

**Associated Students of
California State University, Sacramento**

Sacramento, California

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITORS' REPORT

June 30, 2021 and 2020



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Associated Students of California State University, Sacramento

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Associated Students of California State University, Sacramento
Sacramento, California

We have audited the accompanying financial statements of Associated Students of California State University, Sacramento (ASI), a not-for-profit corporation and a component unit of California State University, Sacramento, which comprise the statements of financial position as of June 30, 2021 and 2020; the related statements of activities, functional expenses, and cash flows for the years then ended; and the related notes to the financial statements.

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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to ASI's preparation and fair presentation of the financial statements 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 ASI's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT

(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ASI as of June 30, 2021 and 2020, 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.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis as required by the California State University Office of the Chancellor, 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 audit 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 September 3, 2021, on our consideration of ASI'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 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 ASI's internal control over financial reporting and compliance.

KCoe Jam, LLP

September 3, 2021
Chico, California

FINANCIAL SECTION

Associated Students of California State University, Sacramento

STATEMENTS OF FINANCIAL POSITION

June 30	2021	2020
ASSETS		
Cash and cash equivalents	\$ 11,018,825	\$ 11,937,527
Accounts receivable - net	253,180	475,166
Interest receivable	8,041	35,858
Student activity fees receivable - held by Sacramento State	543,838	480,435
Deposits and prepaid expenses	100,817	91,529
Inventory	159,925	234,996
Due from related parties	561,781	437,010
Capital assets - net of accumulated depreciation	1,554,311	1,434,803
TOTAL ASSETS	\$ 14,200,718	\$ 15,127,324
LIABILITIES		
Accounts payable	\$ 406,279	\$ 118,415
Accrued payroll and related liabilities	393,430	416,953
Unrealized Paycheck Protection Program income	-	1,278,051
Unearned revenue	924,500	647,634
Accrued tax liability	-	26,360
Due to related parties	80,389	154,695
Funds held for campus organizations	390,320	367,571
Funds held for student organizations	758,712	754,218
Note payable	180,681	211,765
TOTAL LIABILITIES	3,134,311	3,975,662
NET ASSETS		
Without donor restrictions:		
Board designated	5,642,539	4,852,602
Undesignated	5,423,868	6,299,060
TOTAL NET ASSETS	11,066,407	11,151,662
TOTAL LIABILITIES AND NET ASSETS	\$ 14,200,718	\$ 15,127,324

The accompanying notes are an integral part of these financial statements.

Associated Students of California State University, Sacramento

STATEMENTS OF ACTIVITIES

Years Ended June 30	2021	2020
Revenues		
Student activity fees	\$ 4,575,920	\$ 4,286,964
Program service fees	1,817,351	3,044,176
Government grants and contracts	1,302,788	1,309,330
Financial service fees	157,802	155,675
Investment income	60,126	216,186
Cash contributions	155,763	170,063
Other income	-	19,900
Fundraising events	20	228
Total Revenues	8,069,770	9,202,522
Expenses		
Programs	6,485,383	7,107,933
Administration	1,696,002	1,731,055
Total Expenses	8,181,385	8,838,988
Change in net assets before taxes	(111,615)	363,534
Less: Unrelated business income taxes (benefit)	(26,360)	(89,640)
Change in Net Assets	(85,255)	453,174
Net Assets Without Donor Restrictions - Beginning of Year	11,151,662	10,698,488
Net Assets Without Donor Restrictions - End of Year	\$ 11,066,407	\$ 11,151,662

The accompanying notes are an integral part of these financial statements.

Associated Students of California State University, Sacramento
STATEMENTS OF FUNCTIONAL EXPENSES

Year Ended June 30, 2021	Programs	Administration	Fundraising	Total
Advertising and promotion	\$ 14,192	\$ 1,418	\$ -	\$ 15,610
Bank fees	57,043	11,686	-	68,729
Depreciation	118,655	86,786	-	205,441
Food	4,479	-	-	4,479
Grant expenses	16,501	-	-	16,501
Grants and other assistance	645,250	-	-	645,250
Insurance	63,946	2,576	-	66,522
Noncapital equipment purchases	144,869	31,900	-	176,769
Occupancy	396,615	87,003	-	483,618
Other expenses	212,676	73,861	-	286,537
Outside services	157,149	354,081	-	511,230
Printing	5,052	505	-	5,557
Program supplies and materials	212,099	12,190	-	224,289
Purchases for resale	178,458	-	-	178,458
Salaries and related expenses	4,148,647	1,031,653	-	5,180,300
Travel and meeting expense	4,716	2,337	-	7,053
Vehicle and equipment costs	105,036	6	-	105,042
Subtotals	6,485,383	1,696,002	-	8,181,385
Unrelated business income tax expense (benefit)	(26,360)	-	-	(26,360)
Total Functional Expenses	\$ 6,459,023	\$ 1,696,002	\$ -	\$ 8,155,025

The accompanying notes are an integral part of these financial statements.

Associated Students of California State University, Sacramento

STATEMENTS OF FUNCTIONAL EXPENSES

(Continued)

Year Ended June 30, 2020	Programs	Administration	Fundraising	Total
Advertising and promotion	\$ 20,146	\$ 1,543	\$ -	\$ 21,689
Bank fees	55,856	13,613	-	69,469
Depreciation	205,318	-	-	205,318
Food	4,541	4,797	-	9,338
Grant expenses	24,507	-	-	24,507
Grants and other assistance	397,662	-	-	397,662
Insurance	107,422	4,144	-	111,566
Noncapital equipment purchases	74,867	29,237	-	104,104
Occupancy	230,956	65,864	-	296,820
Other expenses	152,525	156,188	-	308,713
Outside services	174,350	399,487	-	573,837
Printing	26,202	207	-	26,409
Program supplies and materials	244,568	7,817	-	252,385
Purchases for resale	156,125	-	-	156,125
Salaries and related expenses	5,052,140	1,031,622	-	6,083,762
Travel and meeting expense	108,435	16,382	-	124,817
Vehicle and equipment costs	72,313	154	-	72,467
Subtotals	7,107,933	1,731,055	-	8,838,988
Unrelated business income tax expense (benefit)	(89,640)	-	-	(89,640)
Total Functional Expenses	\$ 7,018,293	\$ 1,731,055	\$ -	\$ 8,749,348

The accompanying notes are an integral part of these financial statements.

Associated Students of California State University, Sacramento

STATEMENTS OF CASH FLOWS

Years Ended June 30	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (85,255)	\$ 453,174
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	205,441	205,318
(Increase) Decrease in:		
Accounts receivable	221,986	(300,837)
Interest receivable	27,817	29,423
Student activity fees receivable	(63,403)	32,302
Deposits and prepaid expenses	(9,287)	(7,360)
Inventory	75,071	(140,212)
Due from related parties	(124,771)	(160,079)
Increase (Decrease) in:		
Accounts payable	287,864	(225,756)
Accrued payroll and related liabilities	(23,523)	142,347
Accrued tax liability	(26,360)	(89,640)
Unrealized Paycheck Protection Program income	(1,278,051)	1,278,051
Unearned revenue	276,866	(495,789)
Due to related parties	(74,306)	(289,292)
Funds held for campus organizations	22,748	26,152
Funds held for student organizations	4,495	89,278
Total Adjustments	(477,413)	93,906
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(562,668)	547,080
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of capital assets	(324,950)	(144,040)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on note payable	(31,084)	(29,586)
Net Change in Cash and Cash Equivalents	(918,702)	373,454
Cash and Cash Equivalents - Beginning of Year	11,937,527	11,564,073
Cash and Cash Equivalents - End of Year	\$ 11,018,825	\$ 11,937,527

The accompanying notes are an integral part of these financial statements.

Associated Students of California State University, Sacramento

NOTES TO THE FINANCIAL STATEMENTS

1. NATURE OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization Associated Students of California State University, Sacramento (ASI), a component unit of California State University, Sacramento, is a nonprofit, tax-exempt auxiliary organization of California State University, Sacramento (Sacramento State), organized to administer various student programs and activities. Student activity fees and other program revenues are collected for the support of student related programs and activities. Managed programs include the student body leadership in the Government Office, the Aquatic Center, the ASI Office of Business and Administration, Student Services, which includes cap and gown sales, the Children's Center, Peak Adventures, and the Student Engagement and Outreach department.

Basis of Presentation The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

ASI is required to classify net assets and revenues, expenses, and gains and losses into three categories, based on the existence or absence of donor-imposed restrictions. The categories are described below:

Net Assets Without Donor Restrictions: Net assets in this category are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. 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 in this category are subject to donor-imposed restrictions. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ASI or by passage of time. Other donor restrictions are perpetual in nature, whereby the donors have stipulated the funds be maintained in perpetuity.

Donor-restricted contributions are reported in the statements of activities as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Cash and Cash Equivalents ASI invests its excess cash with the State of California Local Agency Investment Fund (LAIF). ASI reports its investment in LAIF at fair value. The balance is available for withdrawal on demand and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis, which is different from the fair value of ASI's position in the LAIF pool. ASI considers highly liquid investments with a maturity of three months or less to be cash and cash equivalents.

Associated Students of California State University, Sacramento

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Fair Value Measurements The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1), and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described below:

Level 1: Inputs to the valuation of methodology represent unadjusted quoted prices for identical assets or liabilities in active markets that ASI has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Although ASI has funds held in LAIF, they are available for withdrawal on demand and are, therefore, recorded as cash equivalents. LAIF is sponsored by the California State Treasurer and prepares its market value report detailing the carrying cost and estimated fair value for the entire pool. ASI used the multiplier provided by LAIF to determine the estimated fair value of ASI's investment in the pool. ASI's investments in LAIF are measured on a recurring basis throughout the year.

Accounts Receivable Accounts receivable are composed of uncollected revenue generated from program activities, grant reimbursements, and administrative fees from ASI's funds held for others. ASI reviews accounts receivable on a monthly basis to determine if any receivables are potentially uncollectible. ASI has recorded an allowance for doubtful accounts in the amounts of \$550 and \$100 as of June 30, 2021 and 2020, respectively.

Student Activity Fees Receivable – Held by Sacramento State Student activity fees receivable consists of the fees collected by Sacramento State during student registration for the 2021 fall semester. These fees will be remitted to ASI during the subsequent fiscal year. As of June 30, 2021 and 2020, student fees receivable were \$543,838 and \$480,435, respectively.

Associated Students of California State University, Sacramento

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Deposits and Prepaid Expenses These amounts are the result of payments made for goods and services to be utilized in future periods.

Inventory ASI inventory is reported at the lower of cost or net realizable value. The first-in, first-out method is used in determining cost. Net realizable value is the estimated selling price in the ordinary course of business, less reasonably predictable costs of disposal. Inventory consists of items such as caps, gowns, bike parts, retail clothing, and accessories for ASI internal programs including Student Services, Peak Adventures, and the Aquatic Center.

Due From Related Parties Due from related parties represents amounts owed to ASI from Sacramento State; University Enterprises, Inc. (UEI); the University Union Operation of California State University, Sacramento, (Union WELL Inc.); and The University Foundation at Sacramento State (UFSS) for goods and services provided by ASI program activities.

Capital Assets Capital assets are stated at cost. It is the policy of ASI to capitalize all furniture and equipment and leasehold improvements costing \$5,000 or more with a useful life greater than one year. Depreciation is recorded on the straight-line method over the estimated useful lives of the assets, typically between 3 and 30 years.

Due to Related Parties Due to related parties represents outstanding billings for administrative services, space management, and catering services provided to ASI programs by Sacramento State, UEI, and Union WELL Inc.

Funds Held for Campus Organizations ASI acts as a collecting and disbursing agency for several Sacramento State organizations and departments. Funds held for campus organizations are related to deposits received from these organizations and departments. Currently, ASI holds only two of these accounts for Sacramento State, which include the State Hornet and the Jesse Snow accounts.

Funds Held for Student Organizations As a service to Sacramento State affiliated student organizations and programs, ASI acts as a collecting and disbursing agency for over 300 student organizations. These amounts are related to deposits received from these organizations.

Unearned Revenue Unearned revenue represents the amount ASI has received in advance of providing the related services. To facilitate preparation for the many classes, camps, courses, and trips provided by Peak Adventures and the Aquatic Center, ASI requires advance registration and payment. Unearned revenue also consists of student activity fees collected by Sacramento State from students during student registration for the Fall 2021 semester.

Revenues from Contracts with Customers A five-step model is used to determine the amount and timing of revenue recognized. The five-step model requires ASI to apply the following steps: (1) identify the contract with the customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when, or as, ASI satisfies the performance obligations.

Associated Students of California State University, Sacramento

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

ASI's revenues are generated from its operations and are recognized as described below:

Student Activity Fees: Student activity fees represent mandatory fees assessed to students by Sacramento State each semester to support ASI programs. The fees are collected by Sacramento State and remitted to ASI. Student activity fees are recognized over the period of service, which is the academic semester which the program services are delivered.

Program Service Fees: Program service fees are fees ASI receives for providing child care, recreational classes, student services, and other activities. Program service fees also include sales of graduation apparel, such as caps and gowns, as well as retail clothing and accessories related to Student Services, Peak Adventures, and the Aquatic Center. The fees are collected by ASI and recognized on the date the service is provided or the product is sold.

Financial Service Fees: Financial service fees are received for providing accounting and financial services to Union WELL Inc., the University IRA's, the State Hornet, clubs, and organizations. Revenue is recognized over the period of service.

Contributions Cash and in-kind contributions are received to support ASI's programs and services. Generally, contributions are recognized in revenue when they are received. Contributions with conditions, such as eligibility requirements, are not recorded until the conditions have been met.

Government Grants and Contracts ASI receives grants from the state of California and various other grantors for direct and indirect program costs associated with specific programs and projects. The grants received are subject to certain restrictions, which are met by incurring qualifying expenses for the particular program or project that is funded by the grant. Revenue from such grants is recognized when the funds have been expended on activities stipulated in the grant agreement. For unconditional grants, revenue is recognized and increases net assets with donor restrictions at the time the grant is received or pledged, and the funds are released from restriction when the qualifying expenses have been incurred. For conditional grants, funds received in advance are classified as unearned revenue and held as a liability until the conditions have been met. Once all conditions are met, revenue is recognized and increases net assets without donor restrictions.

Advertising ASI expenses advertising costs as incurred. Advertising expenses for the years ended June 30, 2021 and 2020, were \$2,318 and \$9,493, respectively.

Tax Status The Internal Revenue Service has granted ASI status as an exempt organization under section 501(c)(3) of the *Internal Revenue Code* (IRC). The ruling provides that ASI is not subject to excise tax under Section 4940(a). Income determined to be unrelated business income is taxable. For the fiscal year ended June 30, 2021, ASI accrued \$-0- federal and \$-0- state tax liabilities for unrelated business income taxes. For the fiscal year ended June 30, 2020, ASI accrued \$18,550 federal and \$7,810 state tax liabilities for unrelated business income taxes.

Associated Students of California State University, Sacramento

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

ASI analyzes whether there is uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. An uncertain tax position can be recognized in the financial statements only if the position is “more likely than not” to be sustained if the position were to be challenged by a taxing authority. ASI’s practice is to recognize interest and penalties, if any, related to uncertain tax positions in tax expense. ASI files exempt organization returns in the U.S. federal and California jurisdictions. The federal and state tax returns remain subject to examination by the taxing authorities for three years and four years, respectively. ASI has processes presently in place to ensure the maintenance of its tax-exempt status (its group exemption) to identify and report unrelated business income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. ASI has determined that there is no impact on the accompanying financial statements related to this standard. There were no uncertain tax positions identified or related interest and penalties recorded as of June 30, 2021 and 2020, and ASI does not expect this to change significantly over the next 12 months.

Use of Estimates The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses The costs of providing various program and supporting activities have been summarized on a functional basis in the statements of activities. The presentation of expenses by function and nature is included in the statements of functional expenses. ASI charges direct expenses incurred for a specific function directly to the program or supporting service category. These costs can be specifically identified as being incurred for the activities of that program or supporting service. Other costs that are incurred by ASI benefit more than one program or supporting service, and are allocated on a reasonable basis that is consistently applied. Payroll and related costs are allocated based on estimates of time and effort; other costs, including depreciation, occupancy, office costs, computers, and software, are allocated based on estimates of usage or benefit received by each program. Expenses that are not directly associated with a program are allocated to administration expenses. ASI reevaluates its allocation method each year to determine if there are adjustments that are necessary to the allocation method based on actual activities conducted during the year.

Evaluation of Subsequent Events Management has evaluated subsequent events through September 3, 2021, the date the financial statements were available to be issued.

Associated Students of California State University, Sacramento

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

2. CASH AND CASH EQUIVALENTS

As of June 30, 2021 and 2020, cash and cash equivalents represent short-term investments in LAIF in the amounts of \$10,484,181 and \$10,248,360, respectively; funds held at financial institutions in the amounts of \$512,285 and \$1,666,618, respectively; and cash on hand in the amounts of \$22,359 and \$22,550, respectively. The cash balances reported by financial institutions for the years ended June 30, 2021 and 2020, were \$841,191 and \$1,811,790, respectively. The amounts for the years ended June 30, 2021 and 2020, were in excess of the insured amounts by \$590,982 and \$1,311,790, respectively, based on the limits insured by the Federal Deposit Insurance Corporation.

3. LIQUIDITY AND AVAILABILITY OF ASSETS

The following represents ASI's financial assets:

June 30	2021	2020
Financial Assets - End of Year		
Cash and cash equivalents	\$ 11,018,825	\$ 11,937,527
Accounts receivable	823,002	948,034
Student activity fees receivable - held by Sacramento State	543,838	480,435
Total Financial Assets - End of Year	12,385,665	13,365,996
Less: Amounts Not Available to be Used Within One Year		
Board designated net assets	(5,642,539)	(4,852,602)
Add back: working capital reserve	1,477,758	1,430,117
Unavailable Board Designated Net Assets	(4,164,781)	(3,422,485)
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	\$ 8,220,884	\$ 9,943,511

In order to manage liquidity, ASI has structured its financial assets to be available as its general expenditures and liabilities become due. As part of its liquidity plan, excess cash is invested in LAIF. ASI is substantially supported by student activity and program services fees, which are unrestricted and are available to meet general expenditure obligations.

Associated Students of California State University, Sacramento

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

4. FAIR VALUE MEASUREMENT

As of June 30, 2021 and 2020, the LAIF pool included structured notes and asset-backed securities, which totaled 2.31% and 3.37%, respectively, of the total portfolio. These structured notes and asset-backed securities are subject to market risk as interest rates fluctuate. As of June 30, 2021 and 2020, the fair value of LAIF was 100.00% and 100.49%, respectively, of the carrying value. There were no LAIF funds invested in derivatives as of June 30, 2021 and 2020. LAIF has oversight by the Local Investment Advisory Board (LIAB), which consists of five members as designated by statute. ASI is considered to be a voluntary participant in the LAIF investment pool.

The following table sets forth by level, within the fair value hierarchy, ASI's assets at fair value:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
June 30, 2021				
LAIF	\$ -	\$ 10,484,181	\$ -	\$ 10,484,181

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
June 30, 2020				
LAIF	\$ -	\$ 10,248,360	\$ -	\$ 10,248,360

The investments in LAIF are carried at amortized cost, which is deemed to not represent a material difference from fair value. The fair value methods may produce fair value calculations that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while ASI believes its valuation methods are appropriate and consistent with similar investments, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used at June 30, 2021 and 2020.

Associated Students of California State University, Sacramento

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

5. CAPITAL ASSETS

Capital assets consisted of the following:

June 30	2021	2020
Furniture and equipment	\$ 2,436,759	\$ 2,331,864
Leasehold improvements	2,683,731	2,464,961
Totals	5,120,490	4,796,825
Accumulated depreciation	(3,566,179)	(3,362,022)
Capital Assets - Net	\$ 1,554,311	\$ 1,434,803

Depreciation expense for the fiscal years ended June 30, 2021 and 2020, was \$205,441 and \$205,318, respectively.

ASI leases a parcel of land from the Trustees of the California State University, Sacramento (the Trustees), located on its campus for the purpose of operating and maintaining a child care center (the Facility). The Facility is required to be used primarily to provide day care services for the children of Sacramento State students, staff, and faculty. The lease agreement terminates on December 31, 2028. ASI has no monetary obligation to the Trustees for rental payments under the terms of the lease agreement; however, ASI financed the construction and operation of the Facility. The costs of construction of the Facility were capitalized as leasehold improvements.

6. NOTE PAYABLE

Note payable consisted of the following:

June 30	2021	2020
Note payable to Yankee Finance related to a new fleet of rowing shells for the Aquatic Center. Payments will be made in semi-annual installments of \$20,644 through May 2026, including interest at 5%. The loan is secured by the fleet.	\$ 180,681	\$ 211,765

The Capital Crew Booster Club and the Lake Natoma Rowing Association have committed to make contributions to ASI, which are intended to cover the cost of the note payable installments. However, there are certain conditions related to the contributions; consequently, the contributions will be recorded as the note payable installments are paid and as the conditions are met.

Associated Students of California State University, Sacramento

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Future minimum note payable payments are as follows:

Years Ending June 30

2022	\$	32,658
2023		34,311
2024		36,048
2025		37,873
2026		39,791
Total	\$	180,681

7. LEASE COMMITMENTS

ASI has lease agreements that are renewed annually for office space located in the Union building. The total rent expense incurred under these operating leases was \$282,374 and \$226,764 for the fiscal years ended June 30, 2021 and 2020, respectively. ASI also leases various copiers under non-cancellable operating leases. The total copier lease payments were \$11,997 and \$12,195 for the fiscal years ended June 30, 2021 and 2020, respectively.

Future minimum lease payments under the operating leases are as follows:

Years Ending June 30

2022	\$	296,248
2023		12,333
2024		10,331
2025		2,466
Total	\$	321,378

Associated Students of California State University, Sacramento

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

8. UNREALIZED PAYCHECK PROTECTION PROGRAM INCOME

On April 15, 2020, ASI qualified for and received a loan pursuant to the Paycheck Protection Program (PPP), a program implemented by the U.S. Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security Act, from a qualified lender. The total loan awarded was \$1,278,051. The PPP loan accrued interest at a fixed rate of 1.0% per annum, had the first 16 months of interest deferred, had a term of five years, was unsecured, and was guaranteed by the SBA.

The principal amount of the PPP loan and accrued interest were subject to forgiveness upon ASI's request, to the extent that the PPP loan proceeds were used to pay expenses permitted by the PPP, including payroll costs, covered rent and mortgage obligations, and covered utility payments incurred. ASI originally intended to apply for forgiveness of the PPP loan with respect to these covered expenses and included the loan as a current liability as of June 30, 2020.

The loan proceeds were used to pay authorized expenses, in accordance with the PPP program guidelines; however, management determined the best course of action was to repay the loan instead of filing for forgiveness. During the year ended June 30, 2021, ASI repaid the loan in full and there was no recognition of loan forgiveness income within the statements of activities.

9. RELATED-PARTY TRANSACTIONS

For fiscal years ended June 30, 2021 and 2020, ASI earned revenues of \$133,638 and \$131,388, respectively, for providing financial services to Union WELL Inc., a component unit of Sacramento State.

For fiscal years ended June 30, 2021 and 2020, ASI earned revenues of \$24,164 and \$24,287 respectively, for providing financial services to Sacramento State organizations, which include the State Hornet, Alumni Center, and the financial administration of Sacramento State's IRA grants.

Other than those disclosed elsewhere in these financial statements, transactions between ASI and related organizations during the fiscal years ended June 30, 2021 and 2020, included the payments by ASI to Sacramento State of \$303,366 and \$411,890, respectively, for campus cost recovery services that include administration, telephone, postage, IT support, and utilities; and \$84,042 and \$201,952, respectively, for personnel costs. Sacramento State made payments totaling \$102,199 and \$162,502 for services, space, and programs for the fiscal years ended June 30, 2021 and 2020, respectively. For fiscal years ended June 30, 2021 and 2020, ASI donated \$28,370 and \$21,005, respectively, for gifts in-kind to Sacramento State. Public safety charges were paid to Union WELL Inc. from ASI for the fiscal years ended June 30, 2021 and 2020, with a charge of \$-0- and \$609, respectively, for Peak Adventures to cover police calls in the WELL building and \$-0- and \$1,423, respectively, for ASI to cover police calls in the University Union building. Peak Adventures also used the services of Capital Public Radio for advertising during the years ended June 30, 2021 and 2020.

ASI incurred expenses primarily related to catering services by UEI, a component unit of Sacramento State, in the amount of \$-0- and \$1,965 for the years ended June 30, 2021 and 2020, respectively.

Associated Students of California State University, Sacramento

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The amounts due from related entities were comprised of the following:

June 30		2021		2020
Sacramento State	\$	539,529	\$	421,592
UEI		-		4,474
Union WELL Inc.		22,252		10,944
Totals	\$	561,781	\$	437,010

The amounts due to related entities were comprised of the following:

June 30		2021		2020
Sacramento State	\$	80,389	\$	137,464
UEI		-		-
Union WELL Inc.		-		17,231
Totals	\$	80,389	\$	154,695

10. PENSION PLAN

ASI sponsors a tax-sheltered annuity defined contribution retirement plan (the Plan) under IRC Section 403(b). Participating employees are eligible to join the Plan after 1,000 hours of service in twelve consecutive months. Upon joining the Plan, employees are eligible for an employer contribution of 10% of gross salary, subject to certain statutory limits. The Plan provides 100% immediate vesting. Employer contributions to the Plan were \$262,533 and \$256,161 for fiscal years ended June 30, 2021 and 2020, respectively.

11. CONTINGENCIES

The ongoing COVID-19 pandemic has caused an economic downturn on a global scale, disrupted global supply chains, and created significant uncertainty, volatility, and disruption across economies and financial markets.

The COVID-19 pandemic remains an evolving situation. The extent of the impact of COVID-19 on ASI's business and financial results will depend on future developments, including the duration and spread of the outbreak within the markets in which ASI operates and the related impact on consumer confidence and spending, all of which are highly uncertain.

Associated Students of California State University, Sacramento

NOTES TO THE FINANCIAL STATEMENTS

(Continued)

12. RECENT ACCOUNTING PRONOUNCEMENTS

In February 2016, Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases*. This ASU will require organizations that lease assets to recognize on the statement of financial position the asset and liability for the right and obligations created by leases with a term of more than 12 months. Additional disclosures will also be required in order to provide the users of the financial statements with a better understanding of the amount, timing, and uncertainty of cash flows arising from leases. This ASU intends to improve financial reporting about leasing transactions. In July 2018, FASB issued ASU 2018-11, *Leases: Targeted Improvements*, which amended ASU 2016-02 to provide an entity with a transition method for implementing the ASU. Under this transition method, an entity initially applies ASU 2016-02 at the adoption date, and recognizes a cumulative-effect adjustment to the opening balance of net assets in the period of adoption. These ASUs are effective for the periods beginning after December 15, 2021. ASI's management has not yet determined the impact that implementation of these ASUs will have on the ASI's financial statements.

SUPPLEMENTARY INFORMATION SECTION

Associated Students of California State University, Sacramento

SCHEDULE OF MANAGED PROGRAMS

June 30, 2021

	Managed Programs								Total Managed Programs
	Business and Administration	Student Services	Government	Student Engagement and Outreach	Aquatic Center	Children's Center	Peak Adventures	ASI External Grants	
REVENUES									
Student activity fees	\$ 1,295,275	\$ -	\$ 839,894	\$ 556,551	\$ 566,606	\$ 369,663	\$ 608,522	\$ 339,409	\$ 4,575,920
Program service fees	83,095	383,360	-	(9,105)	1,085,696	176,633	97,672	-	1,817,351
Government grants and contracts	-	-	-	-	31,154	1,271,634	-	-	1,302,788
Financial service fees	157,665	137	-	-	-	-	-	-	157,802
Investment income	60,117	-	-	-	9	-	-	-	60,126
Cash contributions	-	-	100	96,566	59,097	-	-	-	155,763
In-kind contributions	-	-	-	-	-	-	-	-	-
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-
Fundraising events	-	-	-	-	-	20	-	-	20
Total revenues	1,596,152	383,497	839,994	644,012	1,742,562	1,817,950	706,194	339,409	8,069,770
EXPENSES									
Salaries and related expenses	1,031,656	83,128	242,533	390,141	1,393,556	1,494,951	544,335	-	5,180,300
Services and supplies	795,540	211,668	419,555	139,977	424,813	307,324	162,613	334,154	2,795,644
Fundraising expenses	-	-	-	-	-	-	-	-	-
Depreciation	86,786	-	-	-	100,125	15,675	2,855	-	205,441
Total expenses	1,913,982	294,796	662,088	530,118	1,918,494	1,817,950	709,803	334,154	8,181,385
Change in net assets before taxes	(317,830)	88,701	177,906	113,894	(175,932)	-	(3,609)	5,255	(111,615)
Unrelated business income taxes	-	-	-	-	(26,360)	-	-	-	(26,360)
Change in net assets	\$ (317,830)	\$ 88,701	\$ 177,906	\$ 113,894	\$ (149,572)	\$ -	\$ (3,609)	\$ 5,255	\$ (85,255)

Associated Students of California State University, Sacramento

SCHEDULE OF NET POSITION

June 30, 2021

(for inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	\$ 534,644
Short-term investments	10,484,181
Accounts receivable, net	1,366,840
Capital lease receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	260,742
Total current assets	12,646,407
Noncurrent assets:	
Restricted cash and cash equivalents	-
Accounts receivable, net	-
Capital lease 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	1,554,311
Other assets	-
Total noncurrent assets	1,554,311
Total assets	14,200,718
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Others	-
Total deferred outflows of resources	-
Liabilities:	
Current liabilities:	
Accounts payable	406,279
Accrued salaries and benefits	182,187
Accrued compensated absences, current portion	89,111
Unearned revenues	924,500
Capital lease obligations, current portion	-
Long-term debt obligations, current portion	32,658
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	1,149,032
Other liabilities	80,389
Total current liabilities	2,864,156
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	122,132
Unearned revenues	-
Grants refundable	-
Capital lease obligations, net of current portion	-
Long-term debt obligations, net of current portion	148,023
Claims liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	-
Net pension liability	-
Other liabilities	-
Total noncurrent liabilities	270,155
Total liabilities	3,134,311
Deferred inflows of resources:	
Service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Others	-
Total deferred inflows of resources	-
Net position:	
Net investment in capital assets	1,554,311
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	-
Unrestricted	9,512,096
Total net position	\$ 11,066,407

Associated Students of California State University, Sacramento

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

June 30, 2021

(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		239,484
State		949,680
Local		28,624
Nongovernmental		85,000
Sales and services of educational activities		-
Sales and services of auxiliary enterprises, gross		1,820,226
Scholarship allowances (enter as negative)		-
Other operating revenues		4,733,742
Total operating revenues		<u>7,856,756</u>

Expenses:

Operating expenses:

Instruction		-
Research		-
Public service		-
Academic support		-
Student services		2,033,480
Institutional support		553,339
Operation and maintenance of plant		52,006
Student grants and scholarships		645,250
Auxiliary enterprise expenses		4,668,384
Depreciation and amortization		205,441
Total operating expenses		<u>8,157,900</u>
Operating income (loss)		<u>(301,144)</u>

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		155,763
Investment income (loss), net		60,126
Endowment income (loss), net		-
Interest expense		-
Other nonoperating revenues (expenses) - excl. interagency transfers		-
Net nonoperating revenues (expenses)		<u>215,889</u>
Income (loss) before other revenues (expenses)		<u>(85,255)</u>

State appropriations, capital		-
Grants and gifts, capital		-
Additions (reductions) to permanent endowments		-
Increase (decrease) in net position		<u>(85,255)</u>
Net position:		
Net position at beginning of year, as previously reported		11,151,662
Restatements		-
Net position at beginning of year, as restated		<u>11,151,662</u>
Net position at end of year	\$	<u>11,066,407</u>

Associated Students of California State University, Sacramento

OTHER INFORMATION

June 30, 2021

(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		<u>-</u>
Current cash and cash equivalents		534,644
Total	\$	<u>534,644</u>

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds	\$ -	\$ -	\$ -
Repurchase agreements	-	-	-
Certificates of deposit	-	-	-
U.S. agency securities	-	-	-
U.S. treasury securities	-	-	-
Municipal bonds	-	-	-
Corporate bonds	-	-	-
Asset backed securities	-	-	-
Mortgage backed securities	-	-	-
Commercial paper	-	-	-
Mutual funds	-	-	-
Exchange traded funds	-	-	-
Equity securities	-	-	-
Alternative investments:			
Private equity (including limited partnerships)	-	-	-
Hedge funds	-	-	-
Managed futures	-	-	-
Real estate investments (including REITs)	-	-	-
Commodities	-	-	-
Derivatives	-	-	-
Other alternative investment	-	-	-
Other external investment pools	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-
State of California Local Agency Investment Fund (LAIF)	10,484,181	-	10,484,181
State of California Surplus Money Investment Fund (SMIF)	-	-	-
Other investments:			
	-	-	-
Total Other investments	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	<u>10,484,181</u>	<u>-</u>	<u>10,484,181</u>
Less endowment investments (enter as negative number)	-	-	-
Total investments, net of endowments	<u>\$ 10,484,181</u>	<u>\$ -</u>	<u>\$ 10,484,181</u>

Associated Students of California State University, Sacramento

OTHER INFORMATION

June 30, 2021

(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	\$ -	\$ -	\$ -	\$ -	\$ -
Repurchase agreements	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
U.S. agency securities	-	-	-	-	-
U.S. treasury securities	-	-	-	-	-
Municipal bonds	-	-	-	-	-
Corporate bonds	-	-	-	-	-
Asset backed securities	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-
Commercial paper	-	-	-	-	-
Mutual funds	-	-	-	-	-
Exchange traded funds	-	-	-	-	-
Equity securities	-	-	-	-	-
Alternative investments:					
Private equity (including limited partnerships)	-	-	-	-	-
Hedge funds	-	-	-	-	-
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investment	-	-	-	-	-
Other external investment pools	-	-	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	10,484,181	-	-	-	10,484,181
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
Other investments:					
Total Other investments	-	-	-	-	-
Total investments	\$ 10,484,181	\$ -	\$ -	\$ -	\$ 10,484,181

2.3 Investments held by the University under contractual agreements:

Instruction: Amounts should agree with University's investments held on behalf of Discretely Presented Component Units.

	Current	Noncurrent	Total
Investments held by the University under contractual agreements	-	-	-
e.g - CSU Consolidated Investment Pool (formerly SWIFT):	-	-	-

Associated Students of California State University, Sacramento

OTHER INFORMATION

June 30, 2021

(for inclusion in the California State University)

3.1 Composition of capital assets:

	Balance June 30, 2020	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2020 (Restated)	Additions	Retirements	Transfer of Completed CWIP/PWIP	Balance June 30, 2021
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	2,464,961	-	-	-	2,464,961	218,770	-	-	2,683,731
Personal property:									
Equipment	2,331,864	-	-	-	2,331,864	106,180	(1,285)	-	2,436,759
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	4,796,825	-	-	-	4,796,825	324,950	(1,285)	-	5,120,490
Total capital assets	4,796,825	-	-	-	4,796,825	324,950	(1,285)	-	5,120,490
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	(1,931,890)	-	-	-	(1,931,890)	(48,885)	-	-	(1,980,775)
Personal property:									
Equipment	(1,430,133)	-	-	-	(1,430,133)	(156,556)	1,285	-	(1,585,404)
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	(3,362,023)	-	-	-	(3,362,023)	(205,441)	1,285	-	(3,566,179)
Total capital assets, net	\$ 1,434,802	\$ -	\$ -	\$ -	\$ 1,434,802	\$ 119,509	\$ -	\$ -	\$ 1,554,311

Associated Students of California State University, Sacramento

OTHER INFORMATION

June 30, 2021

(for inclusion in the California State University)

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense related to capital assets	\$ 205,441
Amortization expense related to other assets	-
Total depreciation and amortization	<u>\$ 205,441</u>

4 Long-term liabilities:

	Balance June 30, 2020	Prior Period Adjustments/Reclassi- fications	Balance June 30, 2020 (Restated)	Additions	Reductions	Balance June 30, 2021	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ 183,114	\$ -	\$ 183,114	\$ 167,927	\$ (139,798)	\$ 211,243	\$ 89,111	\$ 122,132
2. Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-
3. Capital lease obligations:								
Gross balance	-	-	-	-	-	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-
Total capital lease obligations	-	-	-	-	-	-	-	-
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 Others:								
Yankee Finance LLC	211,765	-	211,765	-	(31,084)	180,681	32,658	148,023
Total others	211,765	-	211,765	-	(31,084)	180,681	32,658	148,023
Sub-total long-term debt	211,765	-	211,765	-	(31,084)	180,681	32,658	148,023
4.5 Unamortized net bond premium/(discount)	-	-	-	-	-	-	-	-
Total long-term debt obligations	211,765	-	211,765	-	(31,084)	180,681	32,658	148,023
Total long-term liabilities	\$ 394,879	\$ -	\$ 394,879	\$ 167,927	\$ (170,882)	\$ 391,924	\$ 121,769	\$ 270,155

Associated Students of California State University, Sacramento

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June 30, 2021

(for inclusion in the California State University)

5 Capital lease obligations schedule:

	Capital Lease Obligations Related to SRB			All Other Capital Lease Obligations			Total Capital Lease Obligations		
	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:									
2022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2023	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-
2027 - 2031	-	-	-	-	-	-	-	-	-
2032 - 2036	-	-	-	-	-	-	-	-	-
2037 - 2041	-	-	-	-	-	-	-	-	-
2042 - 2046	-	-	-	-	-	-	-	-	-
2047 - 2051	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
Total minimum lease payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: amounts representing interest									
Present value of future minimum lease payments									
Unamortized net premium/(discount)									
Total capital lease obligations									
Less: current portion									
Capital lease obligations, net of current portion									

6 Long-term debt obligations schedule:

	Auxiliary Revenue Bonds (Non-SRB Related)			All Other Long-Term Debt Obligations			Total Long-Term Debt Obligations		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Year ending June 30:									
2022	\$ -	\$ -	\$ -	\$ 32,658	\$ 8,631	\$ 41,289	\$ 32,658	\$ 8,631	\$ 41,289
2023	-	-	-	34,311	6,978	41,289	34,311	6,978	41,289
2024	-	-	-	36,048	5,241	41,289	36,048	5,241	41,289
2025	-	-	-	37,873	3,415	41,288	37,873	3,415	41,288
2026	-	-	-	39,791	1,498	41,289	39,791	1,498	41,289
2027 - 2031	-	-	-	-	-	-	-	-	-
2032 - 2036	-	-	-	-	-	-	-	-	-
2037 - 2041	-	-	-	-	-	-	-	-	-
2042 - 2046	-	-	-	-	-	-	-	-	-
2047 - 2051	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
Total minimum payments	\$ -	\$ -	\$ -	\$ 180,681	\$ 25,763	\$ 206,444	\$ 180,681	\$ 25,763	\$ 206,444
Less: amounts representing interest									
Present value of future minimum payments									
Unamortized net premium/(discount)									
Total long-term debt obligations									
Less: current portion									
Long-term debt obligations, net of current portion									

Associated Students of California State University, Sacramento

OTHER INFORMATION

June 30, 2021

(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	-	-	-	-	-	-	-	-
Academic support	-	-	-	-	-	-	-	-
Student services	-	-	-	-	-	2,033,480	-	2,033,480
Institutional support	185,660	-	-	-	-	367,679	-	553,339
Operation and maintenance of plant	-	-	-	-	-	52,006	-	52,006
Student grants and scholarships	-	-	-	-	645,250	-	-	645,250
Auxiliary enterprise expenses	-	-	-	-	-	4,668,384	-	4,668,384
Depreciation and amortization	-	-	-	-	-	-	205,441	205,441
Total operating expenses	\$ 185,660	\$ -	\$ -	\$ -	\$ 645,250	\$ 7,121,549	\$ 205,441	\$ 8,157,900

10 Deferred outflows/inflows of resources:

1. Deferred Outflows of Resources

Deferred outflows - unamortized loss on refunding(s)	\$ -
Deferred outflows - net pension liability	-
Deferred outflows - net OPEB liability	-
Deferred outflows - others:	
Sales/intra-entity transfers of future revenues	-
Gain/loss on sale leaseback	-
Loan origination fees and costs	-
Change in fair value of hedging derivative instrument	-
Irrevocable split-interest agreements	-
Total deferred outflows - others	-
Total deferred outflows of resources	\$ -

2. Deferred Inflows of Resources

Deferred inflows - service concession arrangements	\$ -
Deferred inflows - net pension liability	-
Deferred inflows - net OPEB liability	-
Deferred inflows - unamortized gain on debt refunding(s)	-
Deferred inflows - nonexchange transactions	-
Deferred inflows - others:	
Sales/intra-entity transfers of future revenues	-
Gain/loss on sale leaseback	-
Loan origination fees and costs	-
Change in fair value of hedging derivative instrument	-
Irrevocable split-interest agreements	-
Total deferred inflows - others	-
Total deferred inflows of resources	\$ -

11 Other nonoperating revenues (expenses)

Other nonoperating revenues	\$ -
Other nonoperating (expenses)	-
Total other nonoperating revenues (expenses)	\$ -

Associated Students of California State University, Sacramento

NOTE TO THE SUPPLEMENTARY INFORMATION

BASIS OF PRESENTATION

These schedules are prepared in accordance with the instructions listed in an Administrative Directive dated June 24, 2003, entitled *Financial Reporting Requirements for Auxiliary Organizations*, from the California State University Office of the Chancellor. As a result, these schedules do not represent financial statements that are prepared in accordance with accounting principles generally accepted in the United States of America issued by the Financial Accounting Standards Board.

OTHER REPORT SECTION

INDEPENDENT AUDITORS' 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 of California State University, Sacramento
Sacramento, California

We have audited, 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, the financial statement of Associated Students of California State University, Sacramento (ASI), which comprise the statement of financial position as of June 30, 2021; the related statement 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 September 3, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, 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 ASI'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. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF A FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether ASI's financial statement is 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 statement. 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*.

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 ASI's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ASI's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KCoe Jam, LLP

September 3, 2021

Chico, California