

# Associated Students, Inc., California State University, Long Beach

Isabel Patterson Child Development Center

Financial Statements and Supplemental Information

Year Ended June 30, 2023



**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Financial Statements and Supplemental Information**  
Year Ended June 30, 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Audit Committee  
Associated Students, Inc., California State University, Long Beach  
Isabel Patterson Child Development Center  
Long Beach, California

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the accompanying financial statements of Associated Students, Inc., California State University, Long Beach, (a nonprofit organization), Isabel Patterson Child Development Center (Center), 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 financial statements referred to above present fairly, in all material respects, the financial position of the Center of 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 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 the Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Emphasis of Matter**

As discussed in Note 6 to the financial statements, as of July 1, 2022, Associated Students, Inc., California State University, Long Beach modified their bylaws which permitted the adoption of the generally accepted accounting principles as prescribed by the Financial Accounting Standards Board. The guidance was applied retrospectively as of July 1, 2022. Our opinion is not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

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

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

## INDEPENDENT AUDITOR'S REPORT, CONTINUED

### ***Auditor's Responsibility 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center'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 the Center'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.

### **Emphasis of Matter Regarding Economic Dependency**

The Center is a program operated within Associated Students, Inc., California State University, Long Beach and the financial activity between the two is significant. As seen on the statement of financial position, the net assets as of June 30, 2023 are zero. The Center is economically dependent on Associated Students, Inc., California State University, Long Beach. Our opinion is not modified with respect to this matter.

### **Other Matters**

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information, as reflected in the table of contents, required by the *Audit Guide* issued by the California Department of Education and the California Department of Social Services 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.



## INDEPENDENT AUDITOR'S REPORT, CONTINUED

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2023, on our consideration of the Center'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 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 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 the Center's internal control over financial reporting and compliance.

*Aldrich CPAs + Advisors LLP*

Brea, California  
December 12, 2023

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Statement of Financial Position**

June 30, 2023

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**ASSETS**

Accounts receivable	\$ <u>84,560</u>
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**LIABILITIES AND NET ASSETS**

Accounts payable - related parties	\$ 76,960
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Unearned revenues	<u>7,600</u>
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Total Liabilities	84,560
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Net Assets - Without Donor Restrictions	<u>-</u>
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Total Liabilities and Net Assets	\$ <u>84,560</u>
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**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Statement of Activities**

Year Ended June 30, 2023

Revenue and Other Support Without Donor Restrictions:

State apportionments	\$ 409,460
Federal apportionments	107,460
CCAMPIS grant	131,479
Child care food program	34,171
Other grants	7,528
CSULB apportionments	167,951
Parent fees	815,042
ASI fees	745,399
Other operating revenues	50,871

Total Revenue and Other Support Without Donor Restrictions	<u>2,469,361</u>
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Operating Expenses:

Program services:

General child development programs	894,894
Preschool programs	1,240,226
Supporting services - general and administrative	229,535

Total Operating Expenses	<u>2,364,655</u>
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Transfers (to) the General Fund of the Associated Students, Inc.,  
California State University, Long Beach

<u>(104,706)</u>
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Change in Net Assets	-
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Net Assets - Without Donor Restrictions, beginning	<u>-</u>
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Net Assets - Without Donor Restrictions, ending	<u><u>\$ -</u></u>
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**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Statement of Functional Expenses**

Year Ended June 30, 2023

	Program Services			Supporting Services	
	General Child Development Programs	Preschool Programs	Total Program Services	General and Administrative	Total Expenses
Expenses:					
Certificated salaries	\$ 313,884	\$ 425,720	\$ 739,604	\$ 74,182	\$ 813,786
Classified salaries	354,775	444,710	\$799,485	80,189	879,674
Employee benefits	128,015	192,855	320,870	32,183	353,053
Other	34,590	62,682	97,272	9,757	107,029
Food services	19,191	34,178	53,369	5,353	58,722
Insurance	15,778	28,522	44,300	4,443	48,743
Rentals, leases, and repairs	14,946	27,018	41,964	4,209	46,173
Other supplies	9,357	16,664	26,021	2,610	28,631
Audit	-	-	-	15,382	15,382
Professional services	1,722	3,113	4,835	485	5,320
Travel and conferences	2,636	4,764	7,400	742	8,142
Total Program and Supporting Services Expenses	\$ 894,894	\$ 1,240,226	\$ 2,135,120	\$ 229,535	\$ 2,364,655

See accompanying notes to financial statements.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Statement of Cash Flows**

Year Ended June 30, 2023

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Cash Flows from Operating Activities	
Change in net assets	\$ -
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Change in operating assets and liabilities:	
Accounts receivable	(78,214)
Unearned revenues	1,900
Accounts payable - related parties	<u>76,314</u>
Net Cash Provided by Operating Activities	-
Cash - Beginning of the Year	<u>-</u>
Cash - End of the Year	<u><u>\$ -</u></u>

# **ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**

## **ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

### **Notes to Financial Statements**

Year Ended June 30, 2023

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#### **Note 1 - Organization and Summary of Significant Accounting Policies**

##### Nature of Activities

Associated Students, Inc., California State University, Long Beach (Associated Students or ASI) is a nonprofit, tax exempt, California State University auxiliary organization located on the campus of California State University, Long Beach (University or CSULB). The University is one of 23 campuses in the California State University System (System). Associated Students was established to administer various student programs and activities including the Isabel Patterson Child Development Center (Center). The Center is a childcare facility operated by Associated Students on the campus of the University under a lease and operating agreement with the System. During the fiscal year ended June 30, 2023, the Center operated the following programs for the benefit of University students, faculty, staff and the community:

- a) Child Development Program: Provides child care and development services.
- b) Child Care Food Program: Provides free and subsidized meals.

##### Financial Statement Presentation

The financial statements of the Center have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), which require the Center 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 Center. These net assets may be used at the discretion of the Center's management and the board of directors.
- Net assets with donor restrictions - Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Center or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Center did not have any donor restrictions that were temporary or perpetual in nature for the year ended June 30, 2023.

The Center reports contributions restricted by donors as increases in net assets without donor restrictions, if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

##### 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.

##### Cash and Cash Equivalents

The Center considers all highly liquid investments with an original maturity date of three months or less to be cash equivalents.

##### Accounts Receivable

Accounts receivable arise in the normal course of operations. It is the policy of management to review the outstanding accounts receivable at year-end, as well as the bad debt write-offs experienced in the past, and establish an allowance for doubtful accounts for uncollectable amounts. Management believes that all accounts receivable are fully collectable, therefore, no allowance for doubtful accounts is considered necessary.

# **ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**

## **ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

### **Notes to Financial Statements**

Year Ended June 30, 2023

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

##### Property and Equipment

The Center capitalizes all expenditures for vehicles, equipment and furniture, building, and building improvements in excess of \$10,000. Equipment and improvements are recorded at cost or at estimated fair value at date of gift, if donated. Expenditures for maintenance and repairs are charged against operations. Depreciation is provided on a straight-line basis over the estimated useful lives of the asset of 3 to 40 years.

##### Unearned Revenues

Unearned revenues consist of funds collected in advance but not yet earned as of the end of the fiscal year.

##### Revenue Recognition

The Center receives a significant amount of its revenue in the form of federal and state grants and contracts for program operations. All revenue received is restricted in that it is only to be used for expenditures related to Center programs. Revenue from grants and contracts is recognized as funds are expended. The Center recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Grants and conditional promises to give – that are, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

##### Contributed Materials and Services

Contributed materials are recorded at their fair market value where an objective basis is available to measure their value. Such items are capitalized or charged to operations as appropriate. The Center receives a substantial amount of services donated by volunteers in carrying out the operation of the Center. The services do not meet the criteria as contributions and are, therefore, not recognized in the financial statements.

##### Income Taxes

Associated Students is a qualified nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. In addition, Associated Students qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(1). However, Associated Students remains subject to taxes on any net income which is derived from a trade or business, regularly carried on, and unrelated to its exempt purpose.

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

##### Reconciliation of Child Development (CD) and GAAP Revenue and Expense Reporting

The supplemental combining statements of activities and basic financial statements present financial data in conformity with GAAP. The other supplemental financial data presented in the audit, including data in the schedule of expenditures by state categories, present expenditures according to CD reporting requirements. However, reporting differences arise because CD contract funds must be expended during the contract period (usually one year). For example, program amounts that are capitalized and depreciated over multiple years under GAAP are expensed in the contract period under CD requirements. To address such reporting differences, the audit report includes a reconciliation of CD and GAAP revenue and expense reporting.

##### Subsequent Events

The Center has evaluated subsequent events through December 12, 2023, which is the date the financial statements were available to be issued.

# ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

## ISABEL PATTERSON CHILD DEVELOPMENT CENTER

### Notes to Financial Statements

Year Ended June 30, 2023

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#### Note 2 - Accounts Receivable

Accounts receivable consist of the following:

California Department of Social Services - CCTR-2071	\$	80,000
Child Care Food Program		2,652
Parent Fees for Child Development Programs		1,908
	\$	<u>84,560</u>

#### Note 3 - Related Party Transactions

Associated Students provides accounting and payroll services to the Center and the University provides payroll services to the Center. At June 30, 2023, there are accounts payable to Associated Students of \$76,960. For the year ended June 30, 2023, revenues from Associated Students totaled \$745,398 and revenues from the University totaled \$167,951. These amounts are eliminated in the full financial statements of Associated Students.

#### Note 4 - Cost Allocation Plan

For the year ended June 30, 2023, the Center allocates its costs based on the relative benefits received by the programs or activities. Accordingly, the Center applies several methods for allocating costs:

Direct Costs – Cost identified 100 percent to a specific program are charged directly to that program.

Shared Direct Costs – Costs identified to specific multiple programs or activities are shared between the programs benefitting.

Payroll costs are allocated using time and effort estimates for each employee.

Training costs for staff members are allocated in proportion to the time the employee spent working in each program.

Supplies costs are allocated based on the hours of care in each program.

Administration Cost – Expenses associated with operational functions not related to program activities. Allocated administration costs are the result of time and effort spent by clerical staff and director on non-programming activities. In addition, audit and legal expenses are considered administration costs.

#### Note 5 - Contingencies

##### Grant Programs

The Center has received federal and other governmental funds for specific purposes that are subject to review and audit by the funding agencies. Such audits could generate expenditure disallowances or refunds payable under terms of the agency contracts. No material amounts are currently payable. Loss of government support would have a significant impact on the Center's ability to provide its program services.

#### Note 6 - Change in Accounting Principle

For the year ended June 30, 2022, the Center prepared its financial statements under GAAP as prescribed by the Governmental Accounting Standards Board. On July 1, 2022, Associated Students modified their bylaws which permitted the adoption of GAAP as prescribed by the Financial Accounting Standards Board. The Center did not recognize any changes as a result of the adoption.



## SUPPLEMENTAL INFORMATION

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Expenditures of Federal and State Awards**

Year Ended June 30, 2023

Federal/Pass-Through Grantor and Program or Cluster Title	Federal Assistance Listing	Grantor's Number	Award Amount			Expenditures	
	Number		Federal	State	Total	Federal	State
<b>Research and Development Cluster</b>							
<u>U.S. Department of Education</u>							
Direct Program:							
Child Care Access Means Parents in School (CCAMPIS)	84.335A	P335A210099 - 22	\$ 131,479	\$ -	\$ 131,479	\$ 131,479	\$ -
<b>Total Research and Development Cluster</b>			131,479	-	131,479	131,479	-
<b>Other Programs</b>							
<u>U.S. Department of Agriculture</u>							
Passed-through California Department of Social Services:							
Child and Adult Care Food Program	10.558	04493-CACFP-19-NP-IC	33,218	953	34,171	33,218	953
<u>U.S. Department of Health and Human Services</u>							
Passed-through California Department of Social Services:							
General Child Care and Development Program	93.575	CCTR-2071	65,997	-	65,997	65,997	-
General Child Care and Development Program	93.596	CCTR-2071	41,463	-	41,463	41,463	-
General Child Care and Development Program	N/A	CCTR-2071	-	164,958	164,958	-	164,958
Total U.S. Department of Health and Human Services			107,460	164,958	272,418	107,460	164,958
<u>U.S. Department of Education</u>							
Passed-through California Department of Education:							
California State Preschool Program	N/A	CSPP-2150	-	244,502	244,502	-	244,502
<b>Total Other Programs</b>			140,678	410,413	551,091	140,678	410,413
<b>Total Expenditures of Federal and State Awards</b>			\$ 272,157	\$ 410,413	\$ 682,570	\$ 272,157	\$ 410,413

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Notes to Schedule of Expenditures of Federal and State Awards**

Year Ended June 30, 2023

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**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal and state awards (Schedule) includes the federal and state grant activity of the Center under programs of the federal and state governments for the year ended June 30, 2023. The information in the Schedule is presented in accordance with Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and with the requirements of the California Department of Education and California Department of Social Services *Audit Guide*. Because the schedule presents only a selected portion of the operations of the Center, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the Center.

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

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3 - Indirect Cost Rate**

The Center did not elect to use the 10-percent de minimus indirect cost rate for the year ended June 30, 2023.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**General Information**

Year Ended June 30, 2023

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Full official name of agency:	Associated Students, Inc. California State University, Long Beach Isabel Patterson Child Development Center
Program type:	Child development program
Project number:	19-B776-00-1
Type of agency:	Nonprofit corporation
Address of agency headquarters:	1212 Bellflower Boulevard Long Beach, CA 90815
<u>Program Name</u> General Child Care and Development Program California State Preschool Program	<u>Contract Number</u> CCTR-2071 CSPP-2150
Name and address of Executive Director:	Miles Nevin 1212 Bellflower Boulevard Long Beach, CA 90815
Name and address of Director of Finance and Administration:	Idris Aydin 1212 Bellflower Boulevard Long Beach, CA 90815
Telephone number:	(562) 985-2437, Associated Students, Inc. (562) 985-5333, Child Development Center
Period covered by examination:	July 1, 2022 to June 30, 2023
Number of days of operation of agency:	197
Scheduled hours of operation each day:	Monday through Thursday: 7:00 am to 6:00 pm Friday: 7:00 a.m. to 5:30 p.m.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Combining Statement of Financial Position**

June 30, 2023

	Children's Center	Non-CD Programs	Total
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ -	\$ 18,250,520	\$ 18,250,520
Accounts receivable	84,560	379,181	463,741
Accounts receivable - related parties	-	165,646	165,646
Inventory	-	6,721	6,721
Prepaid expenses	-	88,163	88,163
Total Current Assets	84,560	18,890,231	18,974,791
Noncurrent Assets:			
Investments	-	3,634,029	3,634,029
Property and equipment, net of accumulated depreciation	-	4,678,426	4,678,426
Total Noncurrent Assets	-	8,312,455	8,312,455
Total Assets	\$ 84,560	\$ 27,202,686	\$ 27,287,246
<b>LIABILITIES AND NET ASSETS</b>			
Current Liabilities:			
Accounts payable	\$ -	\$ 449,622	\$ 449,622
Accounts payable - related parties	76,960	270,481	347,441
Accrued expenses	-	1,441,316	1,441,316
Funds held for affiliates	-	1,583,114	1,583,114
Unearned revenues	7,600	104,346	111,946
Total Current Liabilities	84,560	3,848,879	3,933,439
Noncurrent Liabilities:			
Post-retirement medical benefit obligation	-	3,658,434	3,658,434
Pension obligation	-	7,114,570	7,114,570
Total Noncurrent Liabilities	-	10,773,004	10,773,004
Total Liabilities	84,560	14,621,883	14,706,443
Net Assets - Without Donor Restrictions	-	12,580,803	12,580,803
Total Liabilities and Net Assets	\$ 84,560	\$ 27,202,686	\$ 27,287,246

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Combining Statement of Activities**

Year Ended June 30, 2023

	General Child Care and Development CCTR-2071	California State Preschool Program CSPP-2150	Total CD Programs	Non-CD Programs	Total
Revenue and Support Without Donor Restrictions:					
State apportionments	\$ 164,958	\$ 244,502	\$ 409,460	\$ -	\$ 409,460
Federal apportionments	107,460	-	107,460	-	107,460
CCAMPIS grant*	47,347	84,132	131,479	-	131,479
Child care food program	12,280	21,891	34,171	-	34,171
Other grants	3,764	3,764	7,528	-	7,528
CSULB apportionments	60,481	107,470	167,951	(167,951)	-
Parent fees	259,078	555,964	815,042	-	815,042
ASI fees	268,425	476,974	745,399	15,949,747	16,695,146
Other income	18,319	32,552	50,871	1,789,206	1,840,077
Total Revenue and Support Without Donor Restrictions	942,112	1,527,249	2,469,361	17,571,002	20,040,363
Operating Expenses:					
Salaries	724,250	969,210	1,693,460	6,854,467	8,547,927
Employee benefits	139,604	213,449	353,053	2,217,777	2,570,830
Books and supplies	31,416	55,937	87,353	666,095	753,448
Services and other operating expenses	82,282	148,507	230,789	6,906,483	7,137,272
Total Operating Expenses	977,552	1,387,103	2,364,655	16,644,822	19,009,477
Non-Operating Revenues (Expenses):					
Investment return, net	-	-	-	499,095	499,095
Pension related charges other than periodic pension cost	-	-	-	(3,224,465)	(3,224,465)
Net Non-Operating Revenues	-	-	-	(2,725,370)	(2,725,370)
Change in Net Assets Prior to Transfers	(35,440)	140,146	104,706	(1,799,190)	(1,694,484)
Transfers (to) from the General Fund of the Associated Students, Inc., California State University, Long Beach	35,440	(140,146)	(104,706)	104,706	-
Change in Net Assets	-	-	-	(1,694,484)	(1,694,484)
Cumulative Effect of Change in Accounting Principle**	-	-	-	4,721,146	4,721,146
Net Assets:					
Net Assets - Without Donor Restrictions, beginning	-	-	-	9,554,141	9,554,141
Net Assets - Without Donor Restrictions, ending	\$ -	\$ -	\$ -	\$ 12,580,803	\$ 12,580,803

\*Child Care Access Means Parents in School (CCAMPIS) program revenue of \$131,479 is a non-CDE/CDSS federal funding source.

\*\*See Note 6.

See independent auditor's report.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Expenditures by State Categories**

Year Ended June 30, 2023

<b>Expenditures</b>	<b>General Child Care and Development CCTR-2071</b>	<b>California State Preschool Program CSPP-2150</b>	<b>Total CD Programs</b>
Direct payments to providers	\$ -	\$ -	\$ -
1000 Certificated salaries	340,598	473,188	813,786
2000 Classified salaries	383,652	496,022	879,674
3000 Employee benefits	139,604	213,449	353,053
4000 Books and supplies	31,416	55,937	87,353
5000 Services and other operating expenses	82,282	148,507	230,789
6100/ Other approved capital outlay	-	-	-
6200	-	-	-
6400 New equipment expense	-	-	-
6500 Replacement equipment	-	-	-
Indirect costs (a)	-	-	-
Total Expenses Claimed for Reimbursement (b)	977,552	1,387,103	2,364,655
<b>Supplemental Expenditures</b>	<b>General Child Care and Development CCTR-2071</b>	<b>California State Preschool Program CSPP-2150</b>	<b>Total CD Programs</b>
Total supplemental expenses	-	-	-
Total Expenditures	\$ 977,552	\$ 1,387,103	\$ 2,364,655

Notes:

(a) The Center does not have a written cost allocation plan for the fiscal year that was approved by the Board of Directors.

(b) Any food expenses have been allocated to the appropriate contracts.

*We have examined the claims filed for reimbursement and the original records supporting the transactions recorded under the contracts listed above to an extent considered necessary to assure ourselves that the amounts claimed by the contractor were eligible for reimbursement, reasonable, necessary, and adequately supported, according to governing laws, regulations, and contract provisions.*

See independent auditor's report.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Reconciliation of Child Development and GAAP Revenue and Expense Reporting**

Year Ended June 30, 2023

	General Child Care and Development CCTR-2071	California State Preschool Program CSPP-2150	Non-CD Programs	Total
<b>Revenue</b>				
AUD/CDFS 9500 and 8501 Total Revenue	\$ 669,694	\$ 1,282,747	\$ -	\$ 1,952,441
Adjustments to Reconcile Difference in Reporting:				
Revenue from CDE and CDSS for CCTR and CSPP contracts	272,418	244,502	-	516,920
Revenue from non-Children's Center funds	-	-	17,738,953	17,738,953
General Fund allocation to Child Development Center	-	-	(167,951)	(167,951)
Total adjustments	272,418	244,502	17,571,002	18,087,922
Revenues per GAAP:				
Combining statement of activities -				
Total revenue and other support without donor restrictions	\$ 942,112	\$ 1,527,249	\$ 17,571,002	\$ 20,040,363
<b>Expenses</b>				
Schedule of Expenditures by State Categories (CD)	\$ 977,552	\$ 1,387,103	\$ -	\$ 2,364,655
Adjustments to Reconcile Differences in Reporting:				
Expenses from non-Children's Center funds	-	-	16,644,822	16,644,822
Depreciation on assets purchased with public funds	-	-	-	-
Capitalized renovations and repairs expensed on AUD forms	-	-	-	-
Capitalized renovations & repairs expensed as supplemental on AUD forms	-	-	-	-
Capitalized equipment expensed on AUD forms	-	-	-	-
Total adjustments	-	-	16,644,822	16,644,822
Expenses per GAAP:				
Combining statement of activities -				
Total operating expenses	\$ 977,552	\$ 1,387,103	\$ 16,644,822	\$ 19,009,477

See independent auditor's report.



**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Claimed Equipment Expenditures**

Year Ended June 30, 2023

<b>Capitalized Equipment Expensed on the AUD with Prior Written Approval</b>		<b>General Child Care and Development CCTR-2071</b>	<b>California State Preschool Program CSPP-2150</b>	<b>Non-CD Programs</b>	<b>Total</b>
None	\$	-	-	-	-
Subtotal		-	-	-	-
<b>Capitalized Equipment Expensed on the AUD without Prior Written Approval</b>		<b>General Child Care and Development CCTR-2071</b>	<b>California State Preschool Program CSPP-2150</b>	<b>Non-CD Programs</b>	<b>Total</b>
None	\$	-	-	-	-
Subtotal		-	-	-	-
<b>Total</b>		<b>General Child Care and Development CCTR-2071</b>	<b>California State Preschool Program CSPP-2150</b>	<b>Non-CD Programs</b>	<b>Total</b>
Capitalized equipment	\$	-	-	-	-

Note: The Center's capitalization threshold is \$10,000.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Claimed Expenditures for Renovations and Repairs**

Year Ended June 30, 2023

<b>Capitalized R&amp;R Project Under \$10,000</b>		<b>General Child Care and Development CCTR-2071</b>	<b>California State Preschool Program CSPP-2150</b>	<b>Non-CD Programs</b>	<b>Total</b>
None	\$	-	\$ -	-	\$ -
Subtotal		-	-	-	-
<b>Capitalized R&amp;R Project of \$10,000 or More with Prior Written Approval</b>		<b>General Child Care and Development CCTR-2071</b>	<b>California State Preschool Program CSPP-2150</b>	<b>Non-CD Programs</b>	<b>Total</b>
None		-	-	-	-
Subtotal		-	-	-	-
<b>Capitalized R&amp;R Project of \$10,000 or More without Prior Written Approval</b>		<b>General Child Care and Development CCTR-2071</b>	<b>California State Preschool Program CSPP-2150</b>	<b>Non-CD Programs</b>	<b>Total</b>
None		-	-	-	-
Subtotal		-	-	-	-
<b>Total</b>		<b>General Child Care and Development CCTR-2071</b>	<b>California State Preschool Program CSPP-2150</b>	<b>Non-CD Programs</b>	<b>Total</b>
Capitalized R&R projects		\$ -	\$ -	-	\$ -

Note: The Center's capitalization threshold is \$10,000.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Claimed Administrative Costs**

Year Ended June 30, 2023

<b>Administrative Costs</b>	<b>General Child Care and Development CCTR-2071</b>	<b>California State Preschool Program CSPP-2150</b>	<b>Total CD Programs</b>
Direct payments to providers	\$ -	\$ -	\$ -
1000 Certificated salaries	26,714	47,468	74,182
2000 Classified salaries	28,877	51,312	80,189
3000 Employee benefits	11,589	20,594	32,183
4000 Books and supplies	2,868	5,095	7,963
5000 Services and other operating expenses	12,610	22,408	35,018
6100/ Other approved capital outlay	-	-	-
6200	-	-	-
6400 New equipment expense	-	-	-
6500 Replacement equipment	-	-	-
Indirect costs	-	-	-
<b>Total administrative costs claimed for reimbursement</b>	<b>\$ 82,658</b>	<b>\$ 146,877</b>	<b>\$ 229,535</b>

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Notes to the Child Care and Development Program Supplemental Information**

Year Ended June 30, 2023

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In accordance with the applicable requirements from the Contract Terms & Conditions:

1. Interest expense is only allowable as a reimbursable cost in certain circumstances when it has been preapproved by the administering state department or relates to the lease purchase, acquisition, or repair or renovation of early learning and care facilities owned or leased by the contractor. No interest expense was claimed to a child development contract for the year ended June 30, 2023.

2. All expenses claimed for reimbursement under a related party rent transaction must be supported by a fair market rental estimate from an independent appraiser, licensed by the California Office of Real Estate Appraisers. No related party rent expense was claimed to a child development contract for the year ended June 30, 2023.

3. Bad debt expense is unallowable unless it relates to uncollected family fees where documentation of adequate collection attempts exists. No bad debt expense was claimed to a child development contract for the year ended June 30, 2023.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Summary of Claim**

Year Ended June 30, 2023

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Federal Fund Reimbursement Variance Underpayment (Overpaid):

Amount Reimbursable from Federal Fund	\$	29,059	
Less: Federal Fund Payments to Date		26,824	\$ 2,235

Cash In-Lieu Reimbursement:

Allowed		4,159	
Paid		<u>3,811</u>	348

Total Federal Fund Reimbursement Refund (Overpayment)			\$ <u>2,583</u>
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State Fund Reimbursement Variance Underpayment (Overpaid)

Amount Reimbursable from State Fund	\$	953	
Less: State Fund Payments to Date		<u>884</u>	\$ 69

State Fund Reimbursement Refund (Overpayment)			\$ <u>69</u>
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Total Program Reimbursement Refund (Overpayment)			\$ <u><u>2,652</u></u>
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**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Statement of Claim**

Year Ended June 30, 2023

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Reimbursement per Examination (Supported by pages 24-27)	\$	34,171
Program Reimbursements Claimed and Received		<u>31,519</u>
Amount Due from Agency	\$	<u><u>2,652</u></u>

**Footnotes:**

Note 1: Total income accrued to the program for year ended June 30, 2023 was \$34,171.

Note 2: All Child Care Food Program claims for reimbursement have been paid as of report issuance date.

Note 3: There were no revised claims for the year ended June 30, 2023.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Reported, Adjusted, and Allowed Meals and Earned Reimbursement**

Year Ended June 30, 2023

**FIXED PERCENTAGE METHOD**

<b>Federal Meal Compensation</b>	<b>Reported</b>	<b>Meals Adjusted</b>	<b>Allowed</b>	<b>Food Service Rates</b>	<b>Revenue Recognized</b>	<b>Audit Adjustments</b>	<b>Earned Reimbursement</b>
<u>Breakfast</u>							
Free	1,831	-	1,831	\$ 2.2100	\$ 4,047	\$ -	\$ 4,047
Reduced	250	-	250	1.9100	478	-	478
Base	8,415	-	8,415	0.4500	3,787	-	3,787
Total	<u>10,496</u>	<u>-</u>	<u>10,496</u>		<u>\$ 8,312</u>	<u>\$ -</u>	<u>\$ 8,312</u>
<u>Lunch</u>							
Free	2,416	-	2,416	\$ 4.0300	\$ 9,736	\$ -	\$ 9,736
Reduced	326	-	326	3.6300	1,183	-	1,183
Base	11,121	-	11,121	0.4700	5,227	-	5,227
Total	<u>13,863</u>	<u>-</u>	<u>13,863</u>		<u>\$ 16,146</u>	<u>\$ -</u>	<u>\$ 16,146</u>
<u>Supplement</u>							
Free	1,865	-	1,865	\$ 1.1800	\$ 2,201	\$ -	\$ 2,201
Reduced	275	-	275	0.6400	176	-	176
Base	11,714	-	11,714	0.1900	2,226	-	2,226
Total	<u>13,854</u>	<u>-</u>	<u>13,854</u>		<u>\$ 4,603</u>	<u>\$ -</u>	<u>\$ 4,603</u>
Total Federal Meal Reimbursement					29,061	-	\$ 29,061
Cash-in-Lieu	<u>13,863</u>	<u>-</u>	<u>13,863</u>	\$ 0.3000	4,159	-	4,159
Difference Due to Rounding					(2)	-	(2)
Total Federal Reimbursement					<u>\$ 33,218</u>	<u>\$ -</u>	<u>\$ 33,218</u>
State Meal Compensation*	<u>4,823</u>	<u>-</u>	<u>4,823</u>	\$ 0.1975	953	-	\$ 953
Total State Reimbursement					<u>\$ 953</u>	<u>\$ -</u>	<u>\$ 953</u>
Total Program Reimbursement Underpaid/(Overpaid)						<u>\$ -</u>	

**Footnotes:**

\* State Meal Compensation meals are free and reduced breakfast and lunches served.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Reported, Adjusted, and Allowed Eligibility**

Year Ended June 30, 2023

**FIXED PERCENTAGE METHOD**

	July	August	September	October	November	December	January	February	March	April	May	June
<u>Total Enrolled</u>												
Reported	-	125	125	168	168	168	168	168	168	168	168	168
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	-	125	125	168	168	168	168	168	168	168	168	168
<u>Eligibility Categories</u>												
Free												
Reported	-	28	28	22	22	22	22	22	22	22	22	22
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	-	28	28	22	22	22	22	22	22	22	22	22
Reduced												
Reported	-	9	9	2	2	2	2	2	2	2	2	2
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	-	9	9	2	2	2	2	2	2	2	2	2
Base												
Reported	-	88	88	144	144	144	144	144	144	144	144	144
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	-	88	88	144	144	144	144	144	144	144	144	144



**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Reported, Adjusted, and Allowed Meals**

Year Ended June 30, 2023

**FIXED PERCENTAGE METHOD**

	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>
		July 2022			August 2022			September 2022	
<u>Breakfast</u>									
Free	-	-	-	145	-	145	340	-	340
Reduced	-	-	-	41	-	41	68	-	68
Base	-	-	-	410	-	410	736	-	736
Total	-	-	-	<b>596</b>	-	<b>596</b>	<b>1,144</b>	-	<b>1,144</b>
<u>Lunch</u>									
Free	-	-	-	186	-	186	437	-	437
Reduced	-	-	-	49	-	49	87	-	87
Base	-	-	-	499	-	499	944	-	944
Total	-	-	-	<b>734</b>	-	<b>734</b>	<b>1,468</b>	-	<b>1,468</b>
<u>Supplement</u>									
Free	-	-	-	127	-	127	312	-	312
Reduced	-	-	-	38	-	38	118	-	118
Base	-	-	-	375	-	375	1,119	-	1,119
Total	-	-	-	<b>540</b>	-	<b>540</b>	<b>1,549</b>	-	<b>1,549</b>
	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>
		October 2022			November 2022			December 2022	
<u>Breakfast</u>									
Free	167	-	167	128	-	128	95	-	95
Reduced	18	-	18	13	-	13	10	-	10
Base	899	-	899	686	-	686	508	-	508
Total	<b>1,084</b>	-	<b>1,084</b>	<b>827</b>	-	<b>827</b>	<b>613</b>	-	<b>613</b>
<u>Lunch</u>									
Free	225	-	225	171	-	171	123	-	123
Reduced	24	-	24	18	-	18	13	-	13
Base	1,209	-	1,209	918	-	918	662	-	662
Total	<b>1,458</b>	-	<b>1,458</b>	<b>1,107</b>	-	<b>1,107</b>	<b>798</b>	-	<b>798</b>
<u>Supplement</u>									
Free	185	-	185	150	-	150	96	-	96
Reduced	15	-	15	12	-	12	8	-	8
Base	1,352	-	1,352	1,091	-	1,091	716	-	716
Total	<b>1,552</b>	-	<b>1,552</b>	<b>1,253</b>	-	<b>1,253</b>	<b>820</b>	-	<b>820</b>

See independent auditor's report.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Reported, Adjusted, and Allowed Meals, continued**

Year Ended June 30, 2023

**FIXED PERCENTAGE METHOD**

	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>
		January 2023			February 2023			March 2023	
<b>Breakfast</b>									
Free	115	-	115	177	-	177	189	-	189
Reduced	12	-	12	19	-	19	20	-	20
Base	620	-	620	957	-	957	1,012	-	1,012
<b>Total</b>	<b>747</b>	<b>-</b>	<b>747</b>	<b>1,153</b>	<b>-</b>	<b>1,153</b>	<b>1,221</b>	<b>-</b>	<b>1,221</b>
<b>Lunch</b>									
Free	140	-	140	225	-	225	253	-	253
Reduced	15	-	15	24	-	24	27	-	27
Base	751	-	751	1,219	-	1,219	1,355	-	1,355
<b>Total</b>	<b>906</b>	<b>-</b>	<b>906</b>	<b>1,468</b>	<b>-</b>	<b>1,468</b>	<b>1,635</b>	<b>-</b>	<b>1,635</b>
<b>Supplement</b>									
Free	122	-	122	169	-	169	202	-	202
Reduced	10	-	10	14	-	14	17	-	17
Base	888	-	888	1,215	-	1,215	1,446	-	1,446
<b>Total</b>	<b>1,020</b>	<b>-</b>	<b>1,020</b>	<b>1,398</b>	<b>-</b>	<b>1,398</b>	<b>1,665</b>	<b>-</b>	<b>1,665</b>
	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>
		April 2023			May 2023			June 2023	
<b>Breakfast</b>									
Free	165	-	165	174	-	174	136	-	136
Reduced	17	-	17	18	-	18	14	-	14
Base	925	-	925	934	-	934	728	-	728
<b>Total</b>	<b>1,107</b>	<b>-</b>	<b>1,107</b>	<b>1,126</b>	<b>-</b>	<b>1,126</b>	<b>878</b>	<b>-</b>	<b>878</b>
<b>Lunch</b>									
Free	229	-	229	248	-	248	179	-	179
Reduced	24	-	24	26	-	26	19	-	19
Base	1,272	-	1,272	1,330	-	1,330	962	-	962
<b>Total</b>	<b>1,525</b>	<b>-</b>	<b>1,525</b>	<b>1,604</b>	<b>-</b>	<b>1,604</b>	<b>1,160</b>	<b>-</b>	<b>1,160</b>
<b>Supplement</b>									
Free	170	-	170	198	-	198	134	-	134
Reduced	15	-	15	16	-	16	12	-	12
Base	1,189	-	1,189	1,421	-	1,421	902	-	902
<b>Total</b>	<b>1,374</b>	<b>-</b>	<b>1,374</b>	<b>1,635</b>	<b>-</b>	<b>1,635</b>	<b>1,048</b>	<b>-</b>	<b>1,048</b>

See independent auditor's report.

# AUDITED ENROLLMENT, ATTENDANCE AND FISCAL REPORT FOR CHILD CARE AND DEVELOPMENT PROGRAMS

Fiscal Year Ending	June 30, 2023
Contract Number	CCTR-2071
Vendor Code	19-B776

Full Name of Contractor **Associated Students, Inc., California State University, Long Beach**

## Section 1 - Number of Counties Where Services are Provided

Number of counties where the agency provided services to certified children (Form AUD 9500.1):

Number of counties where the agency provided mental health consultation services to certified children (Form 9500.2):

Number of counties where the agency provided services to non-certified children (Form AUD 9500.3):

Number of counties where the agency provided mental health consultation services to non-certified children (Form 9500.4):

Total enrollment and attendance forms to attach:

Note: For each of the above categories, submit one form for each service county for the fiscal year.

## Section 2 - Days of Enrollment, Attendance and Operation

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjusted Days per Audit
Total Certified Days of Enrollment	2,474	378	2852	4,318.8759
Total Certified Days of Enrollment with Mental Health Consultation Services	0	0	0	0.0000
Days of Attendance (including MHCS)	2,436	378	2814	N/A
Total Non-Certified Days of Enrollment	9,223	2,474	11,697	11,607.7160
Total Non-Certified Days of Enrollment with Mental Health Consultation Services	0	0	0	0.0000
Days of Operation	198	(1)	197	N/A

Full Name of Contractor **Associated Students, Inc., California State University, Long Beach**Contract Number **CCTR-2071****Section 3 - Revenue**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs	12,280	0	12280
Restricted Income - County Maintenance of Effort (WIC Section 10308.5)	0	0	0
Restricted Income - American Rescue Plan Act (ARPA)	3,764	0	3764
Restricted Income - Other: CCAMPIS & Other Grants	0	47,347	47347
<b>Restricted Income - Subtotal</b>	<b>16044</b>	<b>47347</b>	<b>63391</b>
Transfer from Reserve	0	0	0
Waived Family Fees for Certified Children	10,382	0	10382
Interest Earned on Child Development Apportionment Payments	0	0	0
Unrestricted Income - Fees for Non-Certified Children	255,113	3,965	259078
Unrestricted Income - Head Start	0	0	0
Unrestricted Income - Other: Contributions from Associated Students, Inc. and others	347,107	118	347225
<b>Total Revenue</b>	<b>618264</b>	<b>51430</b>	<b>669694</b>

Comments: Days of enrollment and days of attendance for certified children adjusted to correctly report enrollment for children who were scheduled to attend less than five days per week.  
Days of enrollment for noncertified children adjusted to correctly report enrollment for children who were scheduled to attend less than five days per week.  
Days of operation reduced by 1 to align with actual days of operation.  
Total Revenue calculation corrected to exclude Waived Family Fees for Certified Children.  
Revenue and Reimbursable Expenses adjusted for additional changes to general ledger after June CDNFS submission.

Full Name of Contractor **Associated Students, Inc., California State University, Long Beach**Contract Number **CCTR-2071****Section 4 - Reimbursable Expenses**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers (FCCH only)	0	0	0
1000 Certificated Salaries	311,892	28,706	340598
2000 Classified Salaries	383,652	0	383652
3000 Employee Benefits	139,922	(318)	139604
4000 Books and Supplies	22,551	8,865	31416
5000 Services and Other Operating Expenses	82,264	18	82282
6100/6200 Other Approved Capital Outlay	0	0	0
6400 New Equipment (program-related)	0	0	0
6500 Equipment Replacement (program-related)	0	0	0
Depreciation or Use Allowance	0	0	0
Start-up Expenses (service level exemption)	0	0	0
Budget Impasse Credit	0	0	0
Indirect Costs (Include in Administrative Cost)	0	0	0
Non-Reimbursable (State Use Only)	0	0	0
<b>Total Reimbursable Expenses</b>	<b>940281</b>	<b>37271</b>	<b>977552</b>
Total Administrative Cost (included in section 4 above)	0	82,658	82658
Total Staff Training Cost (included in section 4 above)	0	0	0

Approved Indirect Cost Rate: **0.0 %**☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 4.

Full Name of Contractor **Associated Students, Inc., California State University, Long Beach**Contract Number **CCTR-2071****Section 7 - Summary**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment (including MHCS)	2474	378	2852
Days of Operation	198	(1)	197
Days of Attendance (including MHCS)	2436	378	2814
Restricted Program Income	16044	47347	63391
Transfer from Reserve	0	0	0
Waived Family Fees for Certified Children	10382	0	10382
Interest Earned on Child Development Apportionment Payments	0	0	0
Direct Payments to Providers	0	0	0
Start-up Expenses (service level exemption)	0	0	0
Total Reimbursable Expenses	940281	37271	977552
Total Administrative Cost	0	82658	82658
Total Staff Training Cost	0	0	0

Total Certified Adjusted Days of Enrollment (including MHCS) **4,318.8759**Total Non-Certified Adjusted Days of Enrollment (including MHCS) **11,607.7160**

Independent auditor's assurances on agency's compliance with contract funding terms and conditions and program requirements for programs that transferred to the California Department of Social Services on July 1, 2021 pursuant to WIC Section 10203(b):

Eligibility, enrollment and attendance records are being maintained as required (Select YES or NO from the drop-down box): **Yes**

Reimbursable expenses claimed on page 3 are eligible for reimbursement, reasonable, necessary, and adequately supported (select YES or NO from the drop-down box):

**Yes**

Include any comments in the comments box on page 2. If necessary, attach additional sheets to explain adjustments.

# CHILD CARE AND DEVELOPMENT PROGRAMS CERTIFIED CHILDREN DAYS OF ENROLLMENT AND ATTENDANCE

Fiscal Year Ending	June 30, 2023
Contract Number	CCTR-2071
Vendor Code	19-B776

Full Name of Contractor **Associated Students, Inc., California State University, Long Beach**

Service County: **Los Angeles**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus	0	0	0	2.8792	0.0000
Infants (up to 18 months) Full-time	556	21	577	2.4400	1,407.8800
Infants (up to 18 months) One-half-time	186	118	304	1.5455	469.8320
Toddlers (18 up to 36 months) Full-time-plus	0	0	0	2.1240	0.0000
Toddlers (18 up to 36 months) Full-time	750	54	804	1.8000	1,447.2000
Toddlers (18 up to 36 months) One-half-time	352	119	471	1.1401	536.9871
Three Years and Older Full-time-plus	0	0	0	1.1800	0.0000
Three Years and Older Full-time	35	9	44	1.0000	44.0000
Three Years and Older One-half-time	595	57	652	0.6334	412.9768
Exceptional Needs Full-time-plus	0	0	0	1.8172	0.0000
Exceptional Needs Full-time	0	0	0	1.5400	0.0000
Exceptional Needs One-half-time	0	0	0	0.9754	0.0000

Full Name of Contractor **Associated Students, Inc., California State University, Long Beach**Contract Number **CCTR-2071**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Dual Language Learner Full-time-plus	0	0	0	1.2980	0.0000
Dual Language Learner Full-time	0	0	0	1.1000	0.0000
Dual Language Learner One-half-time	0	0	0	0.6334	0.0000
At Risk of Abuse or Neglect Full-time-plus	0	0	0	1.2980	0.0000
At Risk of Abuse or Neglect Full-time	0	0	0	1.1000	0.0000
At Risk of Abuse or Neglect One-half-time	0	0	0	0.6334	0.0000
Severely Disabled Full-time-plus	0	0	0	2.2774	0.0000
Severely Disabled Full-time	0	0	0	1.9300	0.0000
Severely Disabled One-half-time	0	0	0	1.2225	0.0000
<b>Total Certified Days of Enrollment</b>	<b>2474</b>	<b>378</b>	<b>2852</b>	<b>N/A</b>	<b>4318.8759</b>
<b>Days of Attendance</b>	<b>2,436</b>	<b>378</b>	<b>2814</b>	<b>N/A</b>	<b>N/A</b>

Enter the sum of Total Certified Days of Enrollment from Form AUD9500.1(s) in the Total Certified Days of Enrollment line of AUD 9500, Section 2.

Enter the sum of Days of Attendance from all Form AUD9500.1(s) and Form AUD9500.2(s) in the Days of Attendance line of AUD 9500, Section 2.



# CHILD CARE AND DEVELOPMENT PROGRAMS NON-CERTIFIED CHILDREN DAYS OF ENROLLMENT

Fiscal Year Ending	June 30, 2023
Contract Number	CCTR-2071
Vendor Code	19-B776

Full Name of Contractor **Associated Students, Inc., California State University, Long Beach**

Service County: **Los Angeles**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus	0	0	0	2.8792	0.0000
Infants (up to 18 months) Full-time	606	24	630	2.4400	1,537.2000
Infants (up to 18 months) One-half-time	246	278	524	1.5455	809.8420
Toddlers (18 up to 36 months) Full-time-plus	0	0	0	2.1240	0.0000
Toddlers (18 up to 36 months) Full-time	1,417	62	1479	1.8000	2,662.2000
Toddlers (18 up to 36 months) One-half-time	1,150	542	1692	1.1401	1,929.0492
Three Years and Older Full-time-plus	0	0	0	1.1800	0.0000
Three Years and Older Full-time	0	0	0	1.0000	0.0000
Three Years and Older One-half-time	5,804	1,568	7372	0.6334	4,669.4248
Exceptional Needs Full-time-plus	0	0	0	1.8172	0.0000
Exceptional Needs Full-time	0	0	0	1.5400	0.0000
Exceptional Needs One-half-time	0	0	0	0.9754	0.0000

Full Name of Contractor **Associated Students, Inc., California State University, Long Beach**Contract Number **CCTR-2071**

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Dual Language Learner Full-time-plus	0	0	0	1.2980	0.0000
Dual Language Learner Full-time	0	0	0	1.1000	0.0000
Dual Language Learner One-half-time	0	0	0	0.6334	0.0000
At Risk of Abuse or Neglect Full-time-plus	0	0	0	1.2980	0.0000
At Risk of Abuse or Neglect Full-time	0	0	0	1.1000	0.0000
At Risk of Abuse or Neglect One-half-time	0	0	0	0.6334	0.0000
Severely Disabled Full-time-plus	0	0	0	2.2774	0.0000
Severely Disabled Full-time	0	0	0	1.9300	0.0000
Severely Disabled One-half-time	0	0	0	1.2225	0.0000
<b>Total Non-Certified Days of Enrollment</b>	<b>9223</b>	<b>2474</b>	<b>11697</b>	<b>N/A</b>	<b>11607.7160</b>

Enter the sum of Total Non-Certified Days of Enrollment from all Form AUD 9500.3(s) in the Total Non-Certified Days of Enrollment line of AUD 9500, Section 2.

Contractor Name Associated Students, Inc., California State University, Long Beach

Contract Number: CSPP-2150

California Department of Education

Fiscal Year Ended: June 30, 2023

**Audited Enrollment, Attendance and Fiscal  
Report for California State Preschool Program**

Vendor Code: 19-B776

**Section 1 – Number of Counties Where Services are Provided**

Number of counties where the agency provided services to certified children (Form 1):1

Number of counties where the agency provided mental health consultation services to certified children (Form 2):0

Number of counties where the agency provided services to non-certified children (Form 3):1

Number of counties where the agency provided mental health consultation services to non-certified children (Form 4):0

Total enrollment and attendance forms to attach: 2

**Section 2 – Days of Enrollment, Attendance and Operation**

Enrollment and Attendance Form Summary	Column A Cumulative FY per CPARIS	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjusted Days per Audit
Total Certified Days of Enrollment	2,623	553	3,176	3,640.9463
Total Certified Days of Enrollment with Mental Health Consultation Services	0	0	0	0.0000
Days of Attendance (including MHCS)	2,531	553	3,084	N/A
Total Non-Certified Days of Enrollment	10,111	2,734	12,845	13,409.1344
Total Non-Certified Days of Enrollment with Mental Health Consultation Services	0	0	0	0.0000

Days of Operation	Column A Cumulative FY per CPARIS	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjusted Days per Audit
Days of Operation	198	(1)	197	N/A

**Section 3 – Revenue**

Restricted Income	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Child Nutrition Programs	21,892	(1)	21,891
County Maintenance of Effort (EC Section 8260)	0	0	0
Other: American Rescue Plan Act	3,764	0	3,764
Other: CCAMPIS Grant	0	84,132	84,132
<b>TOTAL RESTRICTED INCOME</b>	<b>25,656</b>	<b>84,131</b>	<b>109,787</b>

Transfer from Reserve	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Transfer from Preschool Reserve	0	0	0

Other Income	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Waived Family Fees for Certified Children	7,661	0	7,661
Interest Earned on Child Development Apportionment	0	0	0
Unrestricted Income: Fees for Non-Certified Children	548,918	7,046	555,964
Unrestricted Income: Head Start	0	0	0
Other: Contribution from Associated Students, Inc.	623,372	(146,398)	476,974
Other: Contribution from CSU Long Beach and others	0	140,022	140,022

**Section 4 - Reimbursable Expenses**

Cost Category	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Direct Payments to Providers (FCCH only)	0	0	0
1000 Certificated Salaries	422,179	51,009	473,188
2000 Classified Salaries	496,021	1	496,022
3000 Employee Benefits	214,015	(566)	213,449
4000 Books and Supplies	40,154	15,783	55,937
5000 Services and Other Operating Expenses	148,475	32	148,507
6100/6200 Other Approved Capital Outlay	0	0	0
6400 New Equipment (program-related)	0	0	0
6500 Equipment Replacement (program-related)	0	0	0
Depreciation or Use Allowance	0	0	0
Start-up Expenses (service level exemption)	0	0	0
Indirect Costs (include in Total Administrative Cost)	0	0	0
<b>TOTAL REIMBURSABLE EXPENSES</b>	<b>1,320,844</b>	<b>66,259</b>	<b>1,387,103</b>

Does the agency have an indirect cost rate approved by its cognizant agency (Select YES or NO)? ☐ Yes ☒ No

Approved Indirect Cost Rate: 0.0 %

Specific Items of Reimbursable Expenses	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Total Administrative Cost (included in Reimbursable Expenses)	0	146,877	146,877
Total Staff Training Cost (included in Reimbursable Expenses)	0	0	0

☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 4.

**Section 6 - Summary**

Description	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Total Certified Days of Enrollment (including MHCS)	2,623	553	3,176
Days of Operation	198	(1)	197
Days of Attendance (including MHCS)	2,531	553	3,084
Total Certified Adjusted Days of Enrollment	N/A	N/A	3,640.9463
Total Non-Certified Adjusted Days of Enrollment	N/A	N/A	13,409.1344
Restricted Program Income	25,656	84,131	109,787
Transfer from Preschool Reserve Account	0	0	0
Interest Earned on Apportionment Payments	0	0	0
Direct Payments to Providers	0	0	0
Start-up Expenses (service level exemption)	0	0	0
Total Reimbursable Expenses	1,320,844	66,259	1,387,103
Total Administrative Cost	0	146,877	146,877
Total Staff Training Cost	0	0	0
Non-Reimbursable Cost (State Use Only)	N/A	N/A	0

## Section 7 - Auditor's Assurances

Independent auditor's assurances on agency's compliance with the contract funding terms and conditions and program requirements of the California Department of Education, Early Education Division:

Eligibility, enrollment and attendance records are being maintained as required (Select YES or NO): ☒ Yes ☐ No

Reimbursable expenses claimed in Section 4 are eligible for reimbursement, reasonable, necessary, and adequately supported (Select YES or NO): ☒ Yes ☐ No

## Section 8 - Comments

Include any comments in the comment box. If necessary, attach additional sheets to explain adjustments.

Days of enrollment and days of attendance for certified children adjusted to correctly report enrollment for children who were scheduled to attend less than five days per week.  
Days of enrollment for noncertified children adjusted to correctly report enrollment for children who were scheduled to attend less than five days per week.  
Days of operation reduced by 1 to align with actual days of operation.  
Revenue and Reimbursable Expenses adjusted for additional changes to general ledger after June CDNFS submission.

## California State Preschool Program – Form 1 Certified Children Days of Enrollment and Attendance

**Service County:** Los Angeles

Enrollment Description	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Three Years Old Full-time-plus	0	0	0	2.1240	0.0000
Three Years Old Full-time	733	59	792	1.8000	1,425.6000
Three Years Old Part-time	420	289	709	1.1401	808.3309
Four Years and Older Full-time-plus	0	0	0	1.1800	0.0000
Four Years and Older Full-time	913	31	944	1.0000	944.0000
Four Years and Older Part-time	557	174	731	0.6334	463.0154
Exceptional Needs Full-time-plus	0	0	0	2.8320	0.0000
Exceptional Needs Full-time	0	0	0	2.4000	0.0000
Exceptional Needs Part-time	0	0	0	1.5202	0.0000
Dual Language Learner Full-time-plus	0	0	0	1.4160	0.0000
Dual Language Learner Full-time	0	0	0	1.2000	0.0000
Dual Language Learned Part-time	0	0	0	0.6334	0.0000



Enrollment Description	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
At Risk of Abuse or Neglect Full-time-plus	0	0	0	1.2980	0.0000
At Risk of Abuse or Neglect Full-time	0	0	0	1.1000	0.0000
At Risk of Abuse or Neglect Part-time	0	0	0	0.6334	0.0000
Severely Disabled Full-time-plus	0	0	0	2.8320	0.0000
Severely Disabled Full-time	0	0	0	2.4000	0.0000
Severely Disabled Part-time	0	0	0	1.5202	0.0000
<b>TOTAL CERTIFIED DAYS OF ENROLLMENT</b>	<b>2,623</b>	<b>553</b>	<b>3,176</b>	N/A	<b>3,640.9463</b>

Attendance	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
<b>DAYS OF ATTENDANCE</b>	<b>2,531</b>	<b>553</b>	<b>3,084</b>	N/A	N/A

## California State Preschool Program – Form 3 Non-Certified Children Days of Enrollment

**Service County:** Los Angeles

Enrollment Description	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Toddlers (18 up to 36 months) Full-time-plus	0	0	0	2.1240	0.0000
Toddlers (18 up to 36 months) Full-time	0	0	0	1.8000	0.0000
Toddlers (18 up to 36 months) Part-time	0	0	0	0.9900	0.0000
Three Years Old Full-time-plus	0	0	0	2.1240	0.0000
Three Years Old Full-time	1,721	106	1,827	1.8000	3,288.6000
Three Years Old Part-time	2,616	1,458	4,074	1.1401	4,644.7674
Four Years and Older Full-time-plus	0	0	0	1.1800	0.0000
Four Years and Older Full-time	2,825	114	2,939	1.0000	2,939.0000
Four Years and Older Part-time	2,949	1,056	4,005	0.6334	2,536.7670
Exceptional Needs Full-time-plus	0	0	0	2.8320	0.0000
Exceptional Needs Full-time	0	0	0	2.4000	0.0000
Exceptional Needs Part-time	0	0	0	1.5202	0.0000
Dual Language Learner Full-time-plus	0	0	0	1.4160	0.0000
Dual Language Learner Full-time	0	0	0	1.2000	0.0000
Dual Language Learner Part-time	0	0	0	0.6334	0.0000

Enrollment Description	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
At Risk of Abuse or Neglect Full-time-plus	0	0	0	1.2980	0.0000
At Risk of Abuse or Neglect Full-time	0	0	0	1.1000	0.0000
At Risk of Abuse or Neglect Part-time	0	0	0	0.6334	0.0000
Severely Disabled Full-time-plus	0	0	0	2.8320	0.0000
Severely Disabled Full-time	0	0	0	2.4000	0.0000
Severely Disabled Part-time	0	0	0	1.5202	0.0000
<b>TOTAL NON-CERTIFIED DAYS OF ENROLLMENT</b>	<b>10,111</b>	<b>2734</b>	<b>12,845</b>	<b>N/A</b>	<b>13,409.1344</b>

## OTHER REQUIRED INFORMATION

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

To the Audit Committee  
Associated Students, Inc., California State University, Long Beach  
Isabel Patterson Child Development Center  
Long Beach, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Associated Students, Inc., California State University, Long Beach, (a nonprofit organization), Isabel Patterson Child Development Center (Center), 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 ended, and the related notes to the financial statements, and have issued our report thereon dated December 12, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Center'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 Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center'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 or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

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

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

**Purpose of this Report**

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

*Aldrich CPAs + Advisors LLP*

Brea, California  
December 12, 2023

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Findings and Questioned Costs**

Year Ended June 30, 2023

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**Section I – Summary of Auditor’s Results**

***Financial Statements***

Type of Auditor’s Report Issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified?	No
Significant deficiency identified that is not considered to be a material weakness?	None reported.
Noncompliance material to financial statements noted?	No

**Section II - Financial Statement Findings**

None reported.

**Section III - Findings and Questioned Costs for Child Development Programs**

None reported.

# ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

## ISABEL PATTERSON CHILD DEVELOPMENT CENTER

### Status of Corrective Action on Prior Year Findings

Year Ended June 30, 2023

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#### Section IV - Status of Corrective Action on Prior Year Findings

There was one finding in the prior year.

##### Finding 2022-001

1. *Program Information:* California State Preschool Program (CSPP-1154)
2. *Criteria:* Per Section VI(D) of the California Department of Education (CDE) Funding Terms and Conditions (FT&C), attendance, for the purposes of reimbursement, includes excused absences which are clearly in the best interest of the child. Except for children who are recipients of protective services or at risk of abuse or neglect, excused absences "in the best interest of the child" shall be limited to ten days during the contract period.
3. *Condition:* For two out of 21 children tested, there were 11 and 12 excused absences "in the best interest of the child" claimed during the contract period and neither child was the recipient of protective services or at risk of abuse or neglect. As such, days of attendance for CSPP-1154 were over-reported by three days.
4. *Questioned Costs:* The related conditions did not result in reportable questioned costs.
5. *Effect and Context:* As total excused absences "in the best interest of the child" claimed for two children exceeded the maximum of 10 allowed during the contract period, days of attendance were over-reported by three days. A process exists to track total absences recorded "in the best interest of the child," however, this error was not identified due to staff transitions and human error. Since the reimbursement in fiscal year 2022 was not based on attendance, these errors did not result in reportable questioned costs.
6. *Cause:* Although a process exists to track total absences recorded "in the best interest of the child," there is no review process to ensure no more than 10 such absences are claimed as excused for each child during the contract period.
7. *Recommendation:* We recommend that the Center implement a review process over total absences recorded "in the best interest of the child" to ensure no more than 10 such absences are claimed as excused for each child during the contract period and that any human errors are caught.
8. *Views of Responsible Officials and Planned Corrective Actions:* The Administrative Assistant will track best interest days on an Excel spreadsheet dedicated solely to best interest days. To ensure that there are no best interest days that exceed the maximum of 10, the Administrative Assistant will send an email, and if necessary, a phone call, to inform parents of the remaining number of best interest days when absence verification forms are received by parents and best interest days are used. In addition to tracking, email, and phone calls, the Eligibility Specialist will review the best interest days forms on a weekly basis to ensure accuracy.
9. *Status of Corrective Action:* Best interest days were tracked and monitored according to the planned corrective action. This finding has been adequately resolved.



## Quality Review Checklist for FY 2022–23

### Child Care and Development Program Agencies

Vendor Number: #19-B776

Agency Name: Associated Students, Inc., California State University Long Beach

Director Name &amp; email: Alec Colchico; alec.colchico@csulb.edu

### Introduction

The quality review checklist is required to be completed by the agency's representative and submitted along with the agency's 2022–23 audit report and is designed to reduce or eliminate the need for follow-up questions that arise as the California Department of Social Services, Office of Audit Services reviews the organization's audit report submission in accordance with California Code of Regulations, Title 5, Section 18072.

If questions arise during the audit report review process, the reviewer will contact the agency's Certified Public Accountant (CPA). Please provide the name and email address for the specific auditor at the CPA firm that conducted the agency's audit.

CPA Firm: Aldrich CPAs+ Advisors; Robert LaCour

Auditor Name: Aldrich CPAs+ Advisors; Robert LaCour

Auditor Email: rlacour@aldrichadvisors.com

### Required Contents

1. Does the audit report include the following? (Note: This information is required for all agencies. For more information, reference the Audit Guide: Chapter 200, Exhibit A; Chapter 300; and Illustrative Contractor Audit Report):

- a. Independent Auditor's Report, based on Generally Accepted Auditing Standards and Government Auditing Standards ..... ☒ Yes ☐ No
- i. Does the Independent Auditor's Report indicate whether the supplementary information is fairly presented in all material respects in relation to the financial statements as a whole? ..... ☒ Yes ☐ No
- b. 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 ..... ☒ Yes ☐ No
- c. Statement of Financial Position / Balance Sheet ..... ☒ Yes ☐ No
- d. Statement of Activities / Income Statement ..... ☒ Yes ☐ No
- e. Notes to Financial Statements ..... ☒ Yes ☐ No

- f. Schedule of Expenditures of Federal and State Awards ..... ☒ Yes ☐ No
- g. Schedule of Findings and Questioned Costs..... ☒ Yes ☐ No
- h. Combining Statement of Activities ..... ☒ Yes ☐ No
- i. Schedule of Claimed Administrative Costs ..... ☒ Yes ☐ No
- j. Schedule of Claimed Equipment Expenditures..... ☒ Yes ☐ No
- k. Schedule of Claimed Expenditures for Renovations and Repairs ..... ☒ Yes ☐ No
- l. Audited Attendance and Fiscal Report (AUD) form for each child care and development program contract..... ☒ Yes ☐ No
- m. Notes to the Child Care and Development Contract Supplemental Information..... ☒ Yes ☐ No
2. If applicable, does the audit report submission include the following (*Note: This information is only required under certain circumstances. For more information reference the CDSS Audit Guide: Chapter 200, Exhibit A; Chapter 300; and Illustrative Contractor Audit Report*):
- a. Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance (2 CFR Part 200, Subpart F)..... ☐ Yes ☐ No ☒ N/A
- b. Management letter and/or internal control communication letter ..... ☒ Yes ☐ No ☐ N/A
- c. Statement of Cash Flows ..... ☒ Yes ☐ No ☐ N/A
- d. Statement of Functional Expenses ..... ☐ Yes ☐ No ☒ N/A
- e. Schedule of Claimed Start-Up Expenses ..... ☐ Yes ☐ No ☒ N/A
- f. Audited Reserve Account Activity Report (AUD 9530-A) ..... ☐ Yes ☐ No ☒ N/A
- g. Reconciliation of fiscal year not ending on June 30 ..... ☐ Yes ☐ No ☒ N/A
- h. Reconciliation of CD Reporting to GAAP Reporting..... ☒ Yes ☐ No ☐ N/A
- i. An audit report that includes all required information for any agencies the contractor entered into a subcontract with for child care and development services (see FT&C Section I Definitions)..... ☐ Yes ☐ No ☒ N/A

## AUDs and Financial Statements

3. Were all AUDs prepared on the correct fiscal year's form? ..... ☒ Yes ☐ No
4. Are all pages of the AUD form(s) included? ..... ☐ Yes ☒ No  
a. If not, was the appropriate box marked to explain why the pages were omitted? ..... ☒ Yes ☐ No ☐ N/A
5. Does each AUD's Column A agree to the year-end CDNFS Report's Column C - Cumulative Fiscal Year? ..... ☒ Yes ☐ No
6. Do each AUD's total expenses claimed for reimbursement and total supplemental expenses trace to and agree with the amounts reported on the Schedule of Expenditures by State Categories? ..... ☒ Yes ☐ No
7. For each contract, do the total expenses on the Schedule of Expenditures by State Categories trace to and agree with the total expenses on the Combining Statement of Activities or any applicable expense reconciliation schedules presented in the report? ..... ☒ Yes ☐ No
8. Does the total revenue and expenses on the Combining Statement of Activities (CSA) trace and agree to the Statement of Activities? ..... ☒ Yes ☐ No
9. Does each AUD's revenue related to reimbursable expenses trace to and agree with the Combining Statement of Activities or other Statement? ..... ☒ Yes ☐ No

## Capitalized Expenses

10. Are all capitalized expenditures using child development funds identified in the Schedule of Claimed Expenditures for Renovations & Repairs or Schedule of Claimed Equipment Expenditures schedules? (Note: "Capitalized Equipment" is defined by the FT&C as equipment with a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the contractor for financial statement purposes, or \$5,000, including tax)..... ☒ Yes ☐ No
11. Do capitalized equipment expenses on AUD line items 6400, 6500 and/or start-up expenses trace to and agree with the Schedule of Claimed Equipment Expenditures? ..... ☒ Yes ☐ No
12. Do other capital outlays, line item 6100/6200 on the AUD, trace to and agree with the Schedule of Claimed Expenditures for Renovations & Repairs? ..... ☒ Yes ☐ No

13. Did the agency obtain preapproval for items expensed in line item(s) 6100/6200, 6400 and/or 6500? ..... ☐ Yes ☐ No ☒ N/A  
a. If not, please explain (attach additional pages if necessary):  
\_\_\_\_\_  
\_\_\_\_\_

14. If the agency has Child Care Facilities Revolving Fund or California Renovation and Repair loan repayments, are the expenditures correctly reported in line 6100/6200? ..... ☐ Yes ☐ No ☒ N/A

## Indirect and Administrative Costs

15. If the agency has an approved indirect cost rate, is it accurately reported on the AUD(s)? ..... ☐ Yes ☐ No ☒ N/A
16. If indirect costs are claimed, are they within the maximum indirect cost rate of the lesser of its approved rate or ten percent (10%)? ..... ☐ Yes ☐ No ☒ N/A
17. If indirect costs were reported, does the indirect cost amount agree to the indirect costs amount reported on the Schedule of Claimed Administrative Costs? ..... ☐ Yes ☐ No ☒ N/A
18. Do the total administrative costs reported on the AUD(s) trace to and agree with the total expense amounts reported on the Schedule of Claimed Administrative Costs? ..... ☒ Yes ☐ No

## Enrollment, Attendance, and Assurances on Center-Based AUDs

19. Is the number of days of enrollment the same or greater than the number of days of attendance reported on the AUD(s)? ..... ☒ Yes ☐ No ☐ N/A
20. Were the two assurance certifications checked on the AUD? ..... ☒ Yes ☐ No ☐ N/A

## Audited Reserve Account Activity Report

21. Does each Audited Reserve Account Activity Report either identify interest earned on reserve funds or explain in the comments section why no interest is reported? ..... ☐ Yes ☐ No ☒ N/A
22. If there was a reserve account ending balance, was it correctly reported in the Statement of Financial Position/Balance Sheet as a liability? ..... ☐ Yes ☐ No ☒ N/A

## Revenue

23. If Child and Adult Care Food Program (CACFP) expenses were allocated to a child care and development contract, was the related revenue reported as restricted income? (Note: Reported revenue should be the lesser of the amount of CACFP funds paid to an agency or the amount of expenses allocated to the contract) ..... ☒ Yes ☐ No ☐ N/A
24. Was all revenue correctly classified as restricted or unrestricted in the AUD form(s)? ..... ☒ Yes ☐ No ☐ N/A
25. If the agency received funds from the Paycheck Protection Program, were any funds used for a child care and development program reported as restricted income? ..... ☐ Yes ☐ No ☒ N/A
26. If non-certified children are reported in the AUD(s), were non-certified family fees reported? ..... ☒ Yes ☐ No ☐ N/A
- a. If not, please explain (attach additional pages if necessary):

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Completed By:

*Alec Colchico* *Alec Colchico*

Title:

*Director*

If necessary, add additional comments here:

# Quality Review Checklist

## California State Preschool Program Agencies

Agency Name & Vendor #: Associated Students, Inc., California State University, Long Beach #19-B

### Introduction

The quality review checklist is required to be completed by the agency's representative and submitted along with the agency's audit report and is designed to reduce or eliminate the need for follow-up questions that arise as the California Department of Education (CDE), Audits & Investigations Division reviews the organization's audit report submission in accordance with California Code of Regulations, Title 5, Section 17824.

If questions arise during the audit report review process, the reviewer will contact the agency's Certified Public Accountant (CPA). Please provide an email address for the CPA or CPA firm that conducted the agency's audit.

CPA Firm / CPA Name: Aldrich CPAs + Advisors, LLP

Email: rlacour@aldrichadvisors.com

### Required Contents

1. Does the audit report include the following? (Note: This information is required for all agencies. For more information, reference the *CDE Audit Guide: Chapter 200, Exhibit A; Chapter 300; and Appendix A, Illustrative Contractor Audit Report.*):

- a. Independent Auditor's Report, based on Generally Accepted Auditing Standards and Government Auditing Standards ..... ☒ Yes ☐ No
  - i. Does the Independent Auditor's Report indicate whether the supplementary information is fairly presented in all material respects in relation to the financial statements as a whole? ..... ☒ Yes ☐ No
- b. 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 ..... ☒ Yes ☐ No
- c. Statement of Financial Position / Balance Sheet ..... ☒ Yes ☐ No
- d. Statement of Activities / Income Statement ..... ☒ Yes ☐ No
- e. Notes to Financial Statements ..... ☒ Yes ☐ No

- f. Schedule of Expenditures of Federal and State Awards ..... ☒ Yes ☐ No
- g. Schedule of Findings and Questioned Costs..... ☒ Yes ☐ No
- h. Combining Statement of Activities ..... ☒ Yes ☐ No
- i. Schedule of Expenditures by State Categories ..... ☒ Yes ☐ No
- j. Schedule of Claimed Administrative Costs..... ☒ Yes ☐ No
- k. Schedule of Claimed Equipment Expenditures..... ☒ Yes ☐ No
- l. Schedule of Claimed Expenditures for Renovations and Repairs ..... ☒ Yes ☐ No
- m. Audited Attendance and Fiscal Report (AUD) form for each child development program contract..... ☒ Yes ☐ No
- n. Notes to the Child Development Contract Supplemental Information..... ☒ Yes ☐ No

2. If applicable, does the audit report submission include the following? (Note: This information is only required under certain circumstances. For more information reference the CDE Audit Guide: Chapter 200, Exhibit A; Chapter 300; and Appendix A, Illustrative Contractor Audit Report.):

- a. Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance (2 CFR Part 200, Subpart F)..... ☐ Yes ☐ No ☒ N/A
- b. Management letter and/or internal control communication letter ..... ☒ Yes ☐ No ☐ N/A
- c. Statement of Cash Flows ..... ☒ Yes ☐ No ☐ N/A
- d. Statement of Functional Expenses ..... ☐ Yes ☐ No ☒ N/A
- e. Schedule of Claimed Start-Up Expenses ..... ☐ Yes ☐ No ☒ N/A
- f. Audited Reserve Account Activity Report (AUD 9530-A) ..... ☐ Yes ☐ No ☒ N/A
- g. Reconciliation of fiscal year not ending on June 30..... ☐ Yes ☐ No ☒ N/A
- h. Reconciliation of CDE Reporting to GAAP Reporting..... ☒ Yes ☐ No ☐ N/A
- i. An audit report that includes all required information for any agencies that the contractor entered into a subcontract for early learning and care services with (see the Contract Terms and Conditions (CT&C) Section I – Definitions)..... ☐ Yes ☐ No ☒ N/A

## AUDs and Financial Statements

3. Were all AUDs prepared on the correct fiscal year's form? ..... ☒ Yes ☐ No
4. Are all pages of the AUD form(s) included? ..... ☐ Yes ☒ No  
a. If not, was the appropriate box marked to explain why the pages were omitted? ..... ☒ Yes ☐ No ☐ N/A
5. Are all applicable enrollment and attendance forms included in the audit report? [Note that the audit report should include a separate form for each service county where the agency provided a type of service (e.g. services to certified children, services to non-certified children, etc.)]..... ☒ Yes ☐ No
6. Does each AUD's column A agree to column C of the applicable CPARIS report? ..... ☒ Yes ☐ No
7. Does the AUD 8501, Section 2 – Enrollment and Attendance Form Summary, correctly report the sum of the enrollment and attendance from the applicable enrollment and attendance forms?..... ☒ Yes ☐ No
8. Do each AUD's total expenses claimed for reimbursement and total supplemental expenses trace to and agree with the amounts reported on the Schedule of Expenditures by State Categories?..... ☒ Yes ☐ No
9. For each contract, do the total expenses on the Schedule of Expenditures by State Categories trace to and agree with the total expenses on the Combining Statement of Activities or any applicable expense reconciliation schedules presented in the report?..... ☒ Yes ☐ No
10. Does the total revenue and expenses on the Combining Statement of Activities (CSA) trace and agree to the Statement of Activities?..... ☒ Yes ☐ No
11. Does each AUD's revenue related to reimbursable expenses trace to and agree with the Combining Statement of Activities or other statement?..... ☒ Yes ☐ No

## Capitalized Expenses

12. Are all capitalized expenditures using child development funds identified in the Schedule of Claimed Expenditures for Renovations & Repairs or Schedule of Claimed Equipment Expenditures? (Note: "Capitalized Equipment" is defined by the CT&C as equipment with a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the contractor for financial statement purposes, or \$5,000, including tax.)..... ☒ Yes ☐ No
13. Do capitalized equipment expenses on AUD line items 6400, 6500 and/or start-up expenses trace to and agree with the Schedule of Claimed Equipment Expenditures? ..... ☒ Yes ☐ No



14. Does the Schedule of Claimed Equipment Expenditures report expenses in the appropriate categories for the agency's capitalization threshold? (See the *CDE Audit Guide*, Section 330 – Equipment Expenditures) ..... ☒ Yes ☐ No
15. Do other capital outlays, line item 6100/6200 on the AUD, trace to and agree with the Schedule of Claimed Expenditures for Renovations & Repairs? ..... ☒ Yes ☐ No
16. Did the agency obtain preapproval for items expensed in line item(s) 6100/6200, 6400 and/or 6500? ..... ☐ Yes ☐ No ☒ N/A  
a. If not, please explain (attach additional pages if necessary).  
\_\_\_\_\_  
\_\_\_\_\_
17. If the agency has Child Care Facilities Revolving Fund or California Renovation and Repair loan repayments, are the expenditures correctly reported in line 6100/6200? ..... ☐ Yes ☐ No ☒ N/A

## Indirect and Administrative Costs

18. If the agency has an approved indirect cost rate, is it accurately reported on the AUD(s)? ..... ☐ Yes ☐ No ☒ N/A
19. If indirect costs are claimed, are they within the maximum indirect cost rate of the lesser of its approved rate or ten percent (10%)? ..... ☐ Yes ☐ No ☒ N/A
20. If indirect costs were reported, does the indirect cost amount agree to the indirect costs amount reported on the Schedule of Claimed Administrative Costs? ..... ☐ Yes ☐ No ☒ N/A
21. Do the total administrative costs reported on the AUD(s) trace to and agree with the total expense amounts reported on the Schedule of Claimed Administrative Costs? ..... ☒ Yes ☐ No

## Enrollment, Attendance, and Assurances on Center-Based AUDs

22. Is the number of days of enrollment the same or greater than the number of days of attendance reported on the AUD(s)? ..... ☒ Yes ☐ No ☐ N/A
23. Were the two assurance certifications checked on the AUD 8501? ..... ☒ Yes ☐ No

## Audited Reserve Account Activity Report

24. Does each Audited Reserve Account Activity Report either identify interest earned on reserve funds or explain in the comments section why no interest is reported? ..... ☐ Yes ☐ No ☒ N/A

25. If there was a reserve account ending balance, was it correctly reported in the Statement of Financial Position/Balance Sheet as a liability? ..... ☐ Yes ☐ No ☒ N/A

## Revenue

26. If Child and Adult Care Food Program (CACFP) expenses were allocated to a child development contract, was the related revenue reported as restricted income? (Note: Reported revenue should be the lesser of the amount of CACFP funds paid to an agency or the amount of expenses allocated to the contract.) ..... ☒ Yes ☐ No ☐ N/A

27. Was all revenue correctly classified as restricted or unrestricted in the AUD form(s)? ..... ☒ Yes ☐ No ☐ N/A

28. If the agency received funds from the Employee Retention Tax Credit, were any funds earned by a child development program reported as restricted income? ..... ☐ Yes ☐ No ☒ N/A

29. If non-certified children are reported in the AUD(s), were non-certified family fees reported? ..... ☒ Yes ☐ No ☐ N/A  
a. If not, please explain (attach additional pages if necessary).

Completed By:

*Alec Colchico* *Adrian*

Title:

*Director*

Posted by the California Department of Education  
July 2023

# Associated Students, Inc., California State University, Long Beach

Financial Statements and Supplemental Information

Year Ended June 30, 2023



**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**Financial Statements and Supplemental Information**  
Year Ended June 30, 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Audit Committee  
Associated Students, Inc., California State University, Long Beach

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of Associated Students, Inc., California State University, Long Beach (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, 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 financial statements referred to above present fairly, in all material respects, the financial position of Associated Students, Inc., California State University, Long Beach 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Associated Students, Inc., California State University, Long Beach 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.

#### ***Emphasis of Matter***

As discussed in Note 12 to the financial statements, as of July 1, 2022, Associated Students, Inc. modified their bylaws which permitted the adoption of the generally accepted accounting principles as prescribed by the Financial Accounting Standards Board. The guidance was applied retrospectively as of July 1, 2022. Our opinion is not modified with respect to this matter.

#### ***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 Associated Students, Inc., California State University, Long Beach's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## INDEPENDENT AUDITOR'S REPORT, CONTINUED

### ***Auditor's Responsibilities for the Audit of the Financial Statements, continued***

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

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

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

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information shown on page 19-30 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.

## INDEPENDENT AUDITOR'S REPORT, CONTINUED

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2023, on our consideration of Associated Students, Inc., California State University, Long Beach's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Associated Students, Inc., California State University, Long Beach's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Associated Students, Inc., California State University, Long Beach's internal control over financial reporting and compliance.

*Aldrich CPAs + Advisors LLP*

Brea, California  
October 2, 2023

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH****Statement of Financial Position**June 30, 2023

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**ASSETS**

## Current Assets:

Cash and cash equivalents	\$ 18,250,520
Accounts receivable	463,741
Accounts receivable - related parties	165,646
Inventory	6,721
Prepaid expenses	88,163
Total Current Assets	18,974,791

## Noncurrent Assets:

Investments	3,634,029
Property and equipment, net of accumulated depreciation	4,678,426
Total Noncurrent Assets	8,312,455
Total Assets	\$ 27,287,246

**LIABILITIES AND NET ASSETS**

## Current Liabilities:

Accounts payable	\$ 449,622
Accounts payable - related parties	347,441
Accrued expenses	1,441,316
Funds held for affiliates	1,583,114
Unearned revenues	111,946
Total Current Liabilities	3,933,439

## Noncurrent Liabilities:

Post-retirement medical benefit obligation	3,658,434
Pension obligation	7,114,570
Total Noncurrent Liabilities	10,773,004
Total Liabilities	14,706,443

## Net Assets - Without Donor Restrictions:

Invested in property and equipment	4,678,426
Undesignated	7,902,377
Total Net Assets - Without Donor Restrictions	12,580,803
Total Liabilities and Net Assets	\$ 27,287,246



**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH****Statement of Activities**Year Ended June 30, 2023

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## Revenue and Other Support Without Donor Restrictions:

Student activity fees	\$ 16,695,146
Sales and services of auxiliary enterprises	2,368,690
Grants and contracts	682,569
Sales and services of educational activities	208,085
Other operating revenues	<u>85,873</u>
Total Operating Revenues	<u>20,040,363</u>

## Operating Expenses:

Program services	16,262,547
Supporting services - general and administrative	<u>2,746,930</u>
Total Operating Expenses	<u>19,009,477</u>
Change in Net Assets from Operations	1,030,886

## Non-Operating Revenues (Expenses):

Investment return, net	499,095
Pension related charges other than periodic pension cost	<u>(3,224,465)</u>
Total Non-Operating Expenses	<u>(2,725,370)</u>
Change in Net Assets	(1,694,484)

## Cumulative Effect of Change in Accounting Principle (Note 12)

4,721,146

## Net Assets - Without Donor Restrictions, beginning

9,554,141

## Net Assets - Without Donor Restrictions, ending

\$ 12,580,803

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**

**Statement of Functional Expenses**

Year Ended June 30, 2023

	Program Services					Supporting Services	
	Student Programs	Student Union	Childcare Center	SRWC	Total Programs	General and Administrative	Total
Payroll	\$ 5,088,649	\$ 795,131	\$ 841,071	\$ 567,751	\$ 7,292,602	\$ 1,255,325	\$ 8,547,927
Benefits	1,157,993	468,685	350,934	213,788	2,191,400	379,430	2,570,830
Total Personnel	6,246,642	1,263,816	1,192,005	781,539	9,484,002	1,634,755	11,118,757
Services	1,022,210	1,281,131	18,741	130,879	2,452,961	643,962	3,096,923
Utilities	10,275	955,350	7,285	37,716	1,010,626	12,184	1,022,810
Supplies	173,872	378,662	87,353	91,098	730,985	22,463	753,448
Grants and scholarships	651,170	-	-	-	651,170	225	651,395
Depreciation	136,335	201,098	76,958	118,397	532,788	59,198	591,986
Repairs and maintenance	37,732	239,668	24,576	92,106	394,082	143,848	537,930
Student organization grants	528,667	-	-	-	528,667	-	528,667
Insurance	-	-	48,743	75,088	123,831	174,590	298,421
Miscellaneous	228,517	2,721	27,114	10,152	268,504	16,747	285,251
Events	45,837	6,098	4,783	28,213	84,931	38,958	123,889
Total Operating Expenses	9,081,257	4,328,544	1,487,558	1,365,188	16,262,547	2,746,930	19,009,477
Pension related charges other than net periodic pension cost	-	-	-	-	-	3,224,465	3,224,465
Total Expenses	<u>\$ 9,081,257</u>	<u>\$ 4,328,544</u>	<u>\$ 1,487,558</u>	<u>\$ 1,365,188</u>	<u>\$ 16,262,547</u>	<u>\$ 5,971,395</u>	<u>\$ 22,233,942</u>

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH****Statement of Cash Flows**Year Ended June 30, 2023

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## Cash Flows from Operating Activities:

Change in net assets \$ (1,694,484)

Adjustments to reconcile change in net assets to  
net cash provided by operating activities:

Depreciation 591,986

Post-employment medical benefits gain (631,411)

Realized and unrealized gain on investments (499,095)

Noncash leasing cost 48,897

Changes in operating assets and liabilities:

Accounts receivable (508,553)

Inventory 1,493

Prepaid expenses 123,341

Accounts payable (283,588)

Accrued expenses 868,162

Funds held for affiliates 160,424

Unearned revenues 106,246

Pension obligation 3,855,876

Net Cash Provided by Operating Activities 2,139,294

## Cash Flows from Investing Activities:

Proceeds from investments 2,576,296

Purchases of investments (2,403,872)

Purchases of property and equipment (142,774)Net Cash Provided by Investing Activities 29,650

Net Increase in Cash and Cash Equivalents 2,168,944

Cash and Cash Equivalents, beginning 16,081,576Cash and Cash Equivalents, ending \$ 18,250,520

## Supplemental Disclosures of Noncash Activities:

Change pension obligation due to change in accounting principal \$ 664,068Change in lease receivable due to change in accounting principal \$ 1,217,184Change in post-retirement benefits obligation due to change in accounting principal \$ 2,839,894

# ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

## Notes to Financial Statements

Year Ended June 30, 2023

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

#### Nature of Activities

Associated Students, Inc., California State University, Long Beach (Associated Students) is a nonprofit, tax exempt, California State University auxiliary organization located on the campus of California State University, Long Beach (University). The University is one of 23 campuses in the California State University System (System). Associated Students was established to administer various student programs and activities which include the following significant operations:

#### 1) Associated Students Operations

The charitable purpose of Associated Students is to promote and assist in carrying out the educational services of the student body and perform other functions related to the student activities of the University; promote and maintain a student self-government organization under the supervision of University officials for the purpose of providing essential activities closely related to, but not normally included as part of, the regular instructional program of the University, specifically designed to contribute to the development of leadership ability and the recreational and social needs of the students; to build, construct, lease, or purchase buildings, which may be necessary to carry out the purposes of the University; and, to apply funds and property coming within its possession toward furthering the education services and/or welfare of the students and to perform other functions related to the student activities of the University.

The mission of Associated Students is to facilitate the achievement of students' educational objectives and life goals through programs, services, and facilities that advocate for student needs and interests, compel student representation in campus decision making and provide students with resources that they identify as necessary for their intellectual, social and physical development.

Associated Students is the student government component of the campus and arranges for public speakers, music, bands, and other cultural and recreational events for the students' enjoyment. Associated Students' main purpose is to represent students' interests to the University administration and provide out-of-classroom experiences for students. Associated Students also provides miscellaneous services to students such as fax transmittals, notary public services, movie and amusement park ticket sales, and a food pantry.

#### 2) Childcare Center Operations

The Isabel Patterson Child Development Center (Center) is a childcare facility operated by Associated Students on the campus of the University under a lease and operating agreement with the System. The Center provides the following programs:

- a) Associated Students component for fee-paying parents (students, staff, and faculty) who do not qualify for programs b) and c) described below.
- b) Full-day State Preschool Program – Under contract with the California State Department of Education, Office of Child Development.
- c) Child Care Food Program – Provides free and subsidized meals.
- d) Child Care Access Means Parents in School Program – Supports the participation of low-income parents in postsecondary education through the provision of campus-based childcare services.

# **ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**

## **Notes to Financial Statements**

Year Ended June 30, 2023

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

#### Nature of Activities, continued

#### **3) University Student Union (Union) Operations**

Associated Students manages and maintains a building (Student Union) on behalf of the System and University campus. The building contains a food court operated under contract with outside vendors, a game room for student use, a bowling alley, administrative offices used by Associated Students, and a room to be used by student organizations as well as the Associated Students' Board Room. A variety of conference rooms are available in the building for use by the University and community organizations for a fee.

#### **4) Student Recreation and Wellness Center Operations**

The Student Recreation and Wellness Center (SRWC) is a 126,500-square-foot, two-story, state-of-the-art recreation facility located on the east side of the University campus. The facility is a hub for recreational activities, programs, and opportunities for intramural sports, fitness, and wellness services. The SRWC is managed by Associated Students, Inc. Recreation and is open to all University students, associates, and affiliates. The facility contains a three-court gym, a multi-activity court gym, indoor jogging track, 20,000 square feet of weight and cardio equipment, racquetball courts, activity rooms for group exercise, a custom-made rock-climbing wall, a wellness center, swimming pool and spa, as well as many other services. The SRWC is Leadership in Environmental and Energy Design (LEED) certified and offers many technological advances, such as biometric hand scanners for entry along with contactless building entry via a smart phone application, filtered water fountains, and flat screens with touch technology. Due to partial campus closures, the SRWC provided virtual and outdoor programming including virtual personal training and fitness programs, outdoor adventure events, and online health education courses.

#### Financial Statement Presentation

The financial statements of Associated Students have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. 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 Associated Students. These net assets may be used at the discretion of Associated Students' management and the board of directors.
- Net assets with donor restrictions - Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Associated Students or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Associated Students did not have any donor restrictions that were temporary or perpetual in nature for the year ended June 30, 2023.

Associated Students reports contributions restricted by donors as increases in net assets without donor restrictions, if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

# ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

## Notes to Financial Statements

Year Ended June 30, 2023

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

#### Leases

##### *Adoption of New Policy*

Effective July 1, 2022, Associated Students adopted Accounting Standards Update (ASU) 2016-02 *Leases*, which hereinafter will be referred to as "ASC Topic 842", using the permitted modified retrospective method. The standard provides guidance on the recognition, measurement, presentation, and disclosure of leases. The new standard supersedes previous U.S. GAAP guidance on leases and requires substantially all leases to be reported on the statement of financial position as right-of-use assets and lease liabilities, as well as additional disclosures. Management has analyzed the provisions contained in ASC Topic 842 and determined that there is no impact on net assets as of July 1, 2022, due to the adoption of the new policy.

#### Use of Estimates

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

#### Cash and Cash Equivalents

Associated Students considers all highly liquid investments with an original maturity date of three months or less to be cash equivalents.

#### Accounts Receivable

Accounts receivable arise in the normal course of operations. It is the policy of management to review the outstanding accounts receivable at year-end, as well as the bad debt write-offs experienced in the past, and establish an allowance for doubtful accounts for uncollectible amounts. Management believes that all accounts receivables are fully collectible, therefore, no allowance for doubtful accounts is considered necessary.

#### Inventory

Inventory consists of gifts, candy, and other food and supplies sold at the candy counter and snack shop. Inventory is stated at the lower of cost or net realizable value, and is determined on a first-in, first-out basis.

#### Investments

Investments are carried at fair value in the statement of financial position. Unrealized gains and losses are reflected in the change in net assets in the statement of activities.

#### Property and Equipment

Associated Students capitalizes all expenditures for vehicles, equipment and furniture, building, and building improvements in excess of \$10,000. Equipment and improvements are recorded at cost or at estimated fair value at date of gift if donated. Expenditures for maintenance and repairs are charged against operations. Depreciation is provided on a straight-line basis over the estimated useful lives of the asset of 3 to 40 years.

#### Funds Held for Affiliates

Associated Students receives and holds resources for student organizations on behalf of the University over which it does not have the unilateral (variance) power to redirect the use of the money without the approval of the student organization. Money held without variance power is classified as a liability in the statement of financial position.

#### Pension Liability

For purposes of measuring the net pension liability related to the pension, and pension expense, information about the fiduciary net assets of the CalPERS plan (Plan) and additions to/deductions from the Plan's fiduciary net assets has been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

# ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

## Notes to Financial Statements

Year Ended June 30, 2023

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

#### Student Activity Fees

Each matriculated student at the University is required to pay student body fees each semester. These payments support Associated Students' operations and other activities and are collected by the University Business Office, who makes disbursements to Associated Students on a regular basis to cover its operating budget. Undisbursed funds are withheld by the University in a reserve account and can be requested by Associated Students on an as-needed basis. Associated Students records revenues from student activity fees based on cash requests made to the University during the year.

Additionally, each matriculated student is required to pay student body fees to service debt related to the construction of the Union and SRWC buildings and their operations. These funds are collected by the University Business Office. The System's Board of Trustees has the right of first call on these funds for revenue bond debt service requirements and repairs and replacement of plant assets, with remaining funds available for use in operating the Union for the benefit of the students.

#### Advertising

Associated Students follows the policy of charging the costs of advertising to expense as incurred.

#### Income Taxes

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

Associated Students follows U.S. GAAP related to the recognition of uncertain tax positions. Associated Students recognizes accrued interest and penalties associated with uncertain tax positions as part of the statement of activities, when applicable. Management has determined that Associated Students has no uncertain tax positions at June 30, 2023 and therefore no amounts have been accrued.

#### Fair Value Measurements

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

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

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

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

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

## ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

### Notes to Financial Statements

Year Ended June 30, 2023

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

##### Fair Value Measurements, continued

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

The carrying value of cash, receivables, and payables are approximate fair values as of June 30, 2023, due to the relative short maturities of these instruments.

##### Functional Allocation of Expenses

The Associated Students allocates its expenses on a functional basis among their various programs and support services. Expenses that can be identified with a specific program or support services are allocated directly according to their natural expenditure classification. Salaries and wages, employee benefits, employees' appreciation, professional services, service, training and travel are based on time and effort. Certain costs such as advertising and promotional, bad debts, bank and credit card fees, discounts and markdowns, postage, general expenses, inventory adjustments, subscriptions and dues and supplies are allocated based on estimated usage on general and administrative. Costs related to space include insurance, interest, repairs and maintenance which include maintenance of information and technology and other, telephone and data lines and utilities are allocated on a square footage basis.

##### Subsequent Events

Associated Students has evaluated subsequent events through October 2, 2023, which is the date the financial statements were available to be issued.

#### Note 2 - Liquidity and Availability

Associated students' financial assets available within one year of the statement of financial position date for general expenditure are as follows:

Cash and cash equivalents	\$ 18,250,520
Accounts receivable	463,741
Accounts receivable - related parties	165,646
Investments	<u>3,634,029</u>
Total Financial Assets Available for General Operations	22,513,936
Less amounts not available to be used within one year:	
Funds held for affiliates	<u>(1,583,114)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 20,930,822</u>

Associated Students' financial assets have been reduced by funds held for affiliates of \$1,583,114. Since the amount is not available for general use. Associated Students maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due.

In addition to financial assets available to meet general expenditures over the next 12 months, Associated Students operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures.



**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH****Notes to Financial Statements**Year Ended June 30, 2023

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**Note 3 - Investments**

The fair market value of investments is categorized as follows:

	Level 1	Level 2	Level 3	NAV	Total
Money Market Funds	\$ 55,101	\$ -	\$ -	\$ -	\$ 55,101
Equities:					
Large cap - domestic	1,135,975	-	-	-	1,135,975
Mid cap - domestic	423,297	-	-	-	423,297
Large cap - foreign	353,946	-	-	-	353,946
Small cap - domestic	171,728	-	-	-	171,728
Mid cap - foreign	52,806	-	-	-	52,806
Small cap - foreign	22,519	-	-	-	22,519
Fixed Income:					
Government securities	-	464,094	-	-	464,094
Corporate bonds - domestic	102,764	-	-	-	102,764
Asset backed securities - domestic	2,048	-	-	-	2,048
Mutual Funds:					
Bond funds	779,613	-	-	-	779,613
REIT - domestic	70,138	-	-	-	70,138
	<u>\$ 3,169,935</u>	<u>\$ 464,094</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,634,029</u>

**Note 4 - Property and Equipment**

Property and equipment and the related accumulated depreciation consist of the following:

Leasehold improvements	\$ 6,570,876
Equipment	3,975,001
Building	70,757
Total cost	<u>10,616,634</u>
Total accumulated depreciation	<u>(5,938,208)</u>
Property and equipment, net	<u>\$ 4,678,426</u>

## ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

### Notes to Financial Statements

Year Ended June 30, 2023

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#### Note 5 - Operating Agreements

Associated Students leases space in the Student Union building to outside vendors for the operation of a food court and various other services with agreements ranging from 2 years to 5 years with varying optional extension periods expiring at various dates through August 2031, with interest rates between 0.28% and 1.423%.

Future minimum rent receipts are as follows:

Year Ended June 30,	Principal
2024	\$ 293,703
2025	284,968
2026	287,104
2027	279,451
2028	234,280
Thereafter	114,626
	<u>\$ 1,494,132</u>

Included in the above, Associated Students leased space to the University for Union use under a non-cancellable two-year agreement with a five-year option to extend at a monthly rate of \$9,827.

In addition, Associated Students leases space in the Student Union building to outside vendors with varying monthly payments based on sales volume and other factors listed in the contracts. Since these contracts do not contain payments that are fixed in substance, they do not meet the criteria for recognition in the statement of financial position. Associated Students also leases space on a short-term basis with contracts that do not meet the criteria for recognition in the statement of financial position. Leases with varying lease payments and short-term leases are recognized as revenue in the period in which the payments relate.

Associated Students recognized \$758,855 of revenue, included in sales and services of auxiliary enterprises on the statement of activities, for all leases during the year ended June 30, 2023.

#### Note 6 - Pension Plan (CalPERS)

Associated Students participates in a cost-sharing multiple-employer defined benefit plan through the California Public Employees' Retirement System plan (CalPERS) which covers substantially all regular salaried full-time employees of the Associated Students. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Associated Students' CalPERS Employer Identification Number is 2850490807.

CalPERS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the California Public Employees' Retirement System Executive Office- 400 P Street - Sacramento, CA 95814.

The recorded unfunded pension liabilities at June 30, 2023, were derived from the most recent Accounting Valuation Reports provided by CalPERS. The measurement date for the report was June 30, 2022. Actuarial information as of June 30, 2023 is currently unavailable.

As of the measurement date, the plan was 87% funded. The plan's proportionate share of the fiduciary's unfunded accumulated net pension liability as of the measurement date was \$7,114,570.

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

Year Ended June 30, 2023

**Note 6 - Pension Plan (CalPERS), continued**

*Actuarial Assumptions* – The total pension liability in the June 30, 2023 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.80%
Inflation Rate	2.30%
Salary Increases	Varies by entry age and service
Investment Rate of Return	4.50%, net of pension plan investment expenses, including inflation
Mortality Rate Table	Derived using CalPERS Membership Data for all Funds
Post-Retirement Benefit Increase	Contract COLA up to 2.00% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.00% thereafter

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Associated Students is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2023 (the measurement date), the active employee contribution rate is 5.00% of annual pay for Tier 1 and Tier 2 and 8.25% of annual pay for PEPRA, and the average employer's contribution rate is 8.18% of annual payroll. Employer contributions rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any Employer Paid Member Contributions or situations where members are paying a portion of the employer contribution.

For the year ended June 30, 2023, the employer and employee contributions were \$438,722 and \$15,300, respectively.

The following benefit payments, which reflect expected future service, are expected to be paid as follows:

Year Ending June 30,	Tier 1	Tier 2	PEPRA	Total
2023	\$ 520,756	\$ 12,471	\$ -	\$ 533,227
2024	539,767	19,188	8,634	567,589
2025	584,000	22,000	15,000	621,000
2026	626,000	26,000	20,000	672,000
2027	660,000	28,000	26,000	714,000
Thereafter	3,656,299	174,562	175,893	4,006,754
	<u>6,586,822</u>	<u>282,221</u>	<u>245,527</u>	<u>7,114,570</u>
Unfunded Accrued Liability (UAL)	7,108,047	295,205	253,559	7,656,811
Less:				
Current Year UAL Payment	<u>(521,225)</u>	<u>(12,984)</u>	<u>(8,032)</u>	<u>(542,241)</u>
Unfunded Accrued Liability (UAL)	<u>\$ 6,586,822</u>	<u>\$ 282,221</u>	<u>\$ 245,527</u>	<u>\$ 7,114,570</u>

# ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

## Notes to Financial Statements

Year Ended June 30, 2023

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### Note 7 - Post-Retirement Medical Benefits

Associated Students provides post-retirement health care and dental insurance benefits for certain qualified retired employees. Only full-time salaried employees hired prior to January 1, 2013, that were participating in CalPERS as of January 1, 2013, that terminate employment after attaining five years of service time and have reached age 50 while working for Associated Students, are eligible for the plan.

As of June 30, 2023, the number of eligible retired employees participating in the plan is 44. Currently, there are 24 active employees that could be eligible to participate in the plan in the future.

The board of directors previously approved participation in the Auxiliary Multiple Employer VEBA, a consortium of CSU Auxiliary organizations organized to provide retiree health care benefits through a Voluntary Employees Benefit Organization (VEBA) recognized under 501(c)(9). During the year ending June 30, 2023, no contributions were made to the account. The assets of the VEBA Trust are invested primarily in equity and fixed income securities. The assets held in the VEBA Trust reduce the accumulated post retirement obligation, as reported in the statement of financial position. As of June 30, 2023, the VEBA trust held assets at fair market value of \$3,010,982.

As of June 30, 2023, the accumulated post-retirement benefit obligation amount has been accrued in the statement of financial position.

The following table sets forth the funded status of the plan reconciled to the recorded post-retirement benefits cost recognized in Associated Students' financial statements:

Accumulated Post Retirement Benefit Obligation	
Retirees	\$ 3,735,625
Active Employees	2,933,790
	<u>6,669,415</u>
 Fair Value of Assets	 3,010,982
 Unfunded Accumulated Benefit Obligation	
Unamortized transition obligation	<u>3,658,433</u>
	<u>\$ 3,658,433</u>
 Net periodic post retirement benefit cost	
Service cost	\$ 66,576
Interest cost	316,438
Expected return on assets	113,253
Amortization of unrecognized prior service cost	<u>361,650</u>
 Net periodic benefit cost	 <u>\$ 631,411</u>

The weighted average discount rate used in determining the accumulated post-retirement benefit obligation is 4.92%. The Consumer Price Index assumed is 1.99% less than the discount rate assumption. Medical costs are assumed to increase 7.00% during the year beginning July 1, 2022, with the rate of increase decreasing each year thereafter until the year beginning July 1, 2027, and thereafter the Medical Cost trend rate is assumed to be 5.00%.

## ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

### Notes to Financial Statements

Year Ended June 30, 2023

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#### Note 7 - Post-Retirement Medical Benefits, continued

Associated Students' policy is to have an actuarial study of the plan performed every 3 years. Associated Students had a study performed in 2023. The next study is expected to be performed for the fiscal year ending 2026. Associated Students performs its own estimates and assumptions in interim years, also taking into consideration past actuarial assumptions.

As of June 30, 2023, Associated Students' Post-Retirement Medical Benefit Obligation is underfunded by \$3,658,433. A corridor is not used to amortize any actuarial gains and losses.

#### Note 8 - Net Assets

Included in Associated Students' net asset without donor restrictions are amounts invested in property and equipment and Board designated reserve funds. Reserve funds are accounts that have been created by the Board of Directors for specific purposes.

Net assets without donor restrictions at June 30, 2023, are comprised of the following:

Invested in Property and Equipment	\$ 4,678,426
Undesignated Net Assets	<u>11,560,811</u>
	<u>\$ 16,239,237</u>

#### Note 9 - Contingencies

##### Grant Programs

The Center participates in Federal and State grant programs that are subject to review and audit by the grantor agencies, which could result in requests for reimbursement to grantor agencies for disallowed expenses. Management believes that it has adhered to the terms of its grants and that any disallowed expenses resulting from such review would not have a material effect on the statement of financial position of Associated Students.

##### Litigation

From time to time, Associated Students is subject to various litigation as a result of their activities. Management believes that the outcome of any such litigation will not have a material adverse effect on Associated Students' financial position, changes in net assets, or liquidity.

#### Note 10 - Transactions with Affiliates

Associated Students enters into transactions with the University. During the year ended June 30, 2023, Associated Students paid the University for salaries, utilities, information technology management, and reimbursements for special events and students' activities. Associated Students leased space to the University for Union use. Accounts payable and accrued expense balance includes amounts from accounts payable, accrued expenses, and the total balance of funds held for affiliates on the statement of financial position.

Payments made (received) were as follows:

Payments made to the University	\$ 1,848,332
Payments received from the University	<u>(17,559,816)</u>
Net payments received from the University	<u>\$ (15,711,484)</u>

## ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

### Notes to Financial Statements

Year Ended June 30, 2023

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#### Note 10 - Transactions with Affiliates, continued

Amounts receivable (payable) are as follows:

University:

Accounts receivable	\$	165,646
Accounts payable and accrued expenses	\$	(1,788,757)

#### Note 11 - Concentration of Credit Risk

Associated Students maintains its cash in bank deposit accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000 per depositor. The balance at times may exceed FDIC limits. Associated Students manages this risk by using high-quality financial institutions. In addition, Associated Students had \$17,723,181 deposited in the State Treasury's Local Agency Investment Fund (LAIF). Deposits in LAIF are guaranteed by the State of California. LAIF deposits are included in cash and cash equivalents on the statement of financial position.

##### Investments in LAIF

LAIF is a voluntary program created by statute as an alternative for California's local governments and special districts that allows them to participate in a major investment portfolio. It is under the administration of the California State Treasurer's Office. The investment is considered a cash equivalent as it is used to fund any operating deficit. Realized gains, losses, and interest income are included in investment return in the statement of activities. Associated Students' investments in LAIF are measured and reported at NAV. The investments in LAIF have no unfunded commitment, no redemption frequency, and no redemption notice period as of June 30, 2023.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

#### Note 12 - Change in Accounting Principle

For the year ended June 30, 2022, Associated Students prepared its financial statements under U.S. GAAP as prescribed by the Governmental Accounting Standards Board. Reported. On July 1, 2022, Associated Students modified their bylaws which permitted the adoption of U.S. GAAP as prescribed by the Financial Accounting Standards Board. Due the adoption, Associated Students recognized a decrease in the beginning balance of lease receivable of \$1,217,184, a decrease in the beginning balance of pension obligation of \$664,068, a decrease in the beginning balance of unfunded post-retirement medical benefits of \$2,839,894, and an increase in the beginning balance of net assets of \$4,712,146.

## SUPPLEMENTAL INFORMATION

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

June 30, 2023

(for inclusion in the California State University)

**Assets:****Current assets:**

Cash and cash equivalents	527,339
Short-term investments	17,723,181
Accounts receivable, net	629,387
Lease receivable, current portion	-
P3 receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	94,884

<b>Total current assets</b>	<b>18,974,791</b>
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**Noncurrent assets:**

Restricted cash and cash equivalents	-
Accounts receivable, net	-
Lease receivable, net of current portion	-
P3 receivable, net of current portion	-
Notes receivable, net of current portion	-
Student loans receivable, net	-
Pledges receivable, net	-
Endowment investments	-
Other long-term investments	3,634,029
Capital assets, net	4,678,426
Other assets	-

<b>Total noncurrent assets</b>	<b>8,312,455</b>
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<b>Total assets</b>	<b>27,287,246</b>
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**Deferred outflows of resources:**

Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Leases	-
P3	-
Others	-

<b>Total deferred outflows of resources</b>	<b>-</b>
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**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH****Schedule of Net Position, continued**

June 30, 2023

(for inclusion in the California State University)

**Liabilities:****Current liabilities:**

Accounts payable	797,063
Accrued salaries and benefits	1,041,202
Accrued compensated absences, current portion	400,114
Unearned revenues	111,946
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	1,583,114
Other liabilities	-
<b>Total current liabilities</b>	<b>3,933,439</b>

**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	3,658,434
Net pension liability	7,114,570
Other liabilities	-
<b>Total noncurrent liabilities</b>	<b>10,773,004</b>
<b>Total liabilities</b>	<b>14,706,443</b>

**Deferred inflows of resources:**

P3 service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Lease	-
P3	-
Others	-
<b>Total deferred inflows of resources</b>	<b>-</b>

See independent auditor's report.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH****Schedule of Net Position, continued**

June 30, 2023

(for inclusion in the California State University)

**Net position:**

Net investment in capital assets	4,678,426
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## Restricted for:

Nonexpendable – endowments	-
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## Expendable:

Scholarships and fellowships	-
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Research	-
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Loans	-
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Capital projects	-
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Debt service	-
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Others	-
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Unrestricted	7,902,377
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<b>Total net position</b>	<b>12,580,803</b>
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**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH****Schedule of Revenues, Expenses, and Changes in Net Assets**

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	130,536
State	552,033
Local	-
Nongovernmental	-
Sales and services of educational activities	208,085
Sales and services of auxiliary enterprises, gross	2,368,690
Scholarship allowances (enter as negative)	-
Other operating revenues	16,781,019

<b>Total operating revenues</b>	<b>20,040,363</b>
---------------------------------	-------------------

**Expenses:****Operating expenses:**

Instruction	-
Research	-
Public service	-
Academic support	-
Student services	18,954,224
Institutional support	2,687,732
Operation and maintenance of plant	-
Student grants and scholarships	-
Auxiliary enterprise expenses	-
Depreciation and amortization	591,986

<b>Total operating expenses</b>	<b>22,233,942</b>
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<b>Operating income (loss)</b>	<b>(2,193,579)</b>
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**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH****Schedule of Revenues, Expenses, and Changes in Net Assets, continued**

June 30, 2023

(for inclusion in the California State University)

<b>Nonoperating revenues (expenses):</b>	
State appropriations, noncapital	-
Federal financial aid grants, noncapital	-
State financial aid grants, noncapital	-
Local financial aid grants, noncapital	-
Nongovernmental and other financial aid grants, noncapital	-
Other federal nonoperating grants, noncapital	-
Gifts, noncapital	-
Investment income (loss), net	499,095
Endowment income (loss), net	-
Interest expense	-
Other nonoperating revenues (expenses)	-
	<hr/>
<b>Net nonoperating revenues (expenses)</b>	<b>499,095</b>
	<hr/>
<b>Income (loss) before other revenues (expenses)</b>	<b>(1,694,484)</b>
	<hr/>
State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
	<hr/>
<b>Increase (decrease) in net position</b>	<b>(1,694,484)</b>
<b>Net position:</b>	
Net position at beginning of year, as previously reported	9,554,141
Restatements	4,721,146
	<hr/>
<b>Net position at beginning of year, as restated</b>	<b>14,275,287</b>
	<hr/>
<b>Net position at end of year</b>	<b>12,580,803</b>
	<hr/>

# ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

## Other Information

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

All other restricted cash and cash equivalents	-
<b>Noncurrent restricted cash and cash equivalents</b>	-
Current cash and cash equivalents	527,339
<b>Total</b>	<b>\$ 527,339</b>

### 2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds	\$ -	55,101	55,101
Repurchase agreements	-	-	-
Certificates of deposit	-	-	-
U.S. agency securities	-	-	-
U.S. treasury securities	-	464,094	464,094
Municipal bonds	-	-	-
Corporate bonds	-	102,764	102,764
Asset-backed securities	-	2,048	2,048
Mortgage-backed securities	-	-	-
Commercial paper	-	-	-
Supranational	-	-	-
Mutual funds	-	779,613	779,613
Exchange-traded funds	-	-	-
Equity securities	-	2,160,271	2,160,271
Alternative investments:			
Private equity (including limited partnerships)	-	-	-
Hedge funds	-	-	-
Managed futures	-	-	-
Real estate investments (including REITs)	-	70,138	70,138
Commodities	-	-	-
Derivatives	-	-	-
Other alternative investments	-	-	-
Other external investment pools	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-
State of California Local Agency Investment Fund (LAIF)	17,723,181	-	17,723,181
State of California Surplus Money Investment Fund (SMIF)	-	-	-
Other investments:			
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
Total other investments	-	-	-
<b>Total investments</b>	<b>17,723,181</b>	<b>3,634,029</b>	<b>21,357,210</b>
Less endowment investments (enter as negative number)	-	-	-
<b>Total investments, net of endowments</b>	<b>\$ 17,723,181</b>	<b>3,634,029</b>	<b>21,357,210</b>

See independent auditor's report.

# ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

## Other Information

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	\$ 55,101	55,101	-	-	-
Repurchase agreements	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
U.S. agency securities	-	-	-	-	-
U.S. treasury securities	464,094	-	464,094	-	-
Municipal bonds	-	-	-	-	-
Corporate bonds	102,764	102,764	-	-	-
Asset-backed securities	2,048	2,048	-	-	-
Mortgage-backed securities	-	-	-	-	-
Commercial paper	-	-	-	-	-
Supranational	-	-	-	-	-
Mutual funds	779,613	779,613	-	-	-
Exchange-traded funds	-	-	-	-	-
Equity securities	2,160,271	2,160,271	-	-	-
Alternative investments:					
Private equity (including limited partnerships)	-	-	-	-	-
Hedge funds	-	-	-	-	-
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	70,138	70,138	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investments	-	-	-	-	-
Other external investment pools	-	-	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	17,723,181	-	-	-	17,723,181
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
Other investments:					
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Total other investments	-	-	-	-	-
<b>Total investments</b>	<b>\$ 21,357,210</b>	<b>3,169,935</b>	<b>464,094</b>	<b>-</b>	<b>17,723,181</b>

### 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):	\$ -	- \$	-

# ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

## Other Information

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
<b>Non-depreciable/Non-amortizable capital assets:</b>									
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	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	-	-	-	-	-	-	-	-	-
<b>Total non-depreciable/non-amortizable capital assets</b>	\$ -	-	-	-	\$ -	-	-	-	-
<b>Depreciable/Amortizable capital assets:</b>									
Buildings and building improvements	70,757	-	-	-	70,757	-	-	-	70,757
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	6,570,876	-	-	-	6,570,876	-	-	-	6,570,876
Personal property:									
Equipment	3,906,296	-	-	-	3,906,296	142,774	(74,069)	-	3,975,001
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	-	-	-	-	-	-	-	-	-
<b>Total depreciable/amortizable capital assets</b>	10,547,929	-	-	-	10,547,929	142,774	(74,069)	-	10,616,634
<b>Total capital assets</b>	\$ 10,547,929	-	-	-	\$ 10,547,929	142,774	(74,069)	-	10,616,634
<b>Less accumulated depreciation/amortization:</b>									
Buildings and building improvements	\$ (53,953)	-	-	-	\$ (53,953)	(3,537)	-	-	(57,490)
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	(3,119,637)	-	-	-	(3,119,637)	(173,667)	-	-	(3,293,304)
Personal property:									
Equipment	(2,246,701)	-	-	-	(2,246,701)	(414,782)	74,069	-	(2,587,414)
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	-	-	-	-	-	-	-	-	-
<b>Total accumulated depreciation/amortization</b>	(5,420,291)	-	-	-	(5,420,291)	(591,986)	74,069	-	(5,938,208)
<b>Total capital assets, net excluding ROU assets</b>	\$ 5,127,638	-	-	-	\$ 5,127,638	(449,212)	-	-	4,678,426

See independent auditor's report.

# ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

## Other Information

June 30, 2023

(for inclusion in the California State University)

### Capital Assets, Right of Use

<u>Composition of capital assets - Lease ROU, net:</u>	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
<b>Non-depreciable/Non-amortizable lease assets:</b>									
Land and land improvements	-	-	-	-	-	-	-	-	-
<b>Total non-depreciable/non-amortizable lease assets</b>	-	-	-	-	-	-	-	-	-
<b>Depreciable/Amortizable lease assets:</b>									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
<b>Total depreciable/amortizable lease assets</b>	-	-	-	-	-	-	-	-	-
<b>Less accumulated depreciation/amortization:</b>									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
<b>Total accumulated depreciation/amortization</b>	-	-	-	-	-	-	-	-	-
<b>Total capital assets -lease ROU, net</b>	-	-	-	-	-	-	-	-	\$ -

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

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

Total capital assets, net including ROU assets

\$ 4,678,426

See independent auditor's report.



# ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

## Other Information

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	\$	591,986
Amortization expense - Leases ROU	-	
Amortization expense - SBITA ROU	-	
Amortization expense - P3 ROU	-	
Depreciation and Amortization expense - Others	-	
<b>Total depreciation and amortization</b>	<b>\$</b>	<b>591,986</b>

### 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	\$ 349,657	-	349,657	50,457	-	400,114	400,114	-
2. Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-
3. Capital lease obligations (pre-ASC 842):								
Gross balance	-	-	-	-	-	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-
<b>Total capital lease obligations (pre ASC 842)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	-	-	-	-	-	-	-	-
4.2 Commercial paper	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	-	-	-	-	-	-	-	-
4.4 Finance purchase of capital assets	-	-	-	-	-	-	-	-
4.5 Others:								
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
<b>Total others</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Sub-total long-term debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4.6 Unamortized net bond premium/(discount)	-	-	-	-	-	-	-	-
<b>Total long-term debt obligations</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

Other Information

June 30, 2023

(for inclusion in the California State University)

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	-	-	-	-	-	-	-	-	-		
Subtotal P3 liabilities	-	-	-	-	-	-	-	-	-		
Total Lease, SBITA, P3 liabilities	\$ -	\$ -	-	-	-	-	-	-	-		
Total long-term liabilities							\$ 400,114	400,114	-		

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

Year ending June 30:	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
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:

Year ending June 30:	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			
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										\$ -		

7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 10,999
Payments to University for other than salaries of University personnel	1,537,333
Payments received from University for services, space, and programs	17,559,816
Gifts-in-kind to the University from discretely presented component units	-
Gifts (cash or assets) to the University from discretely presented component units	300,000
Accounts payable to University	(1,788,757)
Other amounts payable to University	-
Accounts receivable from University	165,646
Other amounts receivable from University	-

(for inclusion in the California State University)

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

To the Audit Committee  
Associated Students, Inc., California State University, Long Beach

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Associated Students, Inc., California State University, Long Beach (Associated Students), which comprise the statement of financial position as of June 30, 2023, 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 October 2, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Associated Students' 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 Associated Students' internal control. Accordingly, we do not express an opinion on the effectiveness of Associated Students' 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 or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Associated Students' financial statements are free of 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Associated Students' 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.

*Aldrich CPAs + Advisors LLP*

Brea, California  
October 2, 2023