

# California State University, Stanislaus Auxiliary and Business Services

Financial Statements and Supplemental Information

Year Ended June 30, 2020



**CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES**  
**Financial Statements and Supplemental Information**  
Year Ended June 30, 2020

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
California State University, Stanislaus Auxiliary and Business Services

We have audited the accompanying financial statements of California State University, Stanislaus Auxiliary and Business Services (Organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 auditor's 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 the entity'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 the entity'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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of California State University, Stanislaus Auxiliary Business Services as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## INDEPENDENT AUDITORS' REPORT, CONTINUED

### Emphasis of Matter

As described in Note 1, to the financial statements, on March 11, 2020 the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events cannot be reasonably estimated at this time. Our opinion is unmodified with respect to that matter.

### Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on pages 18 - 26 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 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.

*Aldrich CPAs + Advisors LLP*

San Diego, California  
September 18, 2020

**CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES**  
**Statement of Financial Position**  
June 30, 2020

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**ASSETS**

Current Assets:

Cash and cash equivalents	\$	802,798
Accounts receivable		32,496
Interest receivable		6,769
Due from related parties		703,603

Total Current Assets		1,545,666
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Noncurrent Assets:

Investments		1,066,068
Property and equipment, net of accumulated depreciation		3,021,125

Total Noncurrent Assets		4,087,193
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Total Assets	\$	5,632,859
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**LIABILITIES AND NET ASSETS**

Current Liabilities:

Accounts payable	\$	631
Interest payable		7,750
Due to related parties		267,280
Warrior card unearned revenue		64,291
Current portion of bond payable		295,000
Current portion of bond premium		30,314

Total Current Liabilities		665,266
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Noncurrent Liabilities:

Post-retirement benefit obligation		145,326
Pension liability		1,275,736
Bond payable, net of current portion		635,000
Bond premium, net of current portion		56,324

Total Noncurrent Liabilities		2,112,386
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Total Liabilities		2,777,652
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Net Assets - Without Donor Restrictions

Board designated for:

Facility maintenance and repair		1,253,630
Outstanding commitments		1,601,577

Total Net Assets - Without Donor Restrictions		2,855,207
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Total Liabilities and Net Assets	\$	5,632,859
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**CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES****Statement of Activities**

Year Ended June 30, 2020

Revenue and Other Support Without Donor Restrictions:	
Rental income	\$ 650,000
Commissions	434,958
Other	<u>48,811</u>
Total Revenue and Other Support Without Donor Restrictions	1,133,769
Expenses:	
Program services:	
Bookstore	401,023
Campus dining	173,908
Residential life village	290,656
Warrior card	38,031
Investment	5,637
Vending	3,547
Club colors	<u>355</u>
Total program services	913,157
General and administrative	<u>136,271</u>
Total Expenses	<u>1,049,428</u>
Operating Income	84,341
Non-Operating Revenue (Expense):	
Gain on sale of asset	1,241,117
Investment return, net	37,051
Pension related charges other than net periodic pension cost	(181,078)
Other	<u>13,664</u>
Total Non-Operating Revenue	<u>1,110,754</u>
Change in Net Assets	1,195,095
Net Assets - Without Donor Restrictions, beginning	<u>1,660,112</u>
Net Assets - Without Donor Restrictions, ending	<u>\$ 2,855,207</u>

**CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES**  
**Statement of Functional Expenses**  
Year Ended June 30, 2020

	Program Services						General and	
	Bookstore	Campus Dining	Residential Life Village	Warrior Card	Other Programs	Total Programs	Administrative	Total
Accounting and professional	\$ 92,160	\$ 61,579	\$ 86,776	\$ 633	\$ 5,103	\$ 246,251	\$ 95,650	\$ 341,901
Depreciation	138,618	41,420	156,510	-	-	336,548	-	336,548
Interest	141,320	-	31,626	-	-	172,946	-	172,946
Repairs and maintenance	4,717	65,928	-	-	-	70,645	-	70,645
Supplies	1,635	1,546	-	34,732	-	37,913	10,966	48,879
Insurance	8,478	3,271	15,744	-	218	27,711	4,073	31,784
Campus reimbursement	-	-	-	-	-	-	17,869	17,869
Awards, gifts and donations	10,800	-	-	-	-	10,800	-	10,800
Taxes and licenses	-	-	-	-	4,218	4,218	160	4,378
Utilities	3,295	-	-	-	-	3,295	186	3,481
Travel	-	-	-	-	-	-	2,932	2,932
Bank charges	-	-	-	2,666	-	2,666	222	2,888
Benefits	-	-	-	-	-	-	2,405	2,405
Miscellaneous	-	164	-	-	-	164	1,808	1,972
<b>Total Operating Expenses</b>	<b>401,023</b>	<b>173,908</b>	<b>290,656</b>	<b>38,031</b>	<b>9,539</b>	<b>913,157</b>	<b>136,271</b>	<b>1,049,428</b>
Pension related charges other than net periodic pension cost	-	-	-	-	-	-	181,078	181,078
<b>Total Expenses</b>	<b>\$ 401,023</b>	<b>\$ 173,908</b>	<b>\$ 290,656</b>	<b>\$ 38,031</b>	<b>\$ 9,539</b>	<b>\$ 913,157</b>	<b>\$ 317,349</b>	<b>\$ 1,230,506</b>

See accompanying notes to the financial statements.

**CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES****Statement of Cash Flows**Year Ended June 30, 2020

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## Cash Flows from Operating Activities:

Increase in net assets	\$ 1,195,095
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	336,548
Net unrealized loss on investments	7,830
Gain from sale of asset	(1,241,117)
Changes in operating assets and liabilities:	
Accounts receivable	31,670
Interest receivable	2,581
Due from related parties	1,477
Prepaid and other assets	567
Accounts payable	(8,256)
Interest payable	(31,000)
Due to related parties	22,179
Warrior card	(2,085)
Post-retirement benefit obligation	(13,700)
Pension liability	32,673

Net Cash Provided by Operating Activities 334,462

## Cash Flows from Investing Activities:

Purchases of property and equipment	(14,764)
Proceeds from sale of investments	95,000
Purchases of investments	(22,240)

Net Cash Provided by Investing Activities 57,996

## Cash Flows from Financing Activities:

Principal payments on capital lease	(110,000)
Principal payments on bond payable	(298,607)

Net Cash Used by Financing Activities (408,607)

Net Decrease in Cash and Cash Equivalents (16,149)

Cash and Cash Equivalents, beginning 818,947

Cash and Cash Equivalents, ending \$ 802,798

## Supplemental Information of Cash Flow Information:

Cash paid for interest	\$ 222,553
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## Noncash investing and financing activities:

Related party sale of bookstore	\$ 4,293,603
Less transfer of debt	(3,590,000)
Less receivable assumed	(703,603)
Cash received on sale of bookstore	\$ -

Acquisition of equipment for Residential Life Village	\$ 229,090
Less liabilities assumed	(229,090)
Cash paid for purchase	\$ -



# CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES

## Notes to Financial Statements

Year Ended June 30, 2020

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### Note 1 – Organization and Summary of Significant Accounting Policies

#### Nature of Activities

California State University, Stanislaus Auxiliary and Business Services (Organization) was incorporated in the State of California on October 3, 1960, under the name of California State University, Stanislaus Foundation. Effective July 1, 1998, the Organization changed its name to California State University, Stanislaus Auxiliary and Business Services. The Organization also authorized the use of the name California State University, Stanislaus Foundation (Foundation) for a new non-profit corporation. The operations and assets of noncommercial activities were transferred to the Foundation effective that date.

The Organization was formed and operates as an auxiliary organization of California State University, Stanislaus (CSU Stanislaus or the University) which has campuses in Turlock and Stockton, California. The Organization arranges for services to students and faculty including dormitory, food service and campus bookstore. The bookstore and food services are provided by way of lease agreements with independent commercial vendors.

#### New Accounting Pronouncements

In June 2018, the Financial Accounting Standards Board (FASB) issued 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (Topic 958). This standard update clarifies and improves the scope and the accounting guidance for contributions received and contributions made under US GAAP. During the year ended June 30, 2020, the Foundation adopted ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (Topic 958).

In March 2017, the FASB issued ASU 2017-07, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost* (Topic 715). This standard update was issued primarily to improve the presentation of net periodic pension cost and net periodic postretirement benefit cost. The amendments in this standard update require that an employer report the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. The other components of net benefit cost are required to be presented in the statement of activities separately from the service cost component and outside a subtotal of change in net assets from operating activities, if one is presented.

Management has analyzed the provisions of the FASB's Topic 715, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*, and has adjusted the presentation for the year ended June 30, 2020 to present service cost for certain plans as a portion of employee benefits expense and all other components as pension benefit (expense) in non-operating on the statement of activities. The Organization also participates in a cost-sharing, multiple employer plan, and the service cost per participating organization is not provided and therefore cannot be separately disclosed. For this plan, management included all contributions in employer benefits.

#### Financial Statement Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding their 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 the Organization. These net assets may be used at the discretion of the Organization'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 the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. The Organization did not have any with donor restriction net assets that were temporary or perpetual in nature for the year ended June 30, 2020.

# **CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES**

## **Notes to Financial Statements**

Year Ended June 30, 2020

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### **Note 1 – Organization and Summary of Significant Accounting Policies, continued**

#### Income Taxes

The Organization 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, the Organization 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.

The Organization follows accounting standards generally accepted in the United States of America related to the recognition of uncertain tax positions. The Organization recognizes accrued interest and penalties associated with uncertain tax positions as part of the statements of activities, when applicable. Management has determined that the Organization has no uncertain tax positions at June 30, 2020 and therefore no amounts have been accrued.

#### Cash and Cash Equivalents

The Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

#### Accounts Receivable

The accounts receivable arise in the normal course of operations. It is the policy of management to review the outstanding accounts receivable at year end, as well as the bad debt write-offs experienced in the past, and establish an allowance for doubtful accounts for uncollectible amounts. A provision for doubtful accounts has not been established as management considers all accounts to be collectible based upon a favorable history over a substantial period of time. If amounts become uncollectible, they will be charged to operations when that determination is made.

#### Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at fair values in the statements of financial position. The fair value is determined using quoted market prices. The Organization's money market funds are reinvested into debt securities. Realized and unrealized gains and losses are included in the change in net assets in the statements of activities.

#### Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$5,000. Equipment and improvements are recorded at cost or at estimated fair value at date of gift if donated. Expenditures for maintenance and repairs are charged against operations. Depreciation is provided on a straight-line basis over the estimated useful lives of the asset of 5 to 40 years.

#### Fair Value Measurements

The Organization 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. The Organization applies fair value measurements to assets and liabilities that are required to be recorded at fair value under generally accepted accounting principles. 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.

# CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES

## Notes to Financial Statements

Year Ended June 30, 2020

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### Note 1 – Organization and Summary of Significant Accounting Policies, continued

#### Fair Value Measurements, continued

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.

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.

The carrying value of cash, receivables, and payables approximates fair value as of June 30, 2020, due to the relative short maturities of these instruments.

#### Warrior Cards

Warrior cards are prepaid spending accounts that students can use to make purchases on campus. Unused funds are recorded as a liability and expensed when used.

#### Functional Expense Allocations

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among services. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Method of allocation
Depreciation	Allocated directly to program
Insurance	Allocated based on percentage of overall expenditures
Office supplies	Allocated based on usage
OPEB	Allocated directly to Administration
Other costs	Allocated based on usage
Contractual and professional services	Allocated based on percentage of overall expenditures
Printing	Allocated based on usage
Repairs and maintenance	Allocated based on usage
Travel	Allocated based on purpose of travel
Telephone	Allocated based on usage
Training	Allocated based on usage

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

## CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES

### Notes to Financial Statements

Year Ended June 30, 2020

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#### Note 1 – Organization and Summary of Significant Accounting Policies, continued

##### Future Accounting Standards

The FASB has issued two substantial ASUs which will become effective in future years.

The amendments in ASU 2014-09 *Revenue from Contracts with Customers* and subsequent updates require that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Adoption of the new standard is to be applied on a full retrospective basis or modified retrospective basis. The new ASU was originally effective for fiscal years beginning after December 15, 2018 but the FASB has delayed the effective period to fiscal years beginning after December 15, 2020. The Organization is in the process of assessing how this ASU and subsequent updates will affect the Organization's reporting of revenues. This assessment includes determining the effect of the new standard on the Organization's financial statements, accounting systems, business processes, and internal controls. Based on its assessment to date, the Organization does not currently expect adoption to have a material effect on its revenues. Adoption of ASU 2014-09 will also require enhanced financial statement disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

In February 2016, the FASB issued ASU No. 2016-02 *Leases*. The primary change in US GAAP addressed by ASU 2016-02 is the requirement for a lessee to recognize on the statement of financial position a liability to make lease payments ("lease liability") and a right-of-use asset representing its right to use the underlying asset for the lease term. ASU 2016-02 also requires qualitative and quantitative disclosures to enable users of the financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. ASU 2016-02 was originally effective for fiscal years beginning after December 15, 2019 but the FASB has delayed the effective period to fiscal years beginning after December 15, 2021. Lessees must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The Organization is evaluating the effect that the provisions of ASU 2016-02 will have on its financial statements and related disclosures.

##### Subsequent Events

In December 2019, a novel strain of coronavirus (COVID-19) was reported in Wuhan, China. On March 11, 2020 the World Health Organization declared COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closing of businesses and shelter in place orders, including California, where the Organization operates. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of business closures, shelter-in-place orders, and the ultimate impact of the CARES Act and other governmental initiatives. It is at least reasonably possible that this matter will negatively impact the Organization. However, the financial impact and duration cannot be reasonably estimated at this time.

In August 2020, the Organization liquidated the entire balance of equities and fixed income investments and transferred the funds to the State Treasury's Local Agency Investment Fund (LAIF), consistent with a policy change implemented by the Board of Directors.

The Organization has evaluated subsequent events through September 18, 2020, which is the date the financial statements were available to be issued.

#### Note 2 – Concentrations

##### Major Customers

Substantially all accounts receivable at June 30, 2020 were derived from two customers. Approximately 78% of operating revenues were from two customers.

# CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES

## Notes to Financial Statements

Year Ended June 30, 2020

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### Note 3 – Liquidity and Availability

The Organization's financial assets available within one year of the financial position date for general expenditures are as follows:

Cash and cash equivalents	\$ 802,798
Accounts receivable	32,496
Accrued Interest receivable	6,769
Due from related parties	<u>703,603</u>

Total Financial Assets Available for General Operations	1,545,666
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Less amounts not available to be used within one year:

Restricted by the Board for facility maintenance and repairs	<u>1,253,630</u>
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Financial assets available to meet cash needs for  
general expenditures within one year

\$ <u>292,036</u>
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As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the organization invests cash in excess of daily requirement in short-term investments.

### Note 4 – Cash and Cash Equivalents

The Organization maintains cash accounts at various financial institutions. The balances at times may exceed Federal Deposit Insurance Corporation (FDIC) limits. Accounts at each financial institution are insured by the FDIC up to \$250,000. In addition, the Organization has deposited cash in LAIF. Deposits in LAIF are guaranteed by the State of California.

Deposits with financial institutions	\$ 645,617
Investments in LAIF	<u>157,181</u>
Total cash and cash equivalents	\$ <u>802,798</u>

#### Investments in LAIF

As of June 30, 2020, there are investments in LAIF, which is a voluntary program created by statute as an alternative for California's local governments and special districts that allows them to participate in a major investment portfolio. It is under the administration of the California State Treasurer's Office. The investment is considered a cash equivalent as it is used to fund any operating deficit. Realized gains, losses and interest income are included in investment return in the statement of activities. The Organization's investments in LAIF are measured and reported at net asset value (NAV). The investments in LAIF have no unfunded commitments, no redemption frequency, and no redemption notice period as of June 30, 2020.

**CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES****Notes to Financial Statements**

Year Ended June 30, 2020

**Note 5 – Investments**

Investments consist of the following as of June 30, 2020:

	Level 1	Level 2	Level 3	NAV	Total
Mutual funds					
Fixed income - domestic	\$ 643,309	\$ -	\$ -	\$ -	\$ 643,309
Corporate bonds	-	422,759	-	-	422,759
	<u>\$ 643,309</u>	<u>\$ 422,759</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,066,068</u>

**Note 6 – Property and Equipment**

Property and equipment consist of the following:

Land	\$ 287,300
Building	5,926,828
Leasehold Improvements	717,309
Equipment	448,338
Construction in Progress	229,090
	<u>7,608,865</u>
Less accumulated depreciation	<u>(4,587,740)</u>
	<u>\$ 3,021,125</u>

**Note 7 – Capital Lease**

On October 1, 2007, the Organization entered into a 32-year lease agreement with the Board of Trustees of the California State University (the "Board") as lessee for financing the acquisition of the bookstore from the State of California. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, was previously recorded at the present value of its future minimum lease payments as of the inception date. The California State University System (the "CSU System") issued a System Revenue Bonds Series 2008A ("Series 2008A Bond") in relation to the capital lease.

In May 2020, the Organization sold the bookstore to the University Student Center of California State University, Stanislaus ("USC"), a related party, for a sales price approximating \$4,293,600. Under the sales agreement, the Organization received \$703,000 from the USC and it transferred to the USC the remaining payments of \$3,590,000 on the Series 2016A Bond payable to the California State University System (the "CSU System"). Therefore, at June 30, 2020, the Organization had no amounts outstanding in relation to the capital lease.

**Note 8 – Long-Term Debt**

On August 1, 2018, the Organization entered into a loan agreement with the Board of Trustees of the California State University. In conjunction with the issuance of the Systemwide Revenue Bonds Series 2018A, the Organization requested \$1,210,000 to refund and refinance previously issued bonds, which were used in the development and construction of the Residential Life Village II.

The loan bears interest at a rate of 5 percent per annum. Principal and unpaid interest will be due and payable on or before May 1 and November 1 in each year, through May 1, 2023. The bonds were issued at a premium in the amount of \$111,433, which is being amortized over the life of the bonds.

**CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES****Notes to Financial Statements**

Year Ended June 30, 2020

**Note 8 – Long-Term Debt, continued**

Principal maturities of the bond payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 295,000	\$ 39,125
2022	310,000	24,000
2023	<u>325,000</u>	<u>8,125</u>
Total balance due	930,000	71,250
Less current maturities	<u>(295,000)</u>	<u>-</u>
	<u>\$ 635,000</u>	<u>\$ 71,250</u>

Interest expense for the year ended June 30, 2020 was \$50,233.

Bond premium amortizations are as follows:

<u>Year Ending June 30,</u>	
2021	\$ 30,314
2022	41,309
2023	<u>15,015</u>
	<u>\$ 86,638</u>

**Note 9 – Board Designated Net Assets**

The Organization's governing board through specific action has created self-imposed limits on net assets without donor restrictions as follows:

Facility maintenance and repair	\$ 1,253,630
Outstanding Commitments:	
General funds	597,414
Stockton auxiliary campus	257,940
Bookstore activities	231,475
Residential life village activities	152,273
Post-retirement benefits	145,326
Dining activities	141,789
General and administrative	56,848
Warrior cash activities	16,606
Vending activities	1,733
Club colors activities	<u>173</u>
	<u>\$ 2,855,207</u>

# CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES

## Notes to Financial Statements

Year Ended June 30, 2020

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### Note 10 – Pension Plan

#### Plan Description

The Organization contributes to the California Public Employees' Retirement System (PERS), a cost-sharing multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating entities within the State of California. The four auxiliary organizations at California State University, Stanislaus, contribute to PERS through the Organization. All direct full-time Organization employees are covered by the plan. Reimbursed employees are covered by CSU Stanislaus' plan.

Starting July 1, 2008, the Organization's full-time employees were paid by California State University, Stanislaus. The Organization has not participated in PERS since 2008.

The defined benefit plan uses the Entry Age Normal Actuarial Cost Method, which is a projected benefit cost method. According to this cost method, the normal cost for an employee is the level amount which would fund the projected benefit if it were paid annually from the date of employment until retirement. The auxiliaries fund the plan based upon a percentage of qualified payrolls. PERS also uses the level percentage of payroll method to amortize any unfunded actuarial liabilities.

Total contributions by the Organization during the year ended June 30, 2020 was \$156,345.

#### Funded Status:

Valuation date	June 30, 2018
Benefit obligation	\$ 5,325,200
Fair value of plan assets	\$ 3,670,989
Unfunded liability	\$ 1,654,211
Funded ratio	68.9%

#### Amounts recognized in the Statement of Financial Position:

Pension liability	\$ <u>1,275,736</u>
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The significant actuarial assumptions used to calculate the above pension benefit obligation is as follows:

Investment Return (net of administrative expenses)	7.00%
Projected salary increases	0.40% - 8.5%
Inflation	2.50%
Overall payroll growth	2.75%

Actuarial information as of June 30, 2020 is currently not available.

PERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the PERS' annual financial report may be obtained from the CalPERS Headquarters Office, Lincoln Plaza North, 400 Q Street, Sacramento, California 95811. Information about benefits and contributions expected to be paid in each of the next five fiscal years and the five years thereafter have not been provided by PERS.



## CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES

### Notes to Financial Statements

Year Ended June 30, 2020

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#### Note 11 - Post-Retirement Benefit Plan

The Organization provides lifetime postretirement medical coverage to employees (and their dependents) who retire at age 50 or older with at least five years of service with the Organization, the Associated Students Inc. of California State University, Stanislaus or the University Student Center of California State University, Stanislaus. The Organization pays a portion of the cost of the benefit, up to a predetermined maximum. Retirees are responsible for costs in excess of the maximum.

As of June 30, 2020, the Organization had two retired employees who were eligible to participate in the plan. The two retired employees covered under this plan were originally employees of the California State University, Stanislaus Foundation. During the year ended June 30, 2009, the Organization agreed to pay for the employees' post-retirement benefits because the Foundation had no discretionary funds to pay this obligation. The Organization made contributions to the plan of \$8,454 for the year ended June 30, 2020. The plan's obligations and funded status for the Organization are as follows:

#### Obligations and Funded Status at June 30, 2020

##### Change in Benefit Obligation:

Benefit obligation at beginning of year	\$	159,026
Interest cost		5,418
Actuarial gain		(10,664)
Benefits paid		<u>(8,454)</u>
Benefit obligation at end of year	\$	<u>145,326</u>

##### Funded Status:

Benefit obligation	\$	145,326
Unrecognized net actuarial gain		<u>166,748</u>

Accrued benefit cost	\$	<u>312,074</u>
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Measurement date	June 30, 2020
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Unfunded status at end of year	\$	<u>(145,326)</u>
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##### Amounts recognized in the Statement of Financial Position:

Post-retirement benefit obligation	\$	<u>145,326</u>
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##### Net Periodic Benefit Cost:

Interest cost		5,418
Amortization of net gain		<u>(11,490)</u>
Net periodic benefit cost	\$	<u>(6,072)</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing costs between the employer and plan members to that point.

# CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES

## Notes to Financial Statements

Year Ended June 30, 2020

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### Note 11 - Post-Retirement Benefit Plan, continued

#### Actuarial Methods and Assumption

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumption used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

#### Assumptions

Weighted-average assumptions used to determine benefit obligations at June 30:

Discount rate	2.70%
Expected long-term return on plan assets	N/A
Rate of compensation increase	N/A
Health care cost trend rate assumed for next year	6.00%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.50%
Year that the rate reaches the ultimate trend rate	3 years

### Note 12 - Related Party Transactions

The Organization enters into transactions with related parties, including:

California State University, Stanislaus  
University Student Center of California State University, Stanislaus  
California State University, Stanislaus Foundation  
Associated Students Incorporated of California State University, Stanislaus

Transactions with related parties consist of the following:

	CSU Stanislaus	Foundation	ASI	USC	Total
Due from related parties	\$ -	\$ -	\$ -	\$ 703,603	\$ 703,603
Due to related parties	(267,280)	-	-	-	(267,280)
Payment from related parties for services, space and programs	650,600	2,612	3,309	14,786	671,307
Payments made to related parties	(1,074,142)	-	(1,014)	-	(1,075,156)
Gifts to related parties	-	(8,000)	-	-	(8,000)

## **SUPPLEMENTAL INFORMATION**

**CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES**  
**Schedule of Net Position**  
Year Ended June 30, 2020  
(for inclusion in the California State University)

**Assets:**

**Current assets:**

Cash and cash equivalents	645,617
Short-term investments	157,181
Accounts receivable, net	742,868
Capital lease receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	-
<b>Total current assets</b>	<b>1,545,666</b>

**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	1,066,068
Capital assets, net	3,021,125
Other assets	-
<b>Total noncurrent assets</b>	<b>4,087,193</b>

**Total assets**

**5,632,859**

**Deferred outflows of resources:**

Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Others	-
<b>Total deferred outflows of resources</b>	<b>-</b>

**Liabilities:**

**Current liabilities:**

Accounts payable	267,911
Accrued salaries and benefits	-
Accrued compensated absences, current portion	-
Unearned revenues	-
Capital lease obligations, current portion	-
Long-term debt obligations, current portion	295,000
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	64,291
Other liabilities	7,750
<b>Total current liabilities</b>	<b>634,952</b>

**Noncurrent liabilities:**

Accrued compensated absences, net of current portion	-
Unearned revenues	-
Grants refundable	-
Capital lease obligations, net of current portion	-
Long-term debt obligations, net of current portion	721,638
Claims liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	145,326
Net pension liability	1,275,736
Other liabilities	-
<b>Total noncurrent liabilities</b>	<b>2,142,700</b>

**Total liabilities**

**2,777,652**

**Deferred inflows of resources:**

Service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Others	-
<b>Total deferred inflows of resources</b>	<b>-</b>

**Net position:**

Net investment in capital assets	2,004,487
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	-
Unrestricted	
Student services	-
Auxiliary enterprise	850,720
Non-Aux enterprise/Non-Student service	-
<b>Total net position</b>	<b>2,855,207</b>

**CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES**  
**Schedule of Revenue, Expenses, and Changes in Net Position**  
Year Ended June 30, 2020  
(for inclusion in the California State University)

<b>Revenues:</b>	
<b>Operating revenues:</b>	
Student tuition and fees, gross	-
Scholarship allowances (enter as negative)	-
<b>Grants and contracts, noncapital:</b>	
Federal	-
State	-
Local	-
Nongovernmental	-
Sales and services of educational activities	-
Sales and services of auxiliary enterprises, gross	1,084,958
Scholarship allowances (enter as negative)	-
Other operating revenues	48,811
<b>Total operating revenues</b>	<b>1,133,769</b>
<b>Expenses:</b>	
<b>Operating expenses:</b>	
Instruction Total	-
Research Total	-
Public service Total	-
Academic support Total	-
Student services Total	615,102
Institutional support Total	-
Operation and maintenance of plant Total	105,910
Student grants and scholarships Total	-
Auxiliary enterprise expenses Total	-
Depreciation and amortization	336,548
<b>Total operating expenses</b>	<b>1,057,560</b>
<b>Operating income (loss)</b>	<b>76,209</b>
<b>Nonoperating revenues (expenses):</b>	
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	10,000
Investment income (loss), net	37,051
Endowment income (loss), net	-
Interest expense	(172,946)
Other nonoperating revenues (expenses) - excl. interagency transfers	1,244,781
<b>Net nonoperating revenues (expenses)</b>	<b>1,118,886</b>
<b>Income (loss) before other revenues (expenses)</b>	<b>1,195,095</b>
State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
<b>Increase (decrease) in net position</b>	<b>1,195,095</b>
<b>Net positions at beginning of year, as previously reported</b>	
<b>Net investment in capital assets</b>	1,151,060
<b>Restricted for:</b>	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	-
<b>Unrestricted</b>	-
Student services	
Auxiliary enterprise	509,052
Non-Aux enterprise/Non-Student service	-
<b>Total Net position at beginning of year, as previously reported</b>	<b>1,660,112</b>
Restatements - Net investment in capital assets	-
Restatements - Restricted for Nonexpendable – endowments	-
Restatements - Restricted for Expendable - Scholarships and fellowships	-
Restatements - Restricted for Expendable - Research	-
Restatements - Restricted for Expendable - Loans	-
Restatements - Restricted for Expendable - Capital projects	-
Restatements - Restricted for Expendable - Debt service	-
Restatements - Restricted for Expendable - Others	-
Restatements - Unrestricted - Student services	-
Restatements - Unrestricted - Auxiliary enterprise	-
Restatements - Unrestricted - Non-Aux enterprise/Non-Student service	-
<b>Total Restatements</b>	<b>-</b>
<b>Net position at beginning of year, as restated</b>	<b>1,660,112</b>
<b>Net position at end of year</b>	<b>2,855,207</b>

# CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES

## Other Information

June 30, 2020

(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**

-
645,617
<b>\$ 645,617</b>

### 2.1 Composition of investments:

Investment Type	Current	Noncurrent	Fair Value
Money market funds			-
Repurchase agreements			-
Certificates of deposit			-
U.S. agency securities			-
U.S. treasury securities			-
Municipal bonds			-
Corporate bonds		422,759	<b>422,759</b>
Asset backed securities			-
Mortgage backed securities			-
Commercial paper			-
Mutual funds		643,309	<b>643,309</b>
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 types			-
Other external investment pools			-
CSU Consolidated Investment Pool (formerly SWIFT)			-
State of California Local Agency Investment Fund (LAIF)	157,181		<b>157,181</b>
State of California Surplus Money Investment Fund (SMIF)			-
Other investments:			-
Total Other investments	-	-	-
<b>Total investments</b>	<b>157,181</b>	<b>1,066,068</b>	<b>1,223,249</b>
Less endowment investments (enter as negative number)	-	-	-
<b>Total investments, net of endowments</b>	<b>\$ 157,181</b>	<b>1,066,068</b>	<b>1,223,249</b>

See independent auditors' report.

# CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES

## Other Information

June 30, 2020

(for inclusion in the California State University)

### 2.2 Fair value hierarchy in investments:

Investment Type	Fair Value	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	422,759	422,759			
Asset backed securities	-				
Mortgage backed securities	-				
Commercial paper	-				
Mutual funds	643,309	643,309			
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 types	-				
Other external investment pools	-				
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-	-	
State of California Local Agency Investment Fund (LAIF)	157,181	-	-	-	157,181
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	
Other investments:	-				
Total other investments:	-	-	-	-	-
<b>Total investments</b>	<b>\$ 1,223,249</b>	<b>\$ 1,066,068</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 157,181</b>

-Agree with above-

### 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.

Investments held by the University under contractual agreements (e.g CSU Consolidated SWIFT Inv pool):

Current	Noncurrent	Total
		\$ -

See independent auditors' report.

# CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES

## Other Information

June 30, 2020

(for inclusion in the California State University)

### 3.1 Composition of capital assets:

	Balance June 30, 2019	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2019 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2020
<b>Non-depreciable/Non-amortizable capital assets:</b>									
Land and land improvements	\$ 287,300				287,300				287,300
Works of art and historical treasures	-				-				-
Construction work in progress (CWIP)	-				-	229,090			229,090
Intangible assets:									
Rights and easements	-				-				-
Patents, copyrights and trademarks	-				-				-
Intangible assets in progress (PWIP)	-				-				-
Licenses and permits	-				-				-
Other intangible assets:									
-	-				-				-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	-	-	-	-	-	-	-	-	-
<b>Total non-depreciable/non-amortizable capital assets</b>	<b>287,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>287,300</b>	<b>229,090</b>	<b>-</b>	<b>-</b>	<b>516,390</b>
<b>Depreciable/Amortizable capital assets:</b>									
Buildings and building improvements	5,926,828				5,926,828				5,926,828
Improvements, other than buildings	-				-				-
Infrastructure	-				-				-
Leasehold improvements	5,807,413				5,807,413		(5,090,104)		717,309
Personal property:									
Equipment	433,574				433,574	14,764			448,338
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	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total depreciable/amortizable capital assets</b>	<b>12,167,815</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,167,815</b>	<b>14,764</b>	<b>(5,090,104)</b>	<b>-</b>	<b>7,092,475</b>
<b>Total capital assets</b>	<b>12,455,115</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,455,115</b>	<b>243,854</b>	<b>(5,090,104)</b>	<b>-</b>	<b>7,608,865</b>
<b>Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)</b>									
Buildings and building improvements	(3,400,664)				(3,400,664)	(156,510)			(3,557,174)
Improvements, other than buildings	-				-				-
Infrastructure	-				-				-
Leasehold improvements	(2,501,838)				(2,501,838)	(159,692)	2,037,618		(623,912)
Personal property:									
Equipment	(386,308)				(386,308)	(20,346)			(406,654)
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	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total accumulated depreciation/amortization</b>	<b>(6,288,810)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,288,810)</b>	<b>(336,548)</b>	<b>2,037,618</b>	<b>-</b>	<b>(4,587,740)</b>
<b>Total capital assets, net</b>	<b>\$ 6,166,305</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,166,305</b>	<b>(92,694)</b>	<b>(3,052,486)</b>	<b>-</b>	<b>3,021,125</b>

### 3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense related to capital assets

Amortization expense related to other assets

**Total depreciation and amortization**

\$ 336,548

**\$ 336,548**

See independent auditors' report.



# CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES

## Other Information

June 30, 2020

(for inclusion in the California State University)

### 4 Long-term liabilities:

	Balance June 30, 2019	Prior Period Adjustments/Recla ssifications	Balance June 30, 2019 (Restated)	Additions	Reductions	Balance June 30, 2020	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ -	-	-	-	-	-	-	-
2. Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-
3. Capital lease obligations:								
Gross balance	3,700,000	-	3,700,000	-	(3,700,000)	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-
<b>Total capital lease obligations</b>	<b>3,700,000</b>	<b>-</b>	<b>3,700,000</b>	<b>-</b>	<b>(3,700,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	-	-	-	-	-	-	-	-
4.2 Commercial paper	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	1,210,000	-	1,210,000	-	(280,000)	930,000	295,000	635,000
4.4 Others:	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<b>Total others</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Sub-total long-term debt</b>	<b>1,210,000</b>	<b>-</b>	<b>1,210,000</b>	<b>-</b>	<b>(280,000)</b>	<b>930,000</b>	<b>295,000</b>	<b>635,000</b>
4.5 Unamortized net bond premium/(discount)	105,245	-	105,245	-	(18,607)	86,638	-	86,638
<b>Total long-term debt obligations</b>	<b>1,315,245</b>	<b>-</b>	<b>1,315,245</b>	<b>-</b>	<b>(298,607)</b>	<b>1,016,638</b>	<b>295,000</b>	<b>721,638</b>
<b>Total long-term liabilities</b>	<b>\$ 5,015,245</b>	<b>-</b>	<b>5,015,245</b>	<b>-</b>	<b>(3,998,607)</b>	<b>1,016,638</b>	<b>295,000</b>	<b>721,638</b>

(for inclusion in the California State University)

**Year ending June 30:**

2021  
2022  
2023  
2024  
2025  
2026 - 2030  
2031 - 2035  
2036 - 2040  
2041 - 2045  
2046 - 2050  
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**

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:**

2021  
2022  
2023  
2024  
2025  
2026 - 2030  
2031 - 2035  
2036 - 2040  
2041 - 2045  
2046 - 2050  
Thereafter

**Total minimum payments**

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**

[illegible]

(for inclusion in the California State University)

## Other amounts receivable from University (enter as positive number)

**Provide a detailed breakdown of the journal entries (at the financial statement line items level) booked to record each restatement:**

25

# CALIFORNIA STATE UNIVERSITY, STANISLAUS AUXILIARY BUSINESS SERVICES

## Other Information

June 30, 2020

(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	-	-	(6,072)	189,555	-	431,619	-	615,102
Institutional support	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	105,910	-	105,910
Student grants and scholarships	-	-	-	-	-	-	-	-
Auxiliary enterprise expenses	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	336,548	336,548
<b>Total operating expenses</b>	<b>\$ -</b>	<b>-</b>	<b>(6,072)</b>	<b>189,555</b>	<b>-</b>	<b>537,529</b>	<b>336,548</b>	<b>1,057,560</b>

### 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**

-  
**\$ -**