

**Associated Students  
California State University, Fresno**

**2018-19  
Annual Report**

**Approved by the Senate  
September 11, 2019**

**ASSOCIATED STUDENTS CALIFORNIA STATE UNIVERSITY, FRESNO**  
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**2018 AND 2019**

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INDEPENDENT AUDITOR'S REPORT

To the Student Senate of the  
Associated Students, Inc. of  
California State University, Fresno  
Fresno, California

We have audited the accompanying financial statements of the Associated Students, Inc. of California State University, Fresno (Associated Students), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

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

**Auditor's 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 Associated Student'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 Associated Student's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Associated Students, Inc. of California State University, Fresno as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Additional Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information reflected on pages 13-17 is presented, as required by the Chancellor of the California State University, 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.

*Price Pange & Company*

Clovis, California  
September 3, 2019

**ASSOCIATED STUDENTS CALIFORNIA STATE UNIVERSITY, FRESNO**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2018 AND 2019**

<b>ASSETS</b>	<u><b>2018</b></u>	<u><b>2019</b></u>
Current Assets:		
Cash and Cash Equivalents (Note 4)	\$ 1,083,421	\$ 1,078,448
Accounts Receivable (Note 2)	6,413	7,085
Prepaid Deposits (Note 5)	<u>5,118</u>	<u>3,972</u>
Total Current Assets	<u>1,094,952</u>	<u>1,089,505</u>
Fixed Assets:		
Equipment	98,224	98,224
Less Accumulated Depreciation	<u>(98,224)</u>	<u>(98,224)</u>
Total Fixed Assets	<u>0</u>	<u>0</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,094,952</u></u>	<u><u>\$ 1,089,505</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 45,346	\$ 59,213
Deferred Revenue (Note 2)	60	0
Agency Fund Deposits (Note 7)	<u>106,528</u>	<u>125,621</u>
Total Current Liabilities	<u>151,934</u>	<u>184,834</u>
Net Assets:		
Without Donor Restrictions (Note 2)	<u>943,018</u>	<u>904,671</u>
Total Net Assets	<u>943,018</u>	<u>904,671</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 1,094,952</u></u>	<u><u>\$ 1,089,505</u></u>

The accompanying notes are an integral part of the financial statements

**ASSOCIATED STUDENTS CALIFORNIA STATE UNIVERSITY, FRESNO**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED JUNE 30, 2018 AND 2019**

<b>OPERATING ACTIVITIES</b>	<u>2018</u>	<u>2019</u>
Revenues and Other Support:		
Student Body Fees	\$ 715,855	\$ 706,980
Interest Income	10,881	22,080
Insurance Refund	1,392	1,461
Other Income	172,270	230,138
	<u>900,398</u>	<u>960,659</u>
Total Revenues		
Expenses:		
Cost of Goods Sold	0	7,205
Salaries/Wages	236,679	225,866
Employee Benefits	60,346	49,193
Advertising/Publicity	41,939	45,009
Audit Fees	12,180	14,410
Corporate Services Fee	62,389	64,876
Dues/Subscriptions	5,663	8,292
Insurance	7,194	7,115
Legal Fees	0	140
Miscellaneous	11,996	10,489
Office Supplies/Postage	6,878	7,505
Office/Equipment Rental	34,091	38,377
Repairs/Maintenance	848	1,026
Student Programs	309,592	358,668
Supplies	33,481	18,780
Telephone	1,413	1,393
Travel/Training	31,118	28,755
University Donations	20,554	111,907
	<u>876,361</u>	<u>999,006</u>
Total Expenses		
Increase (Decrease) in Net Assets	<u>24,037</u>	<u>(38,347)</u>
Net Assets Without Donor Restrictions, Beginning of Year	<u>918,981</u>	<u>943,018</u>
Net Assets Without Donor Restrictions, End of Year	<u>\$ 943,018</u>	<u>\$ 904,671</u>

The accompanying notes are an integral part of the financial statements

**ASSOCIATED STUDENTS CALIFORNIA STATE UNIVERSITY, FRESNO**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2018 AND 2019**

	<b>2018</b>	<b>2019</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (Decrease) in Net Assets	\$ 24,037	\$ (38,347)
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided from (Used by) Operating Activities:		
Changes in:		
Accounts Receivable	10,264	(672)
Prepaid Deposits	(4,015)	1,146
Accounts Payable and Accrued Expenses	(23,511)	13,867
Deferred Revenue	(13,317)	(60)
Agency Fund Deposits	13,759	19,093
Net Cash Provided from (Used by) Operating Activities	7,217	(4,973)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	0	0
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	0	0
Net Increase (Decrease) in Cash	7,217	(4,973)
Cash at Beginning of Year	1,076,204	1,083,421
Cash at End of Year	\$ 1,083,421	\$ 1,078,448

The accompanying notes are an integral part of the financial statements

**ASSOCIATED STUDENTS CALIFORNIA STATE UNIVERSITY, FRESNO**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2018 AND 2019**

**Note 1 – General Information**

Associated Students California State University, Fresno (Associated Students), is a not-for-profit organization whose specific purpose is to provide students of California State University, Fresno with a means of responsible and effective participation in the governance of the campus. The programs of Associated Students included in the budget are campus programs and student government.

Associated Students incorporated as a nonprofit public benefit corporation on December 22, 1986. It is a tax-exempt corporation under section 501(c)(3) of the Internal Revenue Code.

**Note 2 – Summary of Significant Accounting Policies**

**Basis of Presentation** – The financial statements of Associated Students have been prepared in accordance with US generally accepted accounting principles (US GAAP), which require Associated Students to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the management and the Senate of Associated Students.

**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 Associated Students 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.

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

**Basis of Accounting** – Basis of accounting refers to the timing of when various financial transactions are recognized in the accounts and reported in the financial statements. The accounting records of Associated Students are maintained using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when goods or services are received.

**Cash and Cash Equivalents** – Cash and cash equivalents consist of demand deposit accounts and money market funds with financial institutions. Associated Students considers all highly liquid investments with maturities of three months or less, when purchased, to be cash equivalents. At June 30, 2019, cash and equivalents included \$376,748 held in a commercial bank of which \$250,000 was insured by the Federal Deposit Insurance Corporation (FDIC).

**Concentrations of Credit Risk** – Financial instruments that potentially subject Associated Students to concentrations of credit risk consist principally of cash and cash equivalents. Associated Students maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The cash and cash equivalent accounts of Associated Students have been placed with high credit quality financial institutions. Associated Students has not experienced, nor does it anticipate, any losses with respect to such accounts.



## **Note 2 – Summary of Significant Accounting Policies (continued)**

**Accounts Receivable** – Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Allowance for doubtful accounts of \$0 have been established for both years ending June 30, 2018 and 2019.

**Fixed Assets** – Fixed assets are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the lesser of the estimated useful lives of the assets or the lease term. The useful lives range from three to ten years. The policy of Associated Students is to capitalize renewals and betterments acquired for greater than \$5,000 and expense normal repairs and maintenance as incurred. Fully depreciated assets, which have economic value, are retained on the books although fully depreciated.

**Contributions** – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets release from restrictions. Associated Students had no net assets with donor restrictions in 2018 or 2019.

Contributed fixed assets are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

**In-Kind Donations** – Several volunteers have made significant contributions of their time in furtherance of the mission of Associated Students. These services were not reflected in the accompanying statement of activities because they do not meet the necessary criteria for recognition under generally accepted accounting principles.

**Deferred Revenue** – Income for Associated Students hosted events has been deferred and will be recognized in the period to which the events occur.

**Functional Expenses** – The costs of providing various programs and other activities have been summarized on a functional basis in Note 11 – Expenses by Natural Classification. Accordingly, certain costs have been allocated among programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

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

**Note 2 – Summary of Significant Accounting Policies (continued)**

**Reclassifications** – Certain prior year amounts have been reclassified to conform to the current year presentation.

**New Accounting Pronouncement** – On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment returns. Associated Students has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

**Note 3 – Availability and Liquidity**

The following represents the financial assets of Associated Students at June 30, 2018 and 2019:

Financial assets at year end:	<u>2018</u>	<u>2019</u>
Cash and cash equivalents	\$ 1,083,421	\$ 1,078,448
Accounts receivable, net	<u>6,413</u>	<u>7,085</u>
Total financial assets	1,089,834	1,085,533
Less amounts not available to be used within one year:		
Net assets with donor restrictions	0	0
Less net assets with purpose restrictions to be met in less than one year	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,089,834</u>	<u>\$ 1,085,533</u>

The goal of Associated Students is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$200,000). As part of its liquidity plan, excess cash is invested in short-term investments including money market and State of California Local Agency Investment Fund (LAIF) accounts.

**Note 4 – Cash and Cash Equivalents**

Cash and cash equivalents at June 30 consisted of the following:

Deposits:	<u>2018</u>	<u>2019</u>
Cash in Bank	\$ 99,649	\$ 75,269
Money Market	565,349	274,239
Pooled Funds:		
Cash in State of California Local Agency Investment Fund	<u>418,423</u>	<u>728,940</u>
Total	<u>\$ 1,083,421</u>	<u>\$ 1,078,448</u>

#### **Note 4 – Cash and Cash Equivalents (continued)**

Associated Students maintains most of its cash in the State of California Local Agency Investment Fund (LAIF). The State pools these funds with those of other organizations and invests the cash. These pooled funds are carried at cost which approximates market value. Interest earned is remitted quarterly to Associated Students. Any investment losses are proportionately shared by all funds in the pool.

Cash and cash equivalents include agency funds of \$106,528 and \$125,621 at June 30, 2018 and 2019, respectively. (See Note 2 and Note 7)

#### **Note 5 – Prepaid Deposits**

Prepaid deposits are comprised of an amount on deposit with the State Compensation Insurance Fund, OpenGov software subscription, and prepaid club expenses.

#### **Note 6 – Fair Value Measurements**

Generally accepted accounting principles define fair value as 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. ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest propriety to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant observable input (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

**Level 1** – Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities. Valuations for assets and liabilities traded in active exchange markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

**Level 2** – Inputs other than quoted prices within Level 1 that are observable, either directly or indirectly. Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

**Level 3** – Inputs are unobservable. Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounts cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

The table below presents the balance of assets measured at fair value on a recurring basis at June 30:

	Fair Value	Level 1	Level 2	Level 3
<u>2018</u>				
Cash and Cash Equivalents	\$ 1,083,421	\$ 1,083,421	\$ 0	\$ 0
Totals	<u>\$ 1,083,421</u>	<u>\$ 1,083,421</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>2019</u>				
Cash and Cash Equivalents	\$ 1,078,448	\$ 1,078,448	\$ 0	\$ 0
Totals	<u>\$ 1,078,448</u>	<u>\$ 1,078,448</u>	<u>\$ 0</u>	<u>\$ 0</u>

### **Note 7 – Agency Fund Deposits**

This liability account was established to reflect funds held in trust for various sponsored programs on campus. These consist of student clubs for which Associated Students processes transactions only and does not monitor the use of funds.

### **Note 8 – Net Assets Without Donor Restrictions**

Net assets without donor restriction at June 30 consisted of the following:

	<u>2018</u>	<u>2019</u>
Undesignated:		
Unrestricted	\$ 493,583	\$ 502,426
Designated:		
Capital Replacement Reserve	55,222	64,065
Planned Future Operations Reserve	204,444	124,378
Student Managed Enterprise Reserve	0	5,982
Club Reserves	<u>189,769</u>	<u>207,820</u>
Total	<u>\$ 943,018</u>	<u>\$ 904,671</u>

### **Note 9 – Related Parties**

Associated Students had transactions with California State University, Fresno (the University) during the years ended June 30 as follows:

Donation to Recreation/Intermural Program for student use of pool area of \$5,455 and \$4,156 for the years ended June 30, 2018 and 2019, respectively.

Donation to various University departments through the Impact Grant of \$0 and \$77,751 for the years ended June 30, 2018 and 2019, respectively.

Donation to the University for the Peace Garden of \$0 and \$20,000 for the years ended June 30, 2018 and 2019, respectively.

Sponsorship paid to Student Involvement for Vintage Days program support of \$6,000 and \$10,000 for the years ended June 30, 2018 and 2019, respectively.

Sponsorship paid to Student Involvement for Homecoming program support of \$8,453 and \$10,000 for the years ended June 30, 2018 and 2019, respectively.

Funding paid to the University for Educational Research Grants of \$10,000 and \$35,000 for the years ended June 30, 2018 and 2019, respectively.

Amounts due to the University from Associated Students were \$7,035 and \$15,146 at June 30, 2018 and 2019, respectively.

Amounts due from the University to Associated Students were \$2,141 and \$330 at June 30, 2018 and 2019, respectively.

**Note 9 – Related Parties (continued)**

Associated Students had transactions with the California State University, Fresno Association, Inc. (the Association) during the years ended June 30 as follows:

Donation to Intramural Sports (student officials) of \$10,000 for both years ended June 30, 2018 and 2019.

Donation to Student Recreation Center for equipment of \$5,000 and \$0 for the years ended June 30, 2018 and 2019, respectively.

Funding paid to the University Student Union for the computer lab of \$0 and \$6,170 for the years ended June 30, 2018 and 2019, respectively.

Administrative fees paid to the Association for management services of \$62,389 and \$64,876 for the years ended June 30, 2018 and 2019, respectively, based on a flat fee arrangement.

Annual rent for the office space of Associated Students of \$11,177 for both years ended June 30, 2018 and 2019.

Amounts due to the Association from Associated Students were \$1,206 and \$1,732 at June 30, 2018 and 2019, respectively.

**Note 10 – Leases**

Office space sublease agreement with California State University, Fresno Association was renewed July 1, 2019 in the amount of \$11,512 per year expiring June 30, 2020. Rent expense for the years ended June 30, 2018 and 2019 was \$11,177 per year. (See Note 9)

Associated Students has a ground lease for advertising kiosks between Trustees of the CSU, expiring December 20, 2023.

Associated Students has an operating lease agreement with US Bank Equipment Finance for office equipment at \$385 per month that expires January 31, 2022. The future minimum lease payments are as follows:

Year Ending June 30:	
2020	4,620
2021	4,620
2022	2,695
Total	<u>\$ 11,935</u>

**Note 11 – Expenses by Natural Classification**

The accompanying statement of activities reports certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable and systematic basis that is consistently applied by management in the preparation of its annual financial statements. All of the expenses of Associated Students are directly allocated to the functional categories by cost center. Such methodologies are deemed by management to be reasonable and appropriate and reflective of the functional purpose of each cost incurred for the respective reporting period.

### **Note 11 – Expenses by Natural Classification (continued)**

The following is a detailed list of expenses by natural/functional classification for the years ended June 30:

	2018			2019		
	Program	General/ Admin	Total	Program	General/ Admin	Total
Cost of Goods Sold	\$ 0	\$ 0	\$ 0	\$ 7,205	\$ 0	\$ 7,205
Salaries/Wages	0	236,679	236,679	49,045	176,821	225,866
Employee Benefits	0	60,346	60,346	4,111	45,082	49,193
Advertising/Publicity	4,332	37,607	41,939	42,746	2,263	45,009
Audit Fees	0	12,180	12,180	0	14,410	14,410
Corporate Service Fee	0	62,389	62,389	0	64,876	64,876
Depreciation	0	0	0	0	0	0
Dues/Subscriptions	5,113	550	5,663	7,725	567	8,292
Insurance	0	7,194	7,194	0	7,115	7,115
Legal Fees	0	0	0	0	140	140
Miscellaneous	813	11,183	11,996	569	9,920	10,489
Office Supplies	0	6,878	6,878	270	7,235	7,505
Office Equipment Rental	11,262	22,829	34,091	11,877	26,500	38,377
Repairs/Maintenance	0	848	848	0	1,026	1,026
Student Programs	294,620	14,972	309,592	358,241	427	358,668
Supplies	33,481	0	33,481	18,780	0	18,780
Telephone	0	1,413	1,413	0	1,393	1,393
Travel	0	31,118	31,118	3,557	25,198	28,755
University Donations	20,554	0	20,554	111,907	0	111,907
Totals	\$ 370,175	\$ 506,186	\$ 876,361	\$ 616,033	\$ 382,973	\$ 999,006

### **Note 12 – Subsequent Events**

Associated Students has evaluated subsequent events through September 3, 2019, which is the date the financial statements were available to be issued. Associated Students is not aware of any material subsequent events.

### **Note 13 - Uncertain Tax Positions**

**Income Taxes** – Associated Students is exempt from Federal and State of California income tax under IRC section 501(c)(3) and California Revenue and Taxation Code Section 23701(d), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. Associated Students has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. Associated Students has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Generally accepted accounting principles provide accounting and disclosures guidance about positions taken by an entity in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The returns of Associated Students are subject to examination by federal and state taxing authorities, generally for three years and four years, respectively, after they are filed.

ADDITIONAL INFORMATION  
FOR CALIFORNIA STATE UNIVERSITY, FRESNO

**ASSOCIATED STUDENTS, INC. OF CSU, FRESNO**  
**SCHEDULE OF NET POSITION**  
**JUNE 30, 2019**  
**(for inclusion in the California State University)**

Assets:

Current assets:

Cash and cash equivalents	\$ 75,269
Short-term investments	1,003,179
Accounts receivable, net	7,085
Prepaid expenses and other current assets	<u>3,972</u>
Total current assets	<u>1,089,505</u>

Noncurrent assets:

Capital assets, net	<u>0</u>
Total noncurrent assets	<u>0</u>
Total assets	<u>1,089,505</u>

Liabilities:

Current liabilities:

Accounts payable	42,260
Accrued salaries and benefits	12,054
Accrued compensated absences, current portion	250
Depository accounts	<u>125,621</u>
Total current liabilities	<u>180,185</u>

Noncurrent liabilities:

Accrued compensated absences, net of current portion	<u>4,649</u>
Total noncurrent liabilities	<u>4,649</u>
Total liabilities	<u>184,834</u>

Net Position:

Net investment in capital assets	0
Unrestricted	<u>904,671</u>
Total net position	<u>\$ 904,671</u>

See accompanying independent auditor's report



**ASSOCIATED STUDENTS CALIFORNIA STATE UNIVERSITY, FRESNO**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**JUNE 30, 2019**  
**(for inclusion in the California State University)**

Revenues:

Operating revenues:

Student tuition and fees, gross	\$ 706,980
Other operating revenues	<u>231,599</u>
Total operating revenues	<u>938,579</u>

Expenses:

Operating expenses:

Academic support	111,907
Student services	504,126
Auxiliary enterprise expenses	<u>382,973</u>
Total operating expenses	<u>999,006</u>
Operating income (loss)	<u>(60,427)</u>

Nonoperating revenues (expenses):

Investment income (loss), net	<u>22,080</u>
Net nonoperating revenues (expenses)	<u>22,080</u>
Increase (decrease) in net position	(38,347)

Net position:

Net position at beginning of year, as previously reported	<u>943,018</u>
Net position at end of year	<u><u>\$ 904,671</u></u>

See accompanying independent auditor's report

**ASSOCIATED STUDENTS CALIFORNIA STATE UNIVERSITY, FRESNO  
OTHER INFORMATION**

**JUNE 30, 2019**

**(for inclusion in the California State University)**

1 Cash and cash equivalents:  
Current cash and cash equivalents

\$	75,269
\$	<u>75,269</u>

2.1 Composition of investments:

Money market funds  
State of California Local Agency Investment Fund (LAIF)  
Total investments  
Less endowment investments (enter as negative number)  
Total investments, net of endowments

	Current	Noncurrent	Total
	274,239	-	274,239
	728,940	-	728,940
	<u>1,003,179</u>	<u>-</u>	<u>1,003,179</u>
	\$ 1,003,179	-	\$ 1,003,179

2.2 Fair value hierarchy in investments:

	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)
	Total	274,239	728,940			
Money market funds	274,239	274,239	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	728,940	728,940	-	-	-	-
Total investments	<u>\$ 1,003,179</u>	<u>1,003,179</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

3.1 Composition of capital assets:

Depreciable/Amortizable capital assets:

Personal property:  
Equipment  
Total depreciable/amortizable capital assets  
Total capital assets

	Balance June 30, 2018	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2018 (Restated)	Retirements	Transfer of completed CWIP	Balance June 30, 2019
	98,224	-	-	-	98,224	-	-	98,224
	98,224	-	-	-	98,224	-	-	98,224
	<u>98,224</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98,224</u>	<u>-</u>	<u>-</u>	<u>98,224</u>

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

Personal property:  
Equipment  
Total accumulated depreciation/amortization  
Total capital assets, net

	(98,224)	-	-	-	(98,224)	-	-	(98,224)
	<u>(98,224)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(98,224)</u>	<u>-</u>	<u>-</u>	<u>(98,224)</u>

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

\$	-
\$	<u>-</u>

**ASSOCIATED STUDENTS CALIFORNIA STATE UNIVERSITY, FRESNO**  
**OTHER INFORMATION**  
**JUNE 30, 2019**  
**(for inclusion in the California State University)**

	Balance June 30, 2018		Additions	Reductions	Balance June 30, 2019		Current Portion	Noncurrent Portion
	June 30, 2018	June 30, 2018 (Restated)			June 30, 2019	June 30, 2019		
4 Long-term liabilities:								
1. Accrued compensated absences	\$ 3,503	3,503	6,289	(4,893)	4,899	250	4,649	
Total long-term liabilities	\$ 3,503	3,503	6,289	(4,893)	4,899	250	4,649	
5 Capital lease obligations schedule: Not Applicable								
6 Long-term debt obligations schedule: Not Applicable								
7 Transactions with related entities:								
Payments to University for other than salaries of University personnel	96,248							
Payments received from University for services, space, and programs	9,028							
Gifts (cash or assets) to the University from discretely presented	111,907							
Accounts (payable to) University (enter as negative number)	(15,146)							
Accounts receivable from University (enter as positive number)	330							
8 Restatements/Prior period adjustments: Not Applicable								
9 Natural classifications of operating expenses:								
Academic support	\$ -				111,907		111,907	
Student services	49,045	4,111			450,970		504,126	
Auxiliary enterprise expenses	176,821	45,082			161,070		382,973	
Total operating expenses	\$ 223,866	49,193			723,947		999,006	
10 Deferred outflows/inflows of resources: Not Applicable								

**ASSOCIATED STUDENTS**

**CALIFORNIA STATE UNIVERSITY, FRESNO**

**REPORT ON NET ASSETS**

**JUNE 30, 2019**

**Approved by the Senate  
September 11, 2019**

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**NET ASSETS WITHOUT DONOR RESTRICTIONS  
WORKING CAPITAL/CURRENT OPERATIONS RESERVE**

**Description**

This fund was created to ensure Associated Students can adequately meet the cash flow requirements for its normal daily operations.

**Minimum Reserve Requirement**

This fund has a minimum reserve requirement of \$200,000.

**Contribution Method**

Annually, 25% of any surplus funds generated from operations will be distributed to this reserve. The amount contributed to this reserve at June 30, 2019 was \$8,843.

**Fund Balance**

The balance of this fund on June 30, 2019 was \$502,426.

**Composition of Fund Balance**

Cash	\$ 676,203
Accounts Receivable, net	7,085
Prepaid Expenses	3,972
	<hr/>
	687,260
Less: Current Liabilities	(184,834)
	<hr/>
	\$ 502,426

**NET ASSETS WITHOUT DONOR RESTRICTIONS – DESIGNATED  
CAPITAL REPLACEMENT RESERVE**

**Description**

The Capital Replacement Reserve exists to ensure that Associated Students can cover the repair or replacement cost of existing assets, such as major equipment and facilities.

**Minimum Reserve Requirement**

The minimum account balance for this reserve is \$50,000.

**Contribution Method**

Annually, 25% of any surplus funds generated from operations will be distributed to this reserve. The amount contributed to this reserve at June 30, 2019 was \$8,843.

**Fund Balance**

The balance of this fund on June 30, 2019 was \$64,065.

**Composition of Fund Balance**

Cash	<u>\$ 64,065</u>
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**NET ASSETS WITHOUT DONOR RESTRICTIONS – DESIGNATED  
PLANNED FUTURE OPERATIONS RESERVE**

**Description**

The Planned Future Operations Reserve exists to provide Associated Students with a source of funds for major projects, programs, or partnerships which have been recognized as within the mission of Associated Students and of the campus.

**Minimum Reserve Requirement**

The minimum account balance for this reserve is \$50,000.

**Contribution Method**

Annually, 50% of any surplus funds generated from operations will be distributed to this reserve. The amount contributed to this reserve at June 30, 2019 was \$17,685.

The Senate approved \$20,000 for benches located in the Fresno State Peace Garden and up to \$85,000 for the ASI Impact Grant funded from the Planned Future Operations Reserve. The ASI Impact Grant awarded \$77,751 of the \$85,000 approved.

**Fund Balance**

The balance of this fund on June 30, 2019 was \$124,378.

**Composition of Fund Balance**

Cash	<u>\$ 124,378</u>
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**NET ASSETS WITHOUT DONOR RESTRICTIONS – DESIGNATED  
STUDENT MANAGED ENTERPRISE RESERVE**

**Description**

The Student Managed Enterprise Reserve exists to hold the accumulated surplus of the Craig School of Business Student Manages Enterprise class operations.

**Minimum Reserve Requirement**

There is no minimum account balance for this reserve.

**Contribution Method**

Annually, any surplus/deficit from the Student Managed Enterprise will be distributed to this reserve. The amount contributed to this reserve at June 30, 2019 was \$5,982.

**Fund Balance**

The balance of this fund on June 30, 2019 was \$5,982.

**Composition of Fund Balance**

Cash	<u>\$ 5,982</u>
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**NET ASSETS WITHOUT DONOR RESTRICTIONS – DESIGNATED  
CLUB RESERVES**

**Description**

The Club Reserves exist to provide Associated Students Student Organizations.

**Minimum Reserve Requirement**

There is no minimum account balance for this reserve.

**Contribution Method**

Annually, any surplus/deficit from student club activities will be distributed to this reserve. The amount contributed to this reserve at June 30, 2019 was \$18,051.

**Fund Balance**

The balance of this fund on June 30, 2019 was \$207,820.

**Composition of Fund Balance**

Cash	<u>\$ 207,820</u>
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