrative	3,852,033	2,437,625	-	6,289,658
Total Supporting Services	4,014,886	7,045,581	(1,922,173)	9,138,294
Total Operating Expenses	16,421,980	14,904,060	(1,922,173)	29,403,867
Change in Net Assets from Operations	515,463	813,596	-	1,329,059
Non-Operating Income (Expense):				
Pension and postretirement related changes other than service cost	(1,532,769)	(2,132,257)	-	(3,665,026)
Investment return	522,671	240,200	-	762,871
Total Non-Operating Expense	(1,010,098)	(1,892,057)	-	(2,902,155)
Change in Net Assets	(494,635)	(1,078,461)	-	(1,573,096)
Net Assets, beginning	4,627,100	5,618,280	-	10,245,380
Net Assets, ending	\$ 4,132,465	\$ 4,539,819	\$ -	\$ 8,672,284

See independent auditor's report.

**SUPPLEMENTAL INFORMATION
FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY**

DRAFT

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Schedule of Net Position**

June 30, 2024

(for inclusion in the California State University)

Assets:**Current assets:**

Cash and cash equivalents	797,880
Short-term investments	22,024,339
Accounts receivable, net	1,133,047
Lease receivable, current portion	—
P3 receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net	—
Prepaid expenses and other current assets	—
Total current assets	23,955,266

Noncurrent assets:

Restricted cash and cash equivalents	—
Accounts receivable, net	—
Lease receivable, net of current portion	—
P3 receivable, net of current portion	—
Notes receivable, net of current portion	—
Student loans receivable, net	—
Pledges receivable, net	—
Endowment investments	—
Other long-term investments	—
Capital assets, net	1,620,906
Other assets	379,606
Total noncurrent assets	2,000,512
Total assets	25,955,778

Deferred outflows of resources:

Unamortized loss on debt refunding	—
Net pension liability	—
Net OPEB liability	—
Leases	—
P3	—
Others	—
Total deferred outflows of resources	—

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Schedule of Net Position**

June 30, 2024

(for inclusion in the California State University)

Liabilities:**Current liabilities:**

Accounts payable	1,067,437
Accrued salaries and benefits	498,242
Accrued compensated absences, current portion	482,987
Unearned revenues	732,863
Lease liabilities, current portion	115,136
SBITA liabilities - current portion	—
P3 liabilities - current portion	—
Long-term debt obligations, current portion	—
Depository accounts	—
Other liabilities	—
Total current liabilities	2,896,665

Noncurrent liabilities:

Accrued compensated absences, net of current portion	72,171
Unearned revenues	—
Grants refundable	—
Lease liabilities, net of current portion	179,464
SBITA liabilities, net of current portion	—
P3 liabilities, net of current portion	—
Long-term debt obligations, net of current portion	—
Depository accounts	799,650
Net other postemployment benefits liability	2,442,036
Net pension liability	10,520,615
Other liabilities	—
Total noncurrent liabilities	14,013,936
Total liabilities	16,910,601

Deferred inflows of resources:

P3 service concession arrangements	—
Net pension liability	—
Net OPEB liability	—
Unamortized gain on debt refunding	—
Nonexchange transactions	—
Lease	—
P3	—
Others	—
Total deferred inflows of resources	—

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Schedule of Net Position**

June 30, 2024

(for inclusion in the California State University)

Net position:

Net investment in capital assets	1,620,906
Restricted for:	
Nonexpendable – endowments	—
Expendable:	
Scholarships and fellowships	139,442
Research	—
Loans	—
Capital projects	—
Debt service	—
Others	—
Unrestricted	<u>7,284,829</u>
Total net position	<u><u>9,045,177</u></u>

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Schedule of Revenues, Expenses, and Changes in Net Position**

Year Ended June 30, 2024

(for inclusion in the California State University)

Revenues:**Operating revenues:**

Student tuition and fees, gross	—
Scholarship allowances (enter as negative)	—

Grants and contracts, noncapital:

Federal	—
State	1,555,098
Local	—
Nongovernmental	—
Sales and services of educational activities	—
Sales and services of auxiliary enterprises, gross	1,498,474
Scholarship allowances (enter as negative)	—
Other operating revenues	27,423,137
Total operating revenues	30,476,709

Expenses:**Operating expenses:**

Instruction	—
Research	—
Public service	51,575
Academic support	—
Student services	26,307,838
Institutional support	—
Operation and maintenance of plant	2,934,058
Student grants and scholarships	2,541,690
Auxiliary enterprise expenses	—
Depreciation and amortization	342,475
Total operating expenses	32,177,636
Operating income (loss)	(1,700,927)

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Schedule of Revenues, Expenses, and Changes in Net Position**

Year Ended June 30, 2024

(for inclusion in the California State University)

Nonoperating revenues (expenses):

State appropriations, noncapital	—
Federal financial aid grants, noncapital	—
State financial aid grants, noncapital	—
Local financial aid grants, noncapital	—
Nongovernmental and other financial aid grants, noncapital	—
Other federal nonoperating grants, noncapital	—
Gifts, noncapital	—
Investment income (loss), net	1,383,447
Endowment income (loss), net	—
Interest expense	—
Other nonoperating revenues (expenses)	690,373
Net nonoperating revenues (expenses)	2,073,820
Income (loss) before other revenues (expenses)	372,893

State appropriations, capital	—
Grants and gifts, capital	—
Additions (reductions) to permanent endowments	—
Increase (decrease) in net position	372,893

Net position:

Net position at beginning of year, as previously reported	8,672,284
Restatements	—
Net position at beginning of year, as restated	8,672,284
Net position at end of year	9,045,177

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Other Information

Year Ended June 30, 2024

(for inclusion in the California State University)

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments

All other restricted cash and cash equivalents

Noncurrent restricted cash and cash equivalents

Current cash and cash equivalents

Total

-
797,880
797,880

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds	356,443	-	356,443
Repurchase agreements	-	-	-
Certificates of deposit	-	-	-
U.S. agency securities	377,308	-	377,308
U.S. treasury securities	-	-	-
Municipal bonds	-	-	-
Corporate bonds	896,129	-	896,129
Asset backed securities	-	-	-
Mortgage backed securities	-	-	-
Commercial paper	-	-	-
Supranational	-	-	-
Mutual funds	-	-	-
Exchange traded funds	-	-	-
Equity securities	3,125,813	-	3,125,813
Alternative investments:			
Private equity (including limited partnerships)	-	-	-
Hedge funds	-	-	-
Managed futures	-	-	-
Real estate investments (including REITs)	-	-	-
Commodities	-	-	-
Derivatives	-	-	-
Other alternative investment types	-	-	-
Other external investment pools	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-
State of California Local Agency Investment Fund (LAIF)	17,229,623	-	17,229,623
State of California Surplus Money Investment Fund (SMIF)	-	-	-
Other investments:			
Foreign bonds	39,023	-	39,023
	-	-	-
	-	-	-
	-	-	-
Total Other investments	39,023	-	39,023
Total investments	22,024,339	-	22,024,339
Less endowment investments (enter as negative number)	-	-	-
Total investments, net of endowments	22,024,339	-	22,024,339

See independent auditor's report.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Other Information

Year Ended June 30, 2024

(for inclusion in the California State University)

2.2 Fair value hierarchy in investments:

Investment Type	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds	356,443	356,443	-	-	-
Repurchase agreements	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
U.S. agency securities	377,308	377,308	-	-	-
U.S. treasury securities	-	-	-	-	-
Municipal bonds	-	-	-	-	-
Corporate bonds	896,129	896,129	-	-	-
Asset backed securities	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-
Commercial paper	-	-	-	-	-
Supranational	-	-	-	-	-
Mutual funds	-	-	-	-	-
Exchange traded funds	-	-	-	-	-
Equity securities	3,125,813	3,125,813	-	-	-
Alternative investments:					
Private equity (including limited partnerships)	-	-	-	-	-
Hedge funds	-	-	-	-	-
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investment types	-	-	-	-	-
Other external investment pools	-	-	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	17,229,623	-	-	-	17,229,623
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
Other investments:					
Foreign bonds	39,023	39,023	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Total other investments:	39,023	39,023	-	-	-
Total investments	22,024,339	4,794,716	-	-	17,229,623

2.3 Investments held by the University under contractual agreements: Not Applicable

See independent auditor's report.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Other Information

Year Ended June 30, 2024

(for inclusion in the California State University)

3.1 Capital Assets, excluding ROU assets:

Composition of capital assets, excluding ROU assets:

	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2023 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2024
Non-depreciable/Non-amortizable capital assets:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Works of art and historical treasures	-	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	-	-	-	-	-	-	-	-	-
Intangible assets:									
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Intangible assets in progress (PWIP)	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable capital assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable capital assets:									
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	3,892,768	-	-	-	3,892,768	180,420	(450,993)	-	3,622,195
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	3,892,768	-	-	-	3,892,768	180,420	(450,993)	-	3,622,195
Total capital assets	3,892,768	-	-	-	3,892,768	180,420	(450,993)	-	3,622,195

See independent auditor's report.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Other Information

Year Ended June 30, 2024

(for inclusion in the California State University)

Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)

Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	(2,445,935)	-	-	-	(2,445,935)	(284,675)	436,570	-	(2,294,040)
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:									
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	(2,445,935)	-	-	-	(2,445,935)	(284,675)	436,570	-	(2,294,040)
Total capital assets, net excluding ROU assets	1,446,833	-	-	-	1,446,833	(104,255)	(14,423)	-	1,328,155

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Other Information

Year Ended June 30, 2024

(for inclusion in the California State University)

Capital Assets, Right of Use

Composition of capital assets - Lease ROU, net:	Balance June 30, 2023	Prior Period Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
Non-depreciable/Non-amortizable lease assets:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable lease assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable lease assets:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	350,551	-	-	350,551
Total depreciable/amortizable lease assets	-	-	-	-	-	350,551	-	-	350,551
Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	(57,800)	-	-	(57,800)
Total accumulated depreciation/amortization	-	-	-	-	-	(57,800)	-	-	(57,800)
Total capital assets - lease ROU, net	-	-	-	-	-	292,751	-	-	292,751

Composition of capital assets - SBITA ROU, net	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
Depreciable/Amortizable SBITA assets:									
Software	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable SBITA assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Software	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - SBITA ROU, net	-	-	-	-	-	-	-	-	-

See independent auditor's report.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Other Information

Year Ended June 30, 2024

(for inclusion in the California State University)

Composition of capital assets - P3 ROU, net:	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
Non-depreciable/Non-amortizable P3 assets:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable P3 assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable P3 assets:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable P3 assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - P3 ROU, net	-	-	-	-	-	-	-	-	-
Total capital assets, net including ROU assets									1,620,906

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense - capital assets, excluding ROU assets	284,675
Amortization expense - Leases ROU	57,800
Amortization expense - SBITA ROU	-
Amortization expense - P3 ROU	-

Depreciation and Amortization expense - Others

Total depreciation and amortization

342,475

Provide
explanation for
others:
-Agree with below-

See independent auditor's report.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Other Information

Year Ended June 30, 2024

(for inclusion in the California State University)

4 Long-term liabilities:

	Balance June 30, 2023	Prior Period Adjustments/Recla ssifications	Balance June 30, 2023 (Restated)	Additions	Reductions	Balance June 30, 2024	Current Portion	Noncurrent Portion
1. Accrued compensated absences	490,918	-	490,918	64,240	-	555,158	482,987	72,171
2. Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-
3. Capital lease obligations (pre-ASC 842):								
Gross balance	-	-	-	-	-	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-
Total capital lease obligations (pre ASC 842)	-	-	-	-	-	-	-	-
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	-	-	-	-	-	-	-	-
4.2 Commercial paper	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	-	-	-	-	-	-	-	-
4.4 Finance purchase of capital assets	-	-	-	-	-	-	-	-
4.5 Others:	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total others	-	-	-	-	-	-	-	-
Sub-total long-term debt	-	-	-	-	-	-	-	-
4.6 Unamortized net bond premium/(discount)	-	-	-	-	-	-	-	-
Total long-term debt obligations	-	-	-	-	-	-	-	-

	Balance June 30, 2023	Prior Period Adjustments/Recla ssifications	Additions	Remeasurements	Reductions	Balance June 30, 2024	Current Portion	Noncurrent Portion
5. Lease, SBITA, P3 liabilities:								
Lease liabilities	-	-	294,600	-	-	294,600	115,136	179,464
SBITA liabilities	-	-	-	-	-	-	-	-
P3 liabilities - SCA	-	-	-	-	-	-	-	-
P3 liabilities - non-SCA	-	-	-	-	-	-	-	-
Sub-total P3 liabilities	-	-	-	-	-	-	-	-
Total Lease, SBITA, P3 liabilities	-	-	294,600	-	-	294,600	115,136	179,464
Total long-term liabilities						849,758	598,123	251,635

See independent auditor's report.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Other Information

Year Ended June 30, 2024

(for inclusion in the California State University)

5 Future minimum payments schedule - leases, SBITA, P3:

	Lease Liabilities			SBITA liabilities			Public-Private or Public-Public Partnerships (P3)			Total Leases, SBITA, P3 liabilities		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:												
2025	115,136	9,762	124,898	-	-	-	-	-	-	115,136	9,762	124,898
2026	119,233	5,631	124,864	-	-	-	-	-	-	119,233	5,631	124,864
2027	60,231	746	60,977	-	-	-	-	-	-	60,231	746	60,977
2028	-	-	-	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-	-	-	-
2030 - 2034	-	-	-	-	-	-	-	-	-	-	-	-
2035 - 2039	-	-	-	-	-	-	-	-	-	-	-	-
2040 - 2044	-	-	-	-	-	-	-	-	-	-	-	-
2045 - 2049	-	-	-	-	-	-	-	-	-	-	-	-
2050 - 2054	-	-	-	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-	-	-	-
Total minimum lease payments	294,600	16,139	310,739	-	-	-	-	-	-	294,600	16,139	310,739
Less: amounts representing interest												(16,139)
Present value of future minimum lease payments												294,600
Total Leases, SBITA, P3 liabilities												294,600
Less: current portion												(115,136)
Leases, SBITA, P3 liabilities, net of current portion												\$ 179,464

6 Future minimum payments schedule - Long-term debt obligations: Not Applicable

7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	220,429
Payments to University for other than salaries of University personnel	3,410,581
Payments received from University for services, space, and programs	22,790,738
Gifts-in-kind to the University from discretely presented component units	-
Gifts (cash or assets) to the University from discretely presented component units	-
Accounts (payable to) University (enter as negative number)	(148,303)
Other amounts (payable to) University (enter as negative number)	(1,182,863)
Accounts receivable from University (enter as positive number)	275,938
Other amounts receivable from University (enter as positive number)	-

8 Restatements: Not Applicable

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Other Information

Year Ended June 30, 2024

(for inclusion in the California State University)

9 Natural classifications of operating expenses:

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	-	-	-	-	-	-	-	-
Research	-	-	-	-	-	-	-	-
Public service	-	65	-	-	-	51,510	-	51,575
Academic support	-	-	-	-	-	-	-	-
Student services	8,105,496	2,247,278	1,596,053	193,617	-	14,165,394	-	26,307,838
Institutional support	-	-	-	-	-	-	-	-
Operation and maintenance of plant	715,825	278,706	7,215	875	-	1,931,437	-	2,934,058
Student grants and scholarships	-	-	-	-	2,541,690	-	-	2,541,690
Auxiliary enterprise expenses	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	342,475	342,475
Total operating expenses	8,821,321	2,526,049	1,603,268	194,492	2,541,690	16,148,341	342,475	32,177,636

Select type of pension plan >>

Defined Benefit Plan

10 Deferred outflows/inflows of resources: Not Applicable

11 Other nonoperating revenues (expenses)

Other nonoperating revenues	-
Other nonoperating (expenses)	690,373
Total other nonoperating revenues (expenses)	690,373

Associated Students, Inc., California State University, Fullerton

REPORT TO THE BOARD OF DIRECTORS

Year Ended June 30, 2024

DRAFT

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON
Report to the Board of Directors
Year Ended June 30, 2024

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DRAFT

To assist you in your responsibilities as a member of the Board of Directors, this section summarizes the most significant conclusions reached and issues addressed during our audit of Associated Students, Inc., California State University, Fullerton for the year ended June 30, 2024.

SIGNIFICANT CONCLUSIONS AND ISSUES

We have completed our audit and issued our report, dated **REPORT DATE - TBD**. Based on our work performed:

- Our audit scope was in accordance with that communicated in our engagement letter dated April 20, 2023.
- We rendered an unmodified opinion on the June 30, 2024 financial statements.
- Audit areas designated as greater than normal risk have been addressed and resolved to our satisfaction, in the context of the overall fairness of the presentation of the financial statements.
- We received the full cooperation of management and staff throughout the audit and were kept informed as to developments and plans affecting our audit scope.

The following report includes required communications and additional information for the benefit of the Board of Directors.

DRAFT

REPORT DATE - TBD

To the Board of Directors
Associated Students, Inc., California State University, Fullerton

We have audited the financial statements of Associated Students, Inc., California State University, Fullerton (ASI), for the year ended June 30, 2024, and have issued our report thereon dated **REPORT DATE - TBD**. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated April 20, 2023. Professional standards also require that we communicate to you the following information related to our audit:

Significant Audit FindingsQualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by ASI are described in Note 2 to the financial statements.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the collectability of outstanding receivables based on their assessment of the credit worthiness of the customer or entity. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the useful lives of furniture and equipment is based on management's estimate of the life of the assets. We evaluated the key factors and assumptions used to develop the useful life in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's determination of the assets that should be capitalized in the records of ASI versus those that should be transferred to the California State University, Fullerton (University) and capitalized by the University. We evaluated the key factors and assumptions used to determine which assets should be capitalized in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allocation of functional expenses, which is based on square footage, time and effort, and usage. We evaluated the key factors and assumptions used to develop the estimates related to the allocation of functional expenses in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the pension and other post-employment benefits liability is based on the results of the actuarially determined liability. We evaluated key factors and assumptions used to develop the estimates related to the pension and other post-employment benefits liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the value of in-kind contribution of space from the University for the usage of buildings at no cost. We evaluated key factors and assumptions used to develop the estimate related to the in-kind calculation in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There are two sensitive disclosures affecting the financial statements:

Note 3 which discloses ASI's cash management and available resources.

Notes 6 and 7 related to the pension plan and other post-employment benefit liability is sensitive as it is significant to the overall financial statements. This liability records a future liability for the pension and other post-employment benefits of ASI.

Note 8 which discloses the net assets and associated restrictions.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes corrected and uncorrected misstatements of the financial statements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated **REPORT DATE - TBD**. A copy of the letter is included for your reference.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the ASI's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as ASI's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplemental information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplemental information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and management of Associated Students, Inc., California State University, Fullerton and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Aldrich CPAs + Advisors LLP

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Summary of Adjustments**Year Ended June 30, 2024

Adjusting Journal Entries**Adjusting Journal Entries JE # 1**

PBC To reclass unfunded liabilities

1-2600	Unfunded Pension Liability	2,281,755.00	
1-6960	Pension Exp- CALPERS:Service Costs	394,265.00	
3-2600	Unfunded Pension Liability	2,455,240.00	
3-2620	Unfunded VEBA Medical Liability	807,380.00	
3-6960	Pension Exp- CALPERS:Service Costs	394,265.00	
1-2600	Unfunded Pension Liability		394,265.00
1-2610	Pension Obligation		2,281,755.00
3-2600	Unfunded Pension Liability		394,265.00
3-2610	Pension Obligation		3,262,620.00
Total		6,332,905.00	6,332,905.00

Adjusting Journal Entries JE # 2

To adjust beginning net assets to actual

3-6300	Live Scan	2,998.00	
3-3000	Unrestricted Fund Balance		2,998.00
Total		2,998.00	2,998.00

Adjusting Journal Entries JE # 3

To record gain on sale of asset and true up current year depreciation

3-6360	Miscellaneous Expense	14,425.00	
3-7200 ALD	Amortization Expense	58,550.00	
3-7100	Depreciation Expense		14,425.00
3-7100	Depreciation Expense		58,550.00
Total		72,975.00	72,975.00

Adjusting Journal Entries JE # 4

To record In-Kind Rent amounts that occurred during FY24.

1-8999 ALD	In Kind rent	925,100.00	
3-8999 ALD	In Kind Rent	7,503,425.00	
1-6999 ALD	In Kind contribution of space		925,100.00
3-6999 ALD	In Kind contribution of space		7,503,425.00
Total		8,428,525.00	8,428,525.00

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Summary of Adjustments

Year Ended June 30, 2024

Adjusting Journal Entries JE # 5				
To adjust OPEB Liability to accrual per actuarial valuations				
1-2600	Unfunded Pension Liability	106,000.00		
1-6961 ALD	Pension Expenses - OPEB Service Costs	89,476.00		
3-2600	Unfunded Pension Liability	124,434.00		
3-6961 ALD	Pension Expenses - OPEB Service Costs	105,036.00		
1-9988 ALD	Pension Expenses - OPEB Non-Service Costs		195,476.00	
3-9988 ALD	Pension Expenses - OPEB Non-Service Costs		229,470.00	
Total		424,946.00	424,946.00	
Adjusting Journal Entries JE # 6				
To record balance for ASI Titan Recreation Account				
1-3000	Unrestricted Fund Balance	527.00		
1-3208	ASI Titan Recreation Donation		527.00	
Total		527.00	527.00	
Adjusting Journal Entries JE # 7				
To record the current change in pensions				
1-6960	Pension Exp- CALPERS:Service Costs	337,424.00		
3-6960	Pension Exp- CALPERS:Service Costs	477,475.00		
1-2610	Pension Obligation		227,519.00	
1-9989 ALD	Pension Expenses - CalPERS Non-Service Costs		109,905.00	
3-2610	Pension Obligation		321,953.00	
3-9989 ALD	Pension Expenses - CalPERS Non-Service Costs		155,522.00	
Total		814,899.00	814,899.00	
Adjusting Journal Entries JE # 301				
PBC FY24 Children's Center CCTR Additional Grant Funds				
1-2114-001	Due to/from other fund-ASI	83,693.00		
2-1200	Accounts Receivable	83,693.00		
2-4015	Contribution from AS	83,693.00		
1-6095	Contribution Expense from AS		83,693.00	
2-2114-002	Due to/from other fund-CC		83,693.00	
2-4300	Grant Income		83,693.00	
Total		251,079.00	251,079.00	
Adjusting Journal Entries JE # 302				
PBC FY24 Spring Concert Revenue Paid in July 2024				
1-1200	Accounts Receivable	39,465.00		
1-4150	Ticket Sales		39,465.00	
Total		39,465.00	39,465.00	
Adjusting Journal Entries JE # 303				
PBC Accrue FY24 expenses				
3-6590	Supplies	5,826.00		
3-2100	Accrued Expenses		5,826.00	
Total		5,826.00	5,826.00	

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Summary of Adjustments**

Year Ended June 30, 2024

Adjusting Journal Entries JE # 304				
PBC Record fix asset purchase				
3-1800	Fixed Assets	6,813.00		
3-7100	Depreciation Expense	81.00		
3-1810	Accum Depreciation		81.00	
3-2100	Accrued Expenses		6,813.00	
Total		6,894.00	6,894.00	
Adjusting Journal Entries JE # 305				
PBC FY24 correct duplicate expense CapEx				
3-4004	Capital Expenditure Reimbursemt	764,000.00		
3-6360	Miscellaneous Expense		764,000.00	
Total		764,000.00	764,000.00	
Adjusting Journal Entries JE # 306				
PBC Zero out Athletic balance from prepaid to AR related party FY24				
1-1210	Acct Receivable -Related Party	68,760.00		
1-1500	Prepaid Expenses		68,760.00	
Total		68,760.00	68,760.00	
Adjusting Journal Entries JE # 307				
PBC Reverse FY24 Children's Center CCTR Additional Grant Funds				
2-4300	Grant Income	83,693.00		
2-1200	Accounts Receivable		83,693.00	
Total		83,693.00	83,693.00	
Adjusting Journal Entries JE # 308				
PBC FY24 Children's Center CCTR Deferred Income & Closing Entry				
1-6095	Contribution Expense from AS	90,068.00		
2-2114-002	Due to/from other fund-CC	90,068.00		
2-4300	Grant Income	6,375.00		
1-2114-001	Due to/from other fund-ASI		90,068.00	
2-2200	Deferred Revenue		6,375.00	
2-4015	Contribution from AS		90,068.00	
Total		186,511.00	186,511.00	
Adjusting Journal Entries JE # 309				
PBC Accrued expenses - additional state fire marshall & contract services				
1-6080	Contract Services	2,160.00		
3-2114-003	Due to/from other fund-TSC	2,160.00		
3-6080	Contract Services	1,680.00		
3-6090	Contract Wages	20,912.00		
3-6090	Contract Wages	2.00		
1-2114-001	Due to/from other fund-ASI		2,160.00	
3-2100 ALD	Related party payables		24,754.00	
Total		26,914.00	26,914.00	

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Summary of Adjustments

Year Ended June 30, 2024

Adjusting Journal Entries JE # 310

Reclass JE#513 40% Accrued expenses - EO1000 Dues FY23-24 to AS

1-6280	In-Kind Expenses	199,205.00	
3-2114-003	Due to/from other fund-TSC	199,205.00	
3-6280	In-Kind Expenses	298,807.00	
1-2114-001	Due to/from other fund-ASI		199,205.00
3-6280	In-Kind Expenses		388,449.00
3-6280	In-Kind Expenses		109,563.00
Total		697,217.00	697,217.00

Adjusting Journal Entries JE # 311

Reclass FY24 QIRS Revenue to Deferred Revenue-Reverse

1-2114-001	Due to/from other fund-ASI	3,766.00	
2-2200	Deferred Revenue	13,266.00	
2-4015	Contribution from AS	3,766.00	
2-4300	Grant Income	9,500.00	
1-6095	Contribution Expense from AS		3,766.00
2-1200	Accounts Receivable		9,500.00
2-2114-002	Due to/from other fund-CC		3,766.00
2-4300	Grant Income		13,266.00
Total		30,298.00	30,298.00

Total Adjusting Journal Entries

18,238,432.00 **18,238,432.00**

Reclassifying Journal Entries

Reclassifying Journal Entries JE # 101

To reclass contributions and releases for ASI and TSC.

1-3101	Camp Titan Fund	26,490.00	
3-3102	Food Pantry Reserve	18,000.00	
3-3207	Cap Ex Reserve Fund	764,000.00	
1-3000	Unrestricted Fund Balance		23,997.00
1-3202	Childrens Center Fund		2,493.00
Total		808,490.00	808,490.00

Reclassifying Journal Entries JE # 102

To reclass realized gain from unrealized gain per investment statement.

1-4060	Unvestment Unealized Gain/Loss	332,975.00	
Total		332,975.00	332,975.00

Reclassifying Journal Entries JE # 103

To reclassify release of net asset restrictions out of revenue

1-4045	Satisfaction of Restriction	46,490.00	
3-4045	Satisfaction of Restriction	48,000.00	
1-6360	Miscellaneous Expense		46,490.00
3-5001	Wages Student		5,000.00
3-6160	FP -Cost of Food and Donated Food		37,500.00

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON

Summary of Adjustments

Year Ended June 30, 2024

Total	94,490.00	94,490.00
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Reclassifying Journal Entries JE # 104

To reclass accumulated amortization from Lease ROU asset.

3-1830	Lease ROU Asset	57,800.00	
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Total	57,800.00	57,800.00
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Reclassifying Journal Entries JE # 106

To reclass student club related party funds held to others

4-3000	Unrestricted Fund Balance	487,846.00	
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Total	487,846.00	487,846.00
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Reclassifying Journal Entries JE # 107

To reclass related party AR from Campus

1-1299 ALD	Related Party AR	656,334.00	
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Total	656,334.00	656,334.00
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Reclassifying Journal Entries JE # 108

To reclass AP related party from accrued expenses

1-2102	Accrued CC Expenses	13,781.00	
2-2100	Accrued Expenses	11,237.00	
3-2100	Accrued Expenses	498,012.00	
3-2100	Accrued Expenses	77,249.00	
3-2100	Accrued Expenses	94,737.00	
1-2100 ALD	Related Party Payable		13,781.00
2-2100 ALD	Related Party Payable		11,237.00
3-2100 ALD	Related party payables		498,012.00
3-2100 ALD	Related party payables		77,249.00

Total	695,016.00	695,016.00
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Reclassifying Journal Entries JE # 109

To reclass related party AP amounts from AP

1-2000	Accounts Payable	21,681.00	
2-2000	Accounts Payable	5,104.00	
3-2000	Accounts Payable	80,272.00	
1-2100 ALD	Related Party Payable		21,681.00
2-2100 ALD	Related Party Payable		5,104.00

Total	107,057.00	107,057.00
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Reclassifying Journal Entries JE # 110

To reclass related party AR from ASC

2-1299 ALD	Related Party AR	157,341.00	
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ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, FULLERTON**Summary of Adjustments**

Year Ended June 30, 2024

Total		157,341.00	157,341.00
Reclassifying Journal Entries JE # 111			
To reclass related party accrued expenses not recorded by Campus			
1-2100	Accrued Expenses	9,052.00	
2-2100	Accrued Expenses	2,445.00	
3-2100	Accrued Expenses	44,485.00	
1-2100 ALD	Related Party Payable		9,052.00
2-2100 ALD	Related Party Payable		2,445.00
Proposed Journal Entries JE # 901			
To record return of FY23 student fees to correct year			
3-3999 ALD	Prior Period Adjustment	923,066.00	
3-4000	Student Fees		923,066.00
Total		923,066.00	923,066.00
Proposed Journal Entries JE # 902			
To accrue FY23 and FY24 athletics fee in proper years			
1-1210	Acct Receivable -Related Party	392,826.00	
1-4002	Campus Reimb	380,396.00	
1-3999 ALD	Prior Period Adjustment		380,396.00
1-4002	Campus Reimb		392,826.00
Total		773,222.00	773,222.00
Proposed Journal Entries JE # 903			
To record LAIF at fair market value at year-end			
1-4060	Unvestment Unealized Gain/Loss	63,473.00	
1-1400	Local Agency Investment Fund		63,473.00
Total		63,473.00	63,473.00

DATE

Aldrich CPAs + Advisors LLP
7676 Hazard Center Drive, Suite 550
San Diego, CA 92108

This representation letter is provided in connection with your audit of the financial statements of Associated Students, Inc. California State University Fullerton (ASI), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered to be material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated April 20, 2023 including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- 8) The effects of uncorrected misstatements below are immaterial, both individually and in the aggregate, to the financial statements as a whole.

Proposed Journal Entries

Proposed Journal Entries JE # 901

T-01

To record return of FY23 student fees to correct year

3-3999 ALD	Prior Period Adjustment	923,066.00	
3-4000	Student Fees		923,066.00
Total		923,066.00	923,066.00

Proposed Journal Entries JE # 902

L-04

To accrue FY23 and FY24 athletics fee in proper years

1-1210	Acct Receivable -Related Party	392,826.00	
1-4002	Campus Reimb	380,396.00	
1-3999 ALD	Prior Period Adjustment		380,396.00
1-4002	Campus Reimb		392,826.00
Total		773,222.00	773,222.00

Proposed Journal Entries JE # 903

D-02

To record LAIF at fair market value at year-end

1-4060	Unvestment Unealized Gain/Loss	63,473.00	
1-1400	Local Agency Investment Fund		63,473.00
Total		63,473.00	63,473.00

- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
- 11) Guarantees, whether written or oral, under which the Organization is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.
- 12) We have informed you of all leases and we have calculated the lease liabilities and assets where required. The estimates used (lease lives, discount rates, residual values, etc.) and classifications (operating vs. finance) are appropriate. We have analyzed all lease contracts and have considered and recorded material embedded leases contained within other contracts in accordance with ASC 842.
- 13) We have implemented ASU 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* effective January 1, 2023. We have implemented the new accounting standard in accordance with the transition guidance prescribed in the ASU. We have sufficient and appropriate documentation supporting all estimates and judgments underlying the amounts recorded and disclosed in the combined financial statements..

Information Provided

- 14) We have provided you with:
- Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
 - Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 15) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 16) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 17) We have no knowledge of any fraud or suspected fraud that affects the Organization and involves:
- Management,

- b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 18) We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
- 19) We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- 20) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 21) We have disclosed to you the names of all of the Organization's related parties and all the related-party relationships and transactions, including any side agreements.
- 22) ASI has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral. California State University Fullerton (University) owns all our buildings and all building improvements are to be transferred to the University when completed.
- 23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
- 24) Associated Students, Inc. California State University Fullerton is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.
- 25) We acknowledge our responsibility for presenting the supplemental information in accordance with U.S. GAAP, and we believe the supplemental information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the supplemental information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- 26) In regard to the non-attest services performed by you, we have-
- a) Assumed all management responsibilities.
 - b) Designated an individual (within senior management) with suitable skill, knowledge, or experience to oversee the services.
 - c) Evaluated the adequacy and results of the services performed.
 - d) Accepted responsibility for the results of the services.
- 27) We have analyzed the accounting and reporting requirements and ASI is required to follow Financial Accounting Standards Board (FASB) standards.
- 28) Net asset components are properly classified and, if applicable, approved.
- 29) Provisions for uncollectible receivables have been properly identified and recorded .
- 30) Expenses have been appropriately directly charged to their various functions on the statement of functional expenses, and the allocation of expenses across functions is considered reasonable based on the nature of the supporting expenses that would be allocated.
- 31) Deposits and investment securities are properly classified as to risk, and investments are properly valued.
- 32) ASI is not responsible for reporting revenue and expenses associated with club activities and should not report any of the financial activities for Athletics as those activities are reported by the University.

Signature: _____

Title: Executive Director

Signature: _____

Title: Director of Financial Services

DRAFT

Resolution to Accept 2024 ASI Audited Financial Statements
Sponsored by: Jared Brown

WHEREAS, the Associated Students Inc. (ASI) is a 501(c)(3) nonprofit organization that operates as an auxiliary organization of California State University, Fullerton; and

WHEREAS, ASI is governed by ASI Board of Directors, who set policy for the organization, approve all funding allocations to programs and services, and advocate on behalf of student interests on committees and boards; and

WHEREAS, the CSU requires each auxiliary organization shall have an annual financial audit performed by a certified public accountant selected by the governing board; and

WHEREAS, the audited financial statements and management report must be reviewed by the organization's Board of Directors before submitting to the campus and Chancellor's office; and

WHEREAS, ASI's audited financial statements and report is prepared by the organization's independent auditing firm and reviewed by the ASI Executive Director, CFO, and the Audit Committee of the Board of Directors; therefore let it be

RESOLVED, the ASI Board of Directors accepts the 2024 ASI, CSUF audited financial statements and report; and

RESOLVED, the completed audit shall be furnished to the CSU accounting office in the office of the Chancellor; and let it be finally

RESOLVED, that this resolution be distributed to the ASI Executive Director, ASI Associate Executive Director, ASI CFO, and applicable ASI departments for appropriate action.

Adopted by the Board of Directors of the Associated Students Inc., California State University, Fullerton on the twenty-fourth day of September in the year two thousand and twenty-four.

Gavin Ong
Chair, Board of Directors

Noah Alvarez
Secretary, Board of Directors