

California State University, Los Angeles Foundation

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

June 30, 2023

California State University, Los Angeles Foundation

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Independent Auditor's Report

Board of Trustees
California State University, Los Angeles Foundation
(A California State University Auxiliary Organization)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of California State University, Los Angeles Foundation, a California nonprofit public benefit corporation, which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of California State University, Los Angeles Foundation as of June 30, 2023, 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.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Report on Summarized Comparative Information

We have previously audited California State University, Los Angeles Foundation's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 29, 2022. In our opinion, the summarized comparative information presented herein as of and for the year June 30, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 19 to 28 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2023, on our consideration of California State University, Los Angeles Foundation'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 California State University, Los Angeles Foundation's internal control over financial reporting and compliance.



Los Angeles, California
September 29, 2023

California State University, Los Angeles Foundation

**Statement of Financial Position
June 30, 2023
With Summarized Totals at June 30, 2022**

<u>Assets</u>		
	<u>2023</u>	<u>2022</u>
Current assets		
Cash and cash equivalents	\$ 1,536,463	\$ 2,887,704
Short-term investments	2,350,000	3,014,135
Accounts receivable	995,682	1,076,050
Pledges receivable, current portion, net	814,285	1,054,164
Prepaid expenses and other current assets	<u>22,635</u>	<u>595</u>
Total current assets	<u>5,719,065</u>	<u>8,032,648</u>
Noncurrent assets		
Restricted cash and cash equivalents	849,488	123,808
Investments	64,381,683	58,658,920
Pledges receivable, net of current portion	<u>3,843,920</u>	<u>4,362,909</u>
Total noncurrent assets	<u>69,075,091</u>	<u>63,145,637</u>
Total assets	<u>\$ 74,794,156</u>	<u>\$ 71,178,285</u>
<u>Liabilities and Net Assets</u>		
Current liabilities		
Accounts payable and other liabilities	\$ 156,959	\$ 21,024
Accounts payable to affiliates	<u>26,982</u>	<u>92,960</u>
Total liabilities	<u>183,941</u>	<u>113,984</u>
Net assets		
Without donor restrictions		
General operations	1,949,422	1,363,050
Board designated	<u>2,459,114</u>	<u>1,306,061</u>
Total	4,408,536	2,669,111
With donor restrictions	<u>70,201,679</u>	<u>68,395,190</u>
Total net assets	<u>74,610,215</u>	<u>71,064,301</u>
Total liabilities and net assets	<u>\$ 74,794,156</u>	<u>\$ 71,178,285</u>

See Notes to Financial Statements.

California State University, Los Angeles Foundation

**Statement of Activities
Year Ended June 30, 2023
With Summarized Totals for the Year Ended June 30, 2022**

	2023			2022
	Without donor restrictions	With donor restrictions	Total	Total
Support and revenues				
Gifts and contributions	\$ 306,890	\$ 1,437,544	\$ 1,744,434	\$ 3,185,885
Gain on sale of property and equipment	-	-	-	405,469
In-kind donations	11,745	-	11,745	12,150
Investment income (loss), net	1,330,503	3,311,350	4,641,853	(7,813,750)
Net assets released from restrictions	2,942,405	(2,942,405)	-	-
Total support and revenues	4,591,543	1,806,489	6,398,032	(4,210,246)
Expenses				
Program services				
Scholarships	1,677,030	-	1,677,030	2,065,942
College grants	604,636	-	604,636	128,205
Total program services	2,281,666	-	2,281,666	2,194,147
Supporting services				
General and administrative	229,288	-	229,288	452,314
Fundraising and development	341,164	-	341,164	511,326
Total expenses	2,852,118	-	2,852,118	3,157,787
Change in net assets	1,739,425	1,806,489	3,545,914	(7,368,033)
Net assets, beginning	2,669,111	68,395,190	71,064,301	78,432,334
Net assets, end	<u>\$ 4,408,536</u>	<u>\$ 70,201,679</u>	<u>\$ 74,610,215</u>	<u>\$ 71,064,301</u>

See Notes to Financial Statements.

California State University, Los Angeles Foundation

**Statement of Functional Expenses
Year Ended June 30, 2023
With Summarized Totals for the Year Ended June 30, 2022**

	2023					2022
	Program services		Supporting services		Total	
	Scholarship	College grants	General and administrative	Fundraising and development		
Advertising	\$ -	\$ -	\$ 17,122	\$ -	\$ 17,122	\$ 8,684
Bank fees	-	-	11,548	-	11,548	10,231
Contract services	-	-	73,960	-	73,960	45,846
Insurance	-	-	7,707	-	7,707	4,974
Miscellaneous	-	-	32,498	-	32,498	37,953
Office	-	-	1,361	-	1,361	1,321
Outside service	-	-	-	-	-	-
Professional fees	-	-	69,149	-	69,149	373,650
Scholarships and University projects	1,677,030	604,636	-	-	2,281,666	2,194,147
Supplies and other fees	-	-	13,924	341,164	355,088	480,981
Travel and entertainment	-	-	2,019	-	2,019	-
Total	\$ 1,677,030	\$ 604,636	\$ 229,288	\$ 341,164	\$ 2,852,118	\$ 3,157,787

See Notes to Financial Statements.

California State University, Los Angeles Foundation

**Statement of Cash Flows
Year Ended June 30, 2023
With Summarized Totals for the Year Ended June 30, 2022**

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Change in net assets	\$ 3,545,914	\$ (7,368,033)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Donated securities	(542,266)	(729,881)
Net realized and unrealized (gain) loss on investments	(3,242,693)	8,604,108
Contributions restricted for endowment	(1,104,004)	(1,434,838)
Gain on sale of property and equipment	-	(405,469)
Changes in operating assets and liabilities		
Accounts receivable	80,368	767,878
Pledges receivable	758,868	752,349
Prepaid expenses and other current assets	(22,040)	305
Accounts payable and other liabilities	135,935	17,112
Accounts payable to affiliates	(65,978)	79,308
Net cash provided by (used in) operating activities	<u>(455,896)</u>	<u>282,839</u>
Cash flows from investing activities		
Purchases of investments	(26,695,265)	(34,240,493)
Proceeds from sale of investments	24,879,330	27,509,466
Proceeds from sale of donated securities	542,266	729,881
Proceeds from sale of property and equipment	-	405,469
Net cash used in investing activities	<u>(1,273,669)</u>	<u>(5,595,677)</u>
Cash flows from financing activities		
Contributions restricted for endowment	<u>1,104,004</u>	<u>1,434,838</u>
Net cash provided by financing activities	<u>1,104,004</u>	<u>1,434,838</u>
Net change in cash and cash equivalents	(625,561)	(3,878,000)
Cash and cash equivalents, beginning	<u>3,011,512</u>	<u>6,889,512</u>
Cash and cash equivalents, end	<u>\$ 2,385,951</u>	<u>\$ 3,011,512</u>
Cash and cash equivalents components		
Cash and cash equivalents	\$ 1,536,463	\$ 2,887,704
Restricted cash and cash equivalents	<u>849,488</u>	<u>123,808</u>
	<u>\$ 2,385,951</u>	<u>\$ 3,011,512</u>

See Notes to Financial Statements.

California State University, Los Angeles Foundation

Notes to Financial Statements

June 30, 2023

Note 1 - Business activity and summary of significant accounting policies

Business activity

California State University, Los Angeles Foundation (a California State University Auxiliary Organization) (the "Foundation") is a nonprofit auxiliary corporation organized under the California Nonprofit Public Benefit Corporation Law. It was incorporated on September 9, 1985, for the primary purpose of encouraging and promoting the scientific, literary, educational, and charitable purposes of California State University, Los Angeles (the "University") by providing financial assistance through scholarships, grants, gifts, loans, and other means to the University, its support groups, students, faculty, and staff.

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Financial statement presentation

The Foundation reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. They are described as follows:

Net Assets Without Donor Restrictions - Net assets for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board may designate, from net assets without donor restrictions, net assets for an operating reserve through a board-designated endowment.

Net Assets With Donor Restrictions - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time, purpose, or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Contributions

Unconditional promises to give are recorded as pledges receivable when the promise is received and there is no barrier or right of return on the promise. Unconditional promises to give with payments due in future periods are reported as restricted support.

Contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence or nature of any donor restrictions. Contributions for which donors have imposed restrictions, which limit the use of the donated assets, are reported as restricted support if the restrictions are not met in the same reporting period. When such donor-imposed restrictions are met in subsequent reporting periods, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions. Contributions of assets which donors have stipulated must be maintained in perpetuity, with only the income earned thereon available for current use, are classified as contributions with donor restrictions. Contributions for which donors have not stipulated restrictions, as well as contributions for which donors have stipulated restrictions that are met within the same reporting period, are reported as net assets without donor restrictions.

California State University, Los Angeles Foundation

Notes to Financial Statements June 30, 2023

Gifts of land, buildings, and equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulation, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return to the donor, are not recognized until the conditions on which they depend have been substantially met. As of June 30, 2023, the Foundation did not have any conditional contributions.

Cash and cash equivalents

Cash and cash equivalents consist of cash in banks and highly liquid investments with original maturities of three months or less unless held for meeting restrictions of a capital or endowment nature. As of June 30, 2023, the Foundation holds cash restricted primarily for the use of the endowment in the amount of \$849,488.

Investments

Investments are reported at their fair values in the statement of financial position. Realized and unrealized gains and losses are included in the statement of activities as investment income (loss).

Fair value measurements

The Foundation values its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.
- Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Accounts receivable

The balance of the receivables are made up of miscellaneous receivables and contributions made to the Foundation on behalf of the California State University, Los Angeles University Auxiliary Services in the amounts of \$113,401 and \$882,281, respectively, as of June 30, 2023.

Pledges receivable

Pledges receivable are stated at unpaid balances, less an allowance for doubtful accounts and a discount on those pledges receivable due in greater than one year. The Foundation provides for losses on receivables using the allowance method. The allowance is based on experience and other circumstances. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Foundation's policy to charge off

California State University, Los Angeles Foundation

Notes to Financial Statements June 30, 2023

uncollectible receivables when management determines the receivable will not be collected. The balance of the allowance for doubtful accounts at June 30, 2023 is \$0.

In-kind contributions

The Foundation records various types of in-kind contributions. Contributions of tangible assets are recognized at fair value when received. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The fair market value was determined through active markets of identical or similar items. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses. For the year ended June 30, 2023, the Foundation recorded in-kind contributions of \$11,745. The Foundation had no donated services during the year.

Income taxes

The Foundation is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the Revenue Taxation Code of California. Accordingly, no provision for income taxes is included in the accompanying financial statements.

The Foundation has no unrecognized tax benefits at June 30, 2023. The Foundation's federal and state income tax returns prior to 2020 and 2019, respectively, are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. Management has analyzed the tax positions taken by the Foundation and has concluded that, as of June 30, 2023, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

If applicable, the Foundation recognizes interest and penalties associated with tax matters as part of income tax expense and includes accrued interest and penalties with the related tax liability in the statement of financial position.

Functional allocation of expenses

The costs of providing services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the program services and supporting services related to personnel time and space utilized for activities.

Use of estimates

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

Comparative totals

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

California State University, Los Angeles Foundation

Notes to Financial Statements June 30, 2023

Recent accounting pronouncements

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases* ("Topic 842"), which establishes the principles to report transparent and economical neutral information about the assets and liabilities that arise from leases. This guidance results in a more faithful representation of the rights and obligations arising from operating and capital leases in the statements of financial position and to disclose qualitative and quantitative information about lease transactions, such as information about variable lease payments and options to renew and terminate leases. The Foundation has elected to apply the deferrals provided by ASU 2020-05, and thereafter adopted Topic 842 for fiscal years beginning after December 15, 2021 on a modified retrospective basis with a cumulative effect transition adjustment as of the beginning of the period that includes initial adoption of the standard. The Foundation evaluated the potential impact of adoption, and due to not having significant operating leases at June 30, 2023 and 2022, there was no impact on the financial statements.

Subsequent events

The Foundation has evaluated subsequent events through September 29, 2023, which is the date the financial statements were available to be issued.

Note 2 - Liquidity and availability

The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Foundation has various sources of liquidity at its disposal, including cash and cash equivalents, receivables and investments.

At June 30, 2023, the Foundation had the following financial assets and liquidity resources available over the next 12 months:

Cash and cash equivalents	\$ 1,536,463
Short-term investments	2,350,000
Accounts receivable	995,682
Pledges receivable due in one year or less, net	814,285
	<u>\$ 5,696,430</u>

Note 3 - Concentrations of credit risk

Financial instruments which potentially subject the Foundation to concentrations of credit risk include cash and cash equivalents. The Foundation maintains its cash and cash equivalents and investments with high-credit quality financial institutions, which typically exceeds the federally insured limits. The Foundation has not experience any losses on such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

The Foundation's investments are subject to various risks, such as interest rate, credit and overall market volatility risks. Further, because of the significance of the investments to the Foundation's financial position and the level of risk inherent in most investments, it is reasonably possible that changes in the values of these investments could occur in the near term and such changes could materially affect the amounts reported in the financial statements. Management is of the opinion that the diversification of its invested assets among the various asset classes should mitigate the impact of changes.

California State University, Los Angeles Foundation

Notes to Financial Statements June 30, 2023

At June 30, 2023, two donors accounted for approximately 79% of the Foundation's total pledges receivable. For the year ended June 30, 2023, one donor accounted for approximately 30% of the Foundation's contributions.

Note 4 - Investments

At June 30, 2023, investments consist of the following:

Common stocks	\$ 26,969,777
Exchanged-traded funds	3,762,317
Corporate bonds	1,089,185
U.S. treasury securities	4,747,254
Certificates of deposits	4,352,116
Mutual funds	17,702,805
Hedge funds	6,893,678
Alternative investments	<u>1,214,551</u>
Total investments	66,731,683
Less short-term investments	<u>2,350,000</u>
Long-term investments	<u><u>\$ 64,381,683</u></u>

At June 30, 2023, the Foundation has the following investments in limited partnerships that calculate net asset value ("NAV") per share:

Investment strategy	NAV	Redemption terms	Redemption restrictions	Redemption restrictions in place at year-end	Unfunded commitments
Multi-strategy	<u>\$ 8,108,229</u>	Annually	None	None	<u>\$ -</u>

Note 5 - Fair value measurements

At June 30, 2023, financial assets that are carried at fair value are classified in the table below in one of the three categories as described in Note 1:

	Level 1	Level 2	Level 3	Investments measured at NAV	Total
Common stocks	\$ 26,969,777	\$ -	\$ -	\$ -	\$ 26,969,777
Exchanged-traded funds	3,762,317	-	-	-	3,762,317
Corporate bonds	-	1,089,185	-	-	1,089,185
U.S. treasury securities	-	4,747,254	-	-	4,747,254
Certificates of deposits	-	4,352,116	-	-	4,352,116
Mutual funds	17,702,805	-	-	-	17,702,805
Hedge funds	-	-	-	6,893,678	6,893,678
Alternative investments	-	-	-	1,214,551	1,214,551
Total	<u>\$ 48,434,899</u>	<u>\$ 10,188,555</u>	<u>\$ -</u>	<u>\$ 8,108,229</u>	<u>\$ 66,731,683</u>

Financial assets valued using Level 1 inputs are based on quoted market prices within active markets and are valued on a recurring basis. Financial assets valued using Level 2 inputs are valued based on investment yields. The fair value of alternative investments is determined using the NAV of shares held by the Foundation. In some instances, the NAV may not equal the fair value that would be calculated under fair value accounting standards. For the year ended June 30, 2023, there have been no changes in the valuation methodologies.

California State University, Los Angeles Foundation

Notes to Financial Statements June 30, 2023

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 6 - Pledges receivable

At June 30, 2023, pledges receivable consists of unconditional promises to give and have been recorded at their present values. Those receivables that are due in future periods have been discounted to their present values, using a discount rate within the range of 1.62% and 1.90%. The receivables are recorded as follows:

2024	\$	814,285
2025		659,966
2026		638,302
2027		615,559
2028		567,095
Thereafter		<u>1,754,390</u>
		5,049,597
Less discount for present value		<u>(391,392)</u>
Net realizable value		4,658,205
Less current portion		<u>(814,285)</u>
		<u><u>\$ 3,843,920</u></u>

Note 7 - Related party transactions

The Foundation reimbursed the University \$352,684 for services performed and other expenses incurred during the year ended June 30, 2023. The reimbursed amount was comprised of \$73,960 for accounting services and \$278,724 for construction, supplies, and outside expenses incurred by the University.

University personnel performed administrative services for the Foundation, and the charges related to such services totaled \$121,802 during the year ended June 30, 2023, of which the Foundation reimbursed the University. Accounts receivable between the Foundation and the University as of June 30, 2023 is \$2,151.

The University Student Union at California State University, Los Angeles ("USU") provides the staff used during the Annual Fund Drive. The Foundation reimburses these personnel costs along with an administrative fee. For the year ended June 30, 2023, the total personnel costs were \$98,459. Total administrative fees paid were \$6,292 for the year ended June 30, 2023. Accounts payable between the Foundation and USU as of June 30, 2023 is \$931.

Cal State L.A. University Auxiliary Services, Inc. ("UAS") assists the University in various program expenses. The Foundation reimbursed UAS \$36,494 for campus program expenses incurred during the year ended June 30, 2023. Accounts payable between the Foundation and UAS as of June 30, 2023 is \$11,702.

California State University, Los Angeles Foundation

Notes to Financial Statements

June 30, 2023

Accounts receivable between UAS and the Foundation for miscellaneous receivables and contributions made to the Foundation was \$113,401 and \$882,281, respectively, as of June 30, 2023.

The Alumni Association has events that are paid for by the Foundation. Accounts payable between the Foundation and the Alumni Association as of June 30, 2023 is \$16,500.

Note 8 - Net assets

Board designated net assets without restrictions

Board designated net assets without restrictions consist of funds that are to be used for endowment scholarships. Additionally, earnings have also been designated for scholarships. At June 30, 2023, Board designated net assets without restrictions was \$2,459,114.

Net assets with donor restrictions

At June 30, 2023, net assets with donor restrictions consist of the following:

Time or purpose	
Cal State LA Environment Sciences Fund, LaKretz	\$ 336,600
Guglielmo Endowed Chair	2,750,982
Honors College	57,756
Luckman Fine Arts Complex	1,586,295
Other college grants	3,682,821
Rongxiang Xu	5,637,562
Scholarships	9,025,419
Simulation lab	950,000
Student investment fund, Marshall Geller	395,491
Tennis projects	338,484
	<hr/>
	24,761,410
Perpetual	
Endowment investments	45,440,269
	<hr/>
	<u>\$ 70,201,679</u>

Net assets totaling \$45,440,269 are restricted for investments in perpetuity, primarily for scholarships and program services, which represents the Foundation's endowment funds. At the request of the donor, any interest not awarded to any qualified candidates should be retained as perpetually restricted in the same year. There was no investment income to be retained as perpetually restricted for the year ended June 30, 2023.

Net assets released from restrictions

Net assets with donor restrictions were released from restrictions for the following purposes:

Scholarships	\$ 1,677,030
College grants	604,636
Annual general fund support	660,739
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	<u>\$ 2,942,405</u>

California State University, Los Angeles Foundation

Notes to Financial Statements June 30, 2023

Note 9 - Endowments

General board policy on administration of endowment funds

The Board of Trustees of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts donated to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for spending by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the organization
7. The investment policies of the organization

Investment policy for endowment funds

The Foundation has adopted investment and spending policies, approved by the Board of Trustees, for endowment assets that attempt to provide a predictable stream of funding for the scholarships supported by its endowment assets, while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity, debt securities and mutual funds, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make annual scholarship distributions of approximately 3% to 5% of the fair value of the endowment investments as of December 31, while growing the funds if possible. Investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending policy for endowment funds

The Foundation has a policy of appropriating for distribution for scholarships each year approximately 3% to 5% of its endowed investments' fair value as of December 31. In establishing this policy, the Foundation considered the long-term expected return on its investment assets, the nature and duration of the endowment fund which must be maintained in perpetuity because of donor restrictions, and the possible effects of inflation. The policy is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets as well as to provide

California State University, Los Angeles Foundation

Notes to Financial Statements June 30, 2023

additional real growth through new gifts and investment return. For the year ended June 30, 2023, appropriation of \$2,942,405 was made from the endowment fund for scholarship distributions.

The Foundation has a policy of appropriating 5% of all contributions received for the endowment fund annually to cover general operating expenses of the Foundation of which donors are notified of upon gift acceptance. The amount appropriated from the endowment for general operations as of June 30, 2023, was \$55,200, which represented 5% of endowed contributions received.

Additionally, the Foundation has a policy of appropriating up to 1.5% of its endowment fund's fair value as of June 30 of the prior year, for general operating expenses of the Foundation as established in the annual budget for the Foundation in July of the subsequent year. During the year ended June 30, 2023, a \$193,760 appropriation was made from the endowment fund for general operations expenses.

Endowment net asset composition by type of fund as of June 30, 2023 is as follows:

	Without donor restrictions	With donor restrictions		Total
		Time or purpose	Perpetual	
Donor-restricted endowment funds	\$ -	\$ 5,645,541	\$ 45,440,269	\$ 51,085,810
Board designated endowment funds	2,459,114	4,563,063	-	7,022,177
Total funds	<u>\$ 2,459,114</u>	<u>\$ 10,208,604</u>	<u>\$ 45,440,269</u>	<u>\$ 58,107,987</u>

Changes in endowment net assets for the year ended June 30, 2023 are as follows:

	Without donor restrictions	With donor restrictions		Total
		Time or purpose	Perpetual	
Balance, beginning	\$ 1,306,061	\$ 9,456,008	\$ 44,251,818	\$ 55,013,887
Investment income, net	1,149,653	3,228,045	-	4,377,698
Contributions	3,400	466,956	1,104,004	1,574,360
Transfers in	-	-	152,104	152,104
Administrative fees	-	-	(67,657)	(67,657)
Appropriated for expenditure	-	(2,942,405)	-	(2,942,405)
Balance, end	<u>\$ 2,459,114</u>	<u>\$ 10,208,604</u>	<u>\$ 45,440,269</u>	<u>\$ 58,107,987</u>

Transfers in are comprised of prior year contributions re-designated to the endowment during the year ended June 30, 2023. As of June 30, 2023, there were no deficiencies of donor-restricted endowment fund.

Supplementary Information

California State University, Los Angeles Foundation

Schedule of Net Position June 30, 2023 (for inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	\$ 1,536,463
Short-term investments	2,350,000
Accounts receivable, net	995,682
Lease receivable, current portion	-
P3 receivable, current portion	814,285
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	22,635
Total current assets	5,719,065
Noncurrent assets:	
Restricted cash and cash equivalents	849,488
Accounts receivable, net	-
Lease receivable, net of current portion	-
P3 receivable, net of current portion	-
Notes receivable, net of current portion	3,843,920
Student loans receivable, net	-
Pledges receivable, net	-
Endowment investments	64,381,683
Other long-term investments	-
Capital assets, net	-
Other assets	-
Total noncurrent assets	69,075,091
Total assets	74,794,156
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Leases	-
P3	-
Others	-
Total deferred outflows of resources	-
Liabilities:	
Current liabilities:	
Accounts payable	156,959
Accrued salaries and benefits	26,982
Accrued compensated absences, current portion	-
Unearned revenues	-
Lease liabilities, current portion	-
SBITA liabilities - current portion	-
P3 liabilities - current portion	-
Long-term debt obligations, current portion	-
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	-
Other liabilities	-
Total current liabilities	183,941
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	-
Unearned revenues	-
Grants refundable	-
Lease liabilities, net of current portion	-
SBITA liabilities, net of current portion	-
P3 liabilities, net of current portion	-
Long-term debt obligations, net of current portion	-
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	-
Total liabilities	183,941
Deferred inflows of resources:	
P3 service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Lease	-
P3	-
Others	-
Total deferred inflows of resources	-
Net position:	
Net investment in capital assets	-
Restricted for:	
Nonexpendable – endowments	45,440,269
Expendable:	
Scholarships and fellowships	24,761,410
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	-
Unrestricted	4,408,536
Total net position	\$ 74,610,215

See Independent Auditor's Report.

California State University, Los Angeles Foundation

Schedule of Revenues, Expenses and Changes in Net Position Year Ended June 30, 2023 (for inclusion in the California State University)

Revenues:

Operating revenues:

Student tuition and fees, gross	\$ -
Scholarship allowances (enter as negative)	-
Grants and contracts, noncapital:	
Federal	-
State	-
Local	-
Nongovernmental	-
Sales and services of educational activities	-
Sales and services of auxiliary enterprises, gross	-
Scholarship allowances (enter as negative)	-
Other operating revenues	-
Total operating revenues	<u>-</u>

Expenses:

Operating expenses:

Instruction	-
Research	-
Public service	-
Academic support	-
Student services	-
Institutional support	570,452
Operation and maintenance of plant	-
Student grants and scholarships	2,281,666
Auxiliary enterprise expenses	-
Depreciation and amortization	-
Total operating expenses	<u>2,852,118</u>
Operating income (loss)	<u>(2,852,118)</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	1,756,179
Investment income (loss), net	4,641,853
Endowment income (loss), net	-
Interest expense	-
Other nonoperating revenues (expenses)	-
Net nonoperating revenues (expenses)	<u>6,398,032</u>
Income (loss) before other revenues (expenses)	<u>3,545,914</u>

State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
Increase (decrease) in net position	<u>3,545,914</u>
Net position:	
Net position at beginning of year, as previously reported	71,064,301
Restatements	-
Net position at beginning of year, as restated	<u>71,064,301</u>
Net position at end of year	<u>\$ 74,610,215</u>

See Independent Auditor's Report.

California State University, Los Angeles Foundation

Other Information Year Ended June 30, 2023 (for inclusion in the California State University)

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments	\$	849,488
All other restricted cash and cash equivalents		-
Noncurrent restricted cash and cash equivalents		849,488
Current cash and cash equivalents		1,536,463
Total	\$	2,385,951

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds	\$ -	\$ -	\$ -
Repurchase agreements	-	-	-
Certificates of deposit	2,350,000	2,002,116	4,352,116
U.S. agency securities	-	-	-
U.S. treasury securities	-	4,747,254	4,747,254
Municipal bonds	-	-	-
Corporate bonds	-	1,089,185	1,089,185
Asset-backed securities	-	-	-
Mortgage-backed securities	-	-	-
Commercial paper	-	-	-
Supranational	-	-	-
Mutual funds	-	17,702,805	17,702,805
Exchange-traded funds	-	3,762,317	3,762,317
Equity securities	-	26,969,777	26,969,777
Alternative investments:	-	-	-
Private equity (including limited partnerships)	-	-	-
Hedge funds	-	6,893,678	6,893,678
Managed futures	-	-	-
Real estate investments (including REITs)	-	-	-
Commodities	-	-	-
Derivatives	-	-	-
Other alternative investments	-	1,214,551	1,214,551
Other external investment pools	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-
State of California Local Agency Investment Fund (LAIF)	-	-	-
State of California Surplus Money Investment Fund (SMIF)	-	-	-
Other investments:	-	-	-
Total other investments	-	-	-
Total investments	2,350,000	64,381,683	66,731,683
Less endowment investments (enter as negative number)	-	(64,381,683)	(64,381,683)
Total investments, net of endowments	\$ 2,350,000	\$ -	\$ 2,350,000

See Independent Auditor's Report.

California State University, Los Angeles Foundation

Other Information Year Ended June 30, 2023 (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	4,352,116	-	4,352,116	-	-
U.S. agency securities	-	-	-	-	-
U.S. treasury securities	4,747,254	-	4,747,254	-	-
Municipal bonds	-	-	-	-	-
Corporate bonds	1,089,185	-	1,089,185	-	-
Asset-backed securities	-	-	-	-	-
Mortgage-backed securities	-	-	-	-	-
Commercial paper	-	-	-	-	-
Supranational	-	-	-	-	-
Mutual funds	17,702,805	17,702,805	-	-	-
Exchange-traded funds	3,762,317	3,762,317	-	-	-
Equity securities	26,969,777	26,969,777	-	-	-
Alternative investments:	-	-	-	-	-
Private equity (including limited partnerships)	-	-	-	-	-
Hedge funds	6,893,678	-	-	-	6,893,678
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investments	1,214,551	-	-	-	1,214,551
Other external investment pools	-	-	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
Other investments:	-	-	-	-	-
Total other investments	-	-	-	-	-
Total investments	\$ 66,731,683	\$ 48,434,899	\$ 10,188,555	\$ -	\$ 8,108,229

2.3 Investments held by the University under contractual agreements:

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

See Independent Auditor's Report.

California State University, Los Angeles Foundation

Other Information Year Ended June 30, 2023 (for inclusion in the California State University)

3.1 Capital Assets, excluding ROU assets:

Composition of capital assets, excluding ROU assets:

	Balance June 30, 2022		Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2022 (Restated)		Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2023
Non-depreciable/Non-amortizable capital assets:											
Land and land improvements	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Works of art and historical treasures	-	-	-	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	-	-	-	-	-	-	-	-	-	-	-
Intangible assets:	-	-	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-	-	-
Intangible assets in progress (PWIP)	-	-	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Total Other intangible assets	-	-	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable capital assets	-	-	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable capital assets:											
Buildings and building improvements	-	-	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-
Personal property:	-	-	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-
Total capital assets	-	-	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:											
Buildings and building improvements	-	-	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-
Personal property:	-	-	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-
Total capital assets, net excluding ROU assets	-	-	-	-	-	-	-	-	-	-	-

See Independent Auditor's Report.

California State University, Los Angeles Foundation

Other Information Year Ended June 30, 2023 (for inclusion in the California State University)

Capital Assets, Right of Use

Composition of capital assets - Lease ROU, net:

	Balance June 30, 2022	Prior Period Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2022 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2023
Non-depreciable/Non-amortizable lease assets:									
Land and land improvements	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-
Total non-depreciable/non-amortizable lease assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable lease assets:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable lease assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - lease ROU, net	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	\$ -

Composition of capital assets - SBITA ROU, net

	Balance June 30, 2022	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2022 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2023
Depreciable/Amortizable SBITA assets:									
Software	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable SBITA assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Software	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - SBITA ROU, net	-	-	-	-	-	-	-	-	-

Composition of capital assets - P3 ROU, net:

	Balance June 30, 2022	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2022 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2023
Non-depreciable/Non-amortizable P3 assets:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable P3 assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable P3 assets:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable P3 assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - P3 ROU, net	-	-	-	-	-	-	-	-	\$ -

Total capital assets, net including ROU assets

\$ -

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California State University, Los Angeles Foundation

Other Information Year Ended June 30, 2023 (for inclusion in the California State University)

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense - capital assets, excluding ROU assets	\$	-
Amortization expense - Leases ROU	-	-
Amortization expense - SBITA ROU	-	-
Amortization expense - P3 ROU	-	-
Depreciation and Amortization expense - Others	-	-
Total depreciation and amortization	\$	-

4 Long-term liabilities:

	Balance June 30, 2022	Prior Period Adjustments/Reclassifications	Balance June 30, 2022 (Restated)	Additions	Reductions	Balance June 30, 2023	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ -	-	-	-	-	-	-	-
2. Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-
3. Capital lease obligations (pre-ASC 842):								
Gross balance	-	-	-	-	-	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-
Total capital lease obligations (pre ASC 842)	-	-	-	-	-	-	-	-
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	-	-	-	-	-	-	-	-
4.2 Commercial paper	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	-	-	-	-	-	-	-	-
4.4 Finance purchase of capital assets	-	-	-	-	-	-	-	-
4.5 Others:	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total others	-	-	-	-	-	-	-	-
Sub-total long-term debt	-	-	-	-	-	-	-	-
4.6 Unamortized net bond premium/(discount)	-	-	-	-	-	-	-	-
Total long-term debt obligations	\$ -	-	-	-	-	\$ -	-	-

5. Lease, SBITA, P3 liabilities:

	Balance June 30, 2022	Prior Period Adjustments/Reclassifications	Additions	Remeasurements	Reductions	Balance June 30, 2023	Current Portion	Noncurrent Portion
Lease liabilities	-	-	-	-	-	-	-	-
SBITA liabilities	-	-	-	-	-	-	-	-
P3 liabilities - SCA	-	-	-	-	-	-	-	-
P3 liabilities - non-SCA	-	-	-	-	-	-	-	-
Sub-total P3 liabilities	-	-	-	-	-	-	-	-
Total Lease, SBITA, P3 liabilities	-	-	-	-	-	-	-	-
Total long-term liabilities	-	-	-	-	-	-	-	-

See Independent Auditor's Report.

California State University, Los Angeles Foundation

Other Information Year Ended June 30, 2023 (for inclusion in the California State University)

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

	Lease Liabilities			SBITA liabilities			Public-Private or Public-Public Partnerships (P3)			Total Leases, SBITA, P3 liabilities		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:												
2024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	-	-	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-	-	-
2029 - 2033	-	-	-	-	-	-	-	-	-	-	-	-
2034 - 2038	-	-	-	-	-	-	-	-	-	-	-	-
2039 - 2043	-	-	-	-	-	-	-	-	-	-	-	-
2044 - 2048	-	-	-	-	-	-	-	-	-	-	-	-
2049 - 2053	-	-	-	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-	-	-	-
Total minimum payments	\$ -	-	-	-	-	-	-	-	-	-	-	-
Less: amounts representing interest												
Present value of future minimum payments												
Total Leases, SBITA, P3 liabilities												
Less: current portion												
Leases, SBITA, P3 liabilities, net of current portion												\$ -

6 Future minimum payments schedule - Long-term debt obligations:

	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:									
2024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-
2029 - 2033	-	-	-	-	-	-	-	-	-
2034 - 2038	-	-	-	-	-	-	-	-	-
2039 - 2043	-	-	-	-	-	-	-	-	-
2044 - 2048	-	-	-	-	-	-	-	-	-
2049 - 2053	-	-	-	-	-	-	-	-	-
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									\$ -

See Independent Auditor's Report.

Other Information
Year Ended June 30, 2023
(for inclusion in the California State University)

Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$	121,802
Payments to University for other than salaries of University personnel		352,684
Payments received from University for services, space, and programs		-
Gifts-in-kind to the University from discretely presented component units		-
Gifts (cash or assets) to the University from discretely presented component units		-
Accounts payable to University		-
Other amounts payable to University		-
Accounts receivable from University		2,151
Other amounts receivable from University		-

Restatement #1	Enter transaction description	Debit/(Credit)
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Restatement #2	Enter transaction description	

	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	-	-	-	-	-	-	-	-
Institutional support	-	-	-	-	-	570,452	-	570,452
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	2,281,666	-	-	2,281,666
Auxiliary enterprise expenses	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-
Total operating expenses	\$ -	\$ -	\$ -	\$ -	\$ 2,281,666	\$ 570,452	\$ -	\$ 2,852,118

No pension plan reported	N/A
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California State University, Los Angeles Foundation

Other Information Year Ended June 30, 2023 (for inclusion in the California State University)

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 - leases		-
Deferred outflows - P3		-
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 - P3 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 - leases		-
Deferred inflows - P3		-
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)	\$	-

See Independent Auditor's Report.

Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Board of Trustees
California State University, Los Angeles Foundation
(A California State University Auxiliary Organization)

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 statements of California State University, Los Angeles Foundation (the "Foundation"), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated September 29, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation'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 the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

CohnReznick LLP

Los Angeles, California
September 29, 2023



Independent Member of Nexia International

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