

ASSOCIATED STUDENTS OF
SAN FRANCISCO STATE UNIVERSITY

JUNE 30, 2015

FINANCIAL STATEMENTS,

INDEPENDENT AUDITORS' REPORT

AND

SUPPLEMENTARY INFORMATION

**Associated Students of
San Francisco State University**

**Financial Statements,
Independent Auditors' Report and
Supplementary Information**

Financial Statements

Independent Auditors' Report	1 - 2
Statement of Financial Position	3
Statement of Activity and Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 14

Supplementary Information

Schedule of Net Position	15
Schedule of Revenues, Expenses and Changes in Net Position	16
Other Information	17 - 23

Independent Auditors' Report

THE BOARD OF DIRECTORS
ASSOCIATED STUDENTS OF
SAN FRANCISCO STATE UNIVERSITY
San Francisco, California

Report on the Financial Statements

We have audited the accompanying financial statements of **ASSOCIATED STUDENTS OF SAN FRANCISCO STATE UNIVERSITY (the Associated Students)** which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Consultants and

Business Advisors

100 First Street

14th Floor

San Francisco

CA 94105

415.781.0793

fax 415.421.2976

60 S. Market Street

Suite 200

San Jose

CA 95113

408.998.8400

fax 408.998.8485



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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Associated Students as of June 30, 2015, 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.

Other Matters

Report on Summarized Comparative Information

We have previously audited the Associated Students' June 30, 2014 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated September 16, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying information included on pages 15-22 is presented to facilitate the inclusion of the Associated Students financial statements in the combined California State University financial statements and is not a required part of the Associated Students basic 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 audits 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.

Hood & Strang LLP

San Francisco, California
September 15, 2015

**Associated Students of
San Francisco State University**

Statement of Financial Position

<i>June 30, 2015 (with comparative totals for June 30, 2014)</i>	2015	2014
Assets		
Cash and cash equivalents	\$ 245,321	\$ 36,480
Investments	12,920,125	4,990,724
Accounts receivable, net of allowance for doubtful accounts	599,820	63,175
Student activity fees receivable	2,920,878	2,981,266
Prepaid expenses and other assets	5,875	21,598
Property and equipment, net	151,008	20,638
Capitalized leasehold improvements, net	313,454	604,845
Total assets	\$ 17,156,481	\$ 8,718,726
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 975,320	\$ 221,129
Deferred revenue	215,634	317,953
Employee benefits payable	1,277,360	
Total liabilities	2,468,314	539,082
Net Assets:		
Unrestricted:		
General Fund	10,012,807	3,214,333
Designated:		
General Fund	4,048,352	4,048,352
Children's Center Facility	493,817	785,208
Total unrestricted net assets	14,554,976	8,047,893
Temporarily restricted	133,191	131,751
Total net assets	14,688,167	8,179,644
Total liabilities and net assets	\$ 17,156,481	\$ 8,718,726

See accompanying notes to financial statements.

**Associated Students of
San Francisco State University**

Statement of Activity and Changes in Net Assets

Year Ended June 30, 2015 (with comparative totals for June 30, 2014)

	2015				2014 Total
	Unrestricted		Temporarily Restricted	Total	
	General	Children's Center Facility			
Revenue and Support:					
Student activity fees	\$ 6,493,547			\$ 6,493,547	\$ 3,088,616
Program fees	1,029,877		\$ 6,000	1,035,877	881,450
Investment Income, net	171,430			171,430	26,319
Contribution and grants	453,621		508,183	961,804	567,194
Net assets released from restrictions:					
Satisfaction of program restrictions	512,743		(512,743)	-	-
Total revenue and support	8,661,218		1,440	8,662,658	4,563,579
Expenses:					
Student services	4,652,954			4,652,954	2,609,903
Student government	330,037			330,037	287,440
Community services	218,170			218,170	219,432
Student organizations	98,989			98,989	113,640
Management and general	2,109,367	\$ 291,391		2,400,758	1,347,583
Total expenses	7,409,517	291,391	-	7,700,908	4,577,998
Change in Net Assets from Operations	1,251,701	(291,391)	1,440	961,750	(14,419)
Other Changes in Net Assets					
Transfer of net assets from auxiliary organization (Note 14)	5,546,773			5,546,773	
Change in Net Assets	6,798,474	(291,391)	1,440	6,508,523	(14,419)
Net Assets - Beginning of year	7,262,685	785,208	131,751	8,179,644	8,194,063
Net Assets - End of year	\$ 14,061,159	\$ 493,817	\$ 133,191	\$ 14,688,167	\$ 8,179,644

See accompanying notes to financial statements.

**Associated Students of
San Francisco State University**

Statement of Cash Flows

Year Ended June 30, 2015 (with comparative totals for June 30, 2014)

	2015	2014
Operating Activities:		
Change in net assets	\$ 6,508,523	\$ (14,419)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Transfer of net assets from auxiliary organization	(5,546,773)	
Depreciation and amortization	307,256	308,070
Net realized and unrealized loss on investments	3,902	
Changes in:		
Receivables, net	(476,257)	(29,728)
Prepaid expenses and other assets	15,723	(1,858)
Accounts payable and accrued expenses	236,201	65,170
Deferred revenue	(102,319)	143,475
Net cash provided by operating activities	946,256	470,710
Investing Activities:		
Purchase of investments	(6,338,121)	(2,790,180)
Proceeds from sale of investments	5,618,036	2,245,000
Purchase of property, equipment and leasehold improvements	(17,330)	
Net cash used by investing activities	(737,415)	(545,180)
Increase in Cash and Cash Equivalents	208,841	(74,470)
Cash and Cash Equivalents, beginning of year	36,480	110,950
Cash and Cash Equivalents, end of year	\$ 245,321	\$ 36,480

See accompanying notes to financial statements.

Associated Students of San Francisco State University

Notes to Financial Statements

Note 1 - Organization:

The Associated Students of San Francisco State University (the “Associated Students”) is a not-for-profit organization that functions as an auxiliary organization for San Francisco State University. The Associated Students operates student programs and activities for the benefit of the students of San Francisco State University. Such programs and activities are funded primarily from student activity and program fees.

Note 2 - Summary of Significant Accounting Policies:

a. Basis of Presentation and Description of Net Assets

The financial statements of the Associated Students are prepared using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles and the accounts are maintained in accordance with the principles of fund accounting. Resources for various purposes are classified for accounting purposes into funds that are in accordance with specific activities or objectives. For financial statement purposes, all financial transactions are reported by the following classes of net assets as prescribed for not-for-profit organizations by the Financial Accounting Standards Board:

Unrestricted Net Assets – Unrestricted net assets consist of all resources of the Associated Students that have not been restricted by a donor. Unrestricted resources have been recorded in the following funds:

- General Fund – Represents unrestricted net assets available for student-related programs, activities and operations of Associated Students.
- Children’s Center Facility – Represents unrestricted net assets from and for the operations of the Children’s Center Facility.

Temporarily Restricted Net Assets – Temporarily restricted net assets consist of cash and other assets received with donor stipulations that limit the use of donated assets. When a stipulated time or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets – The portion of net assets whose use by the Associated Students is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Associated Students. The Associated Students does not have any permanently restricted net assets.

Associated Students of San Francisco State University

Notes to Financial Statements

b. Revenue Recognition

The Associated Students is required under Title 5 Section 42403(a) to have the student activity fees retained by the University in a campus trust account. Periodically, the Associated Students may request reimbursement. At June 30, 2015 and 2014, the student activity fees receivable were \$2,920,878 and \$2,981,266, respectively.

c. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Associated Students consider all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. This includes cash on hand and cash in banks.

d. Investments

Investments are carried at fair value. Investments consist of funds invested in the Local Agency Investment Fund ("LAIF"), mutual funds, equity, and debt securities with interest and realized and unrealized gains and losses reflected in the Statement of Changes in Net Assets.

e. Fair Value Measurement

The Associated Students carries certain assets and liabilities at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Associated Students classifies its financial assets and liabilities according to three levels, and maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value.

Level 1 - Quoted market prices (unadjusted) in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.

Level 2 - Observable inputs other than quoted prices included within Level 1 for the asset or liability, either directly or indirectly.

Level 3 - Unobservable inputs for the asset or liability that are not corroborated by market data.

f. Property and Equipment and Capitalized Leasehold Improvements

Property and equipment are capitalized at cost when purchased, or if donated, at estimated fair market value at the date of donation. Depreciation has been calculated using the straight-line method over the estimated useful life of the assets, ranging from three to ten years. Capitalized leasehold improvements are amortized over the lesser of their service life or remaining lease term, which is six years.

Associated Students of San Francisco State University

Notes to Financial Statements

g. Income Taxes

The Associated Students is a tax-exempt organization under Internal Revenue Service Code Section 501(c)(3) and the California tax code.

The Associated Students follows the guidelines of the Financial Accounting Standards Board (FASB) ASC Topic 740 for accounting for uncertainty in income taxes. As of June 30, 2015, management evaluated the Associated Students' tax positions and concluded that the Associated Students had maintained its tax exempt status and has taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements.

h. Functional Allocation of Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services that are benefited based on management estimates.

i. Use of Estimates

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

j. Comparative Information

The financial statements include certain prior year summarized comparative information in total but not by detail activity. For comparative analysis, the financial statements for the year ended June 30, 2014, from which the summarized information was derived, should be read.

k. Subsequent Events

The Associated Students evaluated subsequent events with respect to the financial statements for the year ended June 30, 2015 through September 15, 2015, the date the financial statements were available to be issued and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

**Associated Students of
San Francisco State University**

Notes to Financial Statements

Note 3 - Investments:

At June 30, 2015, investments consist of the following:

Cash and money market funds	\$ 180,798
Domestic equities	1,329,914
Fixed income (Treasury Notes and Corporate Bonds)	2,106,402
Mutual funds	483,681
Local Agency Investment Fund	8,819,330
	<hr/>
	\$ 12,920,125

At June 30, 2015, net investment income was comprised of realized and unrealized loss on investments of \$3,902 and interest on investments of \$175,332.

The Local Agency Investment Fund (LAIF) is a voluntary program created by statute that began in 1977 as an investment for California's local governments and special districts. The program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the Treasurer's Office investment staff. Participating agencies can withdraw their funds from the LAIF at any time.

**Associated Students of
San Francisco State University**

Notes to Financial Statements

Note 4 - Fair Value Measurement:

The table below present's investments measured at fair value on a recurring basis at June 30, 2015:

	2015		Total
	Level 1	Level 2	
Cash Money Market Funds	\$ 180,798		\$ 180,798
Domestic Equities:			
Financial	230,566		230,566
Technology	488,485		488,485
Consumer goods	127,989		127,989
Basic materials	96,769		96,769
Industrial goods	93,147		93,147
Services	172,983		172,983
Healthcare	90,456		90,456
Utilities	29,519		29,519
Mutual Funds:			
Equity	483,681		483,681
Fixed Income:			
U.S. Treasury Strips		\$ 793,059	793,059
Corporate bonds		1,179,231	1,179,231
Municipal bonds		134,112	134,112
Local Agency Investment Fund		8,819,330	8,819,330
	<u>\$ 1,994,393</u>	<u>\$ 10,925,732</u>	<u>\$ 12,920,125</u>

Note 5 - Property and Equipment:

Property and equipment at June 30, 2015 and 2014 consist of:

	2015	2014
Equipment, furniture and fixtures	\$ 1,245,034	\$ 83,508
Leasehold improvements	12,580	12,580
Equipment under capital lease	13,111	13,111
	<u>1,270,725</u>	<u>109,199</u>
Less: accumulated depreciation	<u>(1,119,717)</u>	<u>(88,561)</u>
	<u>\$ 151,008</u>	<u>\$ 20,638</u>

Associated Students of San Francisco State University

Notes to Financial Statements

Note 6 - Retirement Plan:

All salaried employees are covered under an employer-sponsored annuity plan, administered by the Variable Annuity Life Insurance Company. Contributions made by the Associated Students to this plan during the years ended June 30, 2015 and 2014 were \$236,439 and \$170,569, respectively.

Note 7 - Employee benefits payable:

Prior to the merger with the Associated Students (Note 14), the Student Center provided health care benefits to active employees and retirees. The Associated Students does not provide similar coverage and after June 30, 2014 active employees transferring employment to the Associated Students and retirees would no longer be eligible for that coverage. The Board of Directors of the Student Center decided that coverage should be maintained and engaged an actuarial consultant to provide an estimate of the anticipated liability for coverage to the effected employees and retirees.

The present value of future expected retiree healthcare benefits was calculated using actuarial assumptions based on the benefits provided and considering premium increases and a discount rate of 6%. The resulting liability was estimated at \$1,339,500 as of June 30, 2014. During the year ended June 30, 2015 approximately \$62,000 of benefits were paid. The liability estimate was not adjusted as of June 30, 2015 for the present value change of the discount or other considerations or changes. Management does not believe that adjustment would be material.

Note 8 - Capitalized Leasehold Improvements and Lease Obligation:

Prior to July 1, 2007, Associated Students had entered into a capitalized loan obligation transaction with related parties, the Franciscan Shops, Inc. and San Francisco State University Foundation, who financed the transaction as lessors with Associated Students as lessee. To finance the transaction, the related parties assumed revenue bond financed debt which compounded to the amount of the capital lease obligation assumed by Associated Students. The capitalized lease related to the construction costs (accounted for as leasehold improvements) of the Children's Center on land that was leased from the Board of Trustees of the California State University (the Trustees). There was also a Site Lease and Sublease with the related parties associated with the capitalized lease obligation transaction.

Additionally, prior to July 1, 2007 Associated Students paid off its capital lease obligation (which also paid off the remaining revenue bond financed debt). Since the previously mentioned Ground Lease, Site Lease and Sublease terminated with the payoff of the bonds, the Associated Students entered into a new facility lease with the Trustees for the facility of the Children's Center. While the term of the new lease is for five years, ending in December 2011, Associated Students expects that the Trustees will extend the lease through 2017.

Associated Students of San Francisco State University

Notes to Financial Statements

Total capitalized leasehold improvements were \$5,051,097 at June 30, 2015 and 2014. Accumulated amortization relating to the capitalized leasehold improvements was \$4,737,643 and \$4,446,253 at June 30, 2015 and 2014, respectively.

Note 9 - Related Parties:

The Auxiliary Business Services Office of San Francisco State University maintains the accounting records of the Associated Students and other campus auxiliary organizations. Operating costs of Auxiliary Business Services are allocated between such organizations based on usage. Fees for accounting services were \$532,769 and \$240,990 for fiscal years 2015 and 2014, respectively.

In the normal course of business, Associated Students conducts various transactions with San Francisco State University and the other auxiliary organizations. Expense transactions amounted to approximately \$916,056 and \$140,979 for the years ended June 30, 2015 and 2014, respectively.

Effective July 1, 2014, the Associated Students entered into an operating agreement and lease (Master Lease) with the Board of Trustees of the California State University (Trustees), for the facilities and space that it will utilize in the Cesar Chavez Student Center. The term of the master lease is July 1, 2014 to June 30, 2019. The Associated Students will share usage of University Corporation, San Francisco State. For lease costs, the Associated Students is required to pay its share of common area and facilities upkeep costs. As of June 30, 2015, the Associated Students reimbursed the University approximately \$714,000 for its 46% share of the Cesar Chavez Student Center.

The University Corporation, San Francisco State (the Corporation) contributed \$358,894 for the year ended June 30, 2015. The contribution represents the residual net rental income from the leasing operations managed by the Corporation.

Note 10 - Concentration of Risk:

The Associated Students has defined its financial instruments which are potentially subject to risk as cash and investments in the Local Agency Investment Fund ("LAIF"). The LAIF is a special fund in the State Treasury created for the purpose of pooled investment of idle funds for local governmental and quasi-governmental entities. These funds are neither insured nor guaranteed by the United States or California governments. The Associated Students investments in LAIF were \$8,819,330 and \$4,990,724 at June 30, 2015 and 2014 respectively. At June 30, 2015, the Associated Students had no cash deposits in excess of federally insured limits.

**Associated Students of
San Francisco State University**

Notes to Financial Statements

Note 11 - Temporarily Restricted Net Assets:

As of June 30, 2015 and 2014, temporarily restricted net assets of \$133,191 and 131,751, respectively relate to the Children's Center operations.

Net assets of \$512,743 were released from donor restrictions by incurring expenses satisfying the restricted purposes for the year ended June 30, 2015.

Note 12 - Governing Board Transactions:

Compensation paid to student members of the Associated Students Governing Board for the years ended June 30, 2015 and 2014 was \$130,310 and \$133,100, respectively. These payments, which range from \$500 to \$1,250 per month, are included in the Statement of Activity as Student Government expenses.

Note 13 - Assets and Liabilities Relating to Children's Center Facility:

Assets and liabilities as of June 30, 2015 and 2014 relating to the Children's Center operations consist of the following:

	2015	2014
Assets:		
Investments	\$ 180,363	\$ 180,363
Capitalized leasehold improvements	313,454	604,845
	\$ 493,817	\$ 785,208
 Unrestricted Net Assets:		
Designated Children's Center Facility	\$ 493,817	\$ 785,208
	\$ 493,817	\$ 785,208

Associated Students of San Francisco State University

Notes to Financial Statements

Note 14 - Transfer of assets from auxiliary organization:

On June 5, 2014, the Board of the Associated Students and the Board of the Student Center of San Francisco State University (the Student Center), a related party, adopted a resolution to merge both the Associated Students and the Student Center entities and operations. The necessary actions and plans, including addressing legal, accounting, tax and operational requirements and implications have been identified or developed by both the Boards and managements of the Associated Students and the Student Center.

Effective July 1, 2014, various student program activities under the Student Center were transferred to the Associated Students.

As of July 1, 2014 various assets and liabilities were transferred to the Associated Students from the Student Center as follows:

Cash and cash equivalents	\$	7,500
Investments		7,213,218
Equipment		128,905
Prepaid expenses and other assets		100,516
<hr/>		
Total assets		7,450,139
<hr/>		
Accounts payable and accrued expenses		563,866
Accrued retiree healthcare benefits		1,339,500
<hr/>		
Total liabilities		1,903,366
<hr/>		
Net assets in liquidation	\$	5,546,773
<hr/>		

Associated Students of SFSU
Schedule of Net Position
June 30, 2015
(for inclusion in the California State University)
(See Independent Auditors' Report on Supplementary Information)

Assets:	
Current assets:	
Cash and cash equivalents	\$ 245,321
Short-term investments	12,926,125
Accounts receivable, net	3,515,541
Leases receivable, current portion	—
Notes receivable, current portion	5,157
Pledges receivable, net	—
Prepaid expenses and other assets	5,875
Total current assets	<u>16,698,019</u>
Noncurrent assets:	
Restricted cash and cash equivalents	—
Accounts receivable, net	—
Leases receivable, net of current portion	—
Notes receivable, net of current portion	—
Student loans receivable, net	—
Pledges receivable, net	—
Endowment investments	—
Other long-term investments	—
Capital assets, net	464,462
Other assets	—
Total noncurrent assets	<u>464,462</u>
Total assets	<u>17,162,481</u>
Deferred outflows of resources:	
Unamortized loss on debt refunding	—
Net pension obligation	—
Others	—
Total deferred outflows of resources	<u>—</u>
Liabilities:	
Current liabilities:	
Accounts payable	634,715
Accrued salaries and benefits payable	86,715
Accrued compensated absences— current portion	—
Unearned revenue	215,634
Capitalized lease obligations – current portion	—
Long-term debt obligations – current portion	—
Claims Liability for losses and LAE - current portion	—
Depository accounts	—
Other liabilities	42,374
Total current liabilities	<u>979,438</u>
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	211,516
Unearned revenue	—
Grants refundable	—
Capitalized lease obligations, net of current portion	—
Long-term debt obligations, net of current portion	—
Claims Liability for losses and LAE, net of current portion	—
Depository accounts	—
Other postemployment benefits obligation	1,277,360
Pension obligation	—
Other liabilities	—
Total noncurrent liabilities	<u>1,488,876</u>
Total liabilities	<u>2,468,314</u>
Deferred inflows of resources:	
Unamortized gain on debt refunding	—
Non-exchange transactions	—
Service concession arrangements	—
Net pension obligation	—
Others	—
Total deferred inflows of resources	<u>—</u>
Net Position:	
Net investment in capital assets	464,462
Restricted for:	
Nonexpendable – endowments	—
Expendable:	
Scholarships and fellowships	—
Research	—
Loans	—
Capital projects	—
Debt service	—
Other	1,410,551
Unrestricted	12,813,154
Total net position	<u>\$ 14,688,167</u>

Associated Students of SFSU
Schedule of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2015
(for inclusion in the California State University)
(See Independent Auditors' Report on Supplementary Information)

Revenues:

Operating revenues:		
Student tuition and fees (net of scholarship allowances of \$ _____)	\$	6,493,547
Grants and contracts, noncapital:		
Federal		221,863
State		86,452
Local		286,320
Nongovernmental		-
Sales and services of educational activities		-
Sales and services of auxiliary enterprises (net of scholarship allowances of \$ _____)		1,035,877
Other operating revenues		-
Total operating revenues		<u>8,124,059</u>

Expenses:

Operating expenses:		
Instruction		-
Research		-
Public service		-
Academic support		-
Student services		5,081,980
Institutional support		2,247,672
Operation and maintenance of plant		-
Student grants and scholarships		64,000
Auxiliary enterprise expenses		-
Depreciation and amortization		307,256
Total operating expenses		<u>7,700,908</u>
Operating income (loss)		<u>423,151</u>

Nonoperating revenues (expenses):

State appropriations, noncapital		-
Federal financial aid grants, noncapital		-
State financial aid grants, noncapital		-
Local financial aid grants, noncapital		-
Nongovernmental and other financial aid grants, noncapital		-
Other federal nonoperating grants, noncapital		-
Gifts, noncapital		367,169
Investment income (loss), net		171,430
Endowment income (loss), net		-
Interest Expenses		-
Other nonoperating revenues (expenses)		-
Net nonoperating revenues (expenses)		<u>538,599</u>
Income (loss) before other additions		961,750
State appropriations, capital		-
Grants and gifts, capital		-
Additions (reductions) to permanent endowments		-
Increase (decrease) in net position		<u>961,750</u>

Net position:

Net position at beginning of year, as previously reported		8,179,644
Restatements		5,546,773
Net position at beginning of year, as restated		<u>13,726,417</u>
Net position at end of year	\$	<u>14,688,167</u>

Associated Students of SFSU
Other Information
June 30, 2015
(for inclusion in the California State University)
(See Independent Auditors' Report on Supplementary Information)

1 Restricted cash and cash equivalents at June 30, 2015:	
Portion of restricted cash and cash equivalents related to endowments	\$ -
All other restricted cash and cash equivalents	-
Total restricted cash and cash equivalents	<u>\$ -</u>

2.1 Composition of investments at June 30, 2015:

	Current Unrestricted	Current Restricted	Total Current	Noncurrent Unrestricted	Noncurrent Restricted	Total Noncurrent	Total
State of California Surplus Money Investment Fund (SMIF)	\$ -	-	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	8,819,330	-	8,819,330	-	-	-	8,819,330
Corporate bonds	1,179,231	-	1,179,231	-	-	-	1,179,231
Certificates of deposit	-	-	-	-	-	-	-
Mutual funds	489,681	-	489,681	-	-	-	489,681
Money Market funds	180,798	-	180,798	-	-	-	180,798
Repurchase agreements	-	-	-	-	-	-	-
Commercial paper	-	-	-	-	-	-	-
Asset backed securities	-	-	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-	-	-
Municipal bonds	134,112	-	134,112	-	-	-	134,112
U.S. agency securities	-	-	-	-	-	-	-
U.S. treasury securities	793,059	-	793,059	-	-	-	793,059
Equity securities	1,329,914	-	1,329,914	-	-	-	1,329,914
Exchange traded funds (ETFs)	-	-	-	-	-	-	-
Alternative investments:							
Private equity (including limited partnerships)	-	-	-	-	-	-	-
Hedge funds	-	-	-	-	-	-	-
Managed futures	-	-	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-
Other alternative investment types	-	-	-	-	-	-	-
Other external investment pools (excluding SWIFT)							
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Other major investments:							
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Total investments	<u>12,926,125</u>	<u>-</u>	<u>12,926,125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,926,125</u>
Less endowment investments (enter as negative number)							
Total investments	<u><u>12,926,125</u></u>	<u><u>-</u></u>	<u><u>12,926,125</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>12,926,125</u></u>

2.2 Investments held by the University under contractual agreements at June 30, 2015:

Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2015 :	-	-	-	-	-	-	-
---	---	---	---	---	---	---	---

2.3 Restricted current investments at June 30, 2015 related to:

	<u>Amount</u>
Add description	\$ -
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Total restricted current investments at June 30, 2015	<u>\$ -</u>

2.4 Restricted noncurrent investments at June 30, 2015 related to:

	<u>Amount</u>
Endowment investment	\$ -
Add description	-
Add description	-
Add description	-

Associated Students of SFSU
Other Information
June 30, 2015
(for inclusion in the California State University)
(See Independent Auditors' Report on Supplementary Information)

Add description	—
Add description	—
Add description	—
Add description	—
Total restricted noncurrent investments at June 30, 2015	\$ —

Associated Students of SFSU
Other Information
June 30, 2015
(for inclusion in the California State University)
(See Independent Auditors' Report on Supplementary Information)

3.2 Detail of depreciation and amortization expense for the year ended June 30, 2015:

Depreciation and amortization expense related to capital assets	\$ 307,256
Amortization expense related to other assets	—
Total depreciation and amortization	<u>\$ 307,256</u>

4 Long-term liabilities activity schedule:

	Balance June 30, 2014	Prior period adjustments	Reclassifications	Balance June 30, 2014 (restated)	Additions	Reductions	Balance June 30, 2015	Current portion	Long-term portion
Accrued compensated absences	\$ 127,243	—	—	127,243	86,305	(2,032)	211,516	—	211,516
Capitalized lease obligations:									
Gross balance	—	—	—	—	-	-	—	—	—
Unamortized premium / (discount) on capitalized lease obligations	—	—	—	—	-	-	—	—	—
Total capitalized lease obligations	—	—	—	—	-	-	—	—	—
Long-term debt obligations:									
Revenue Bonds	—	—	—	—	-	-	—	—	—
Other bonds (non-Revenue Bonds)	—	—	—	—	-	-	—	—	—
Commercial Paper	—	—	—	—	-	-	—	—	—
Note Payable related to SRB	—	—	—	—	-	-	—	—	—
Other:									
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Total long-term debt obligations	—	—	—	—	-	-	—	—	—
Unamortized bond premium / (discount)	—	—	—	—	-	-	—	—	—
Total long-term debt obligations, net	—	—	—	—	—	—	—	—	—
Total long-term liabilities	\$ 127,243	—	—	127,243	86,305	(2,032)	211,516	—	211,516

5 Future minimum lease payments - capital lease obligations:

	Principal	Interest	Principal and Interest
Year ending June 30:			
2016	-	-	—
2017	-	-	—
2018	-	-	—
2019	-	-	—
2020	-	-	—
2021 - 2025	-	-	—
2026 - 2030	-	-	—
2031 - 2035	-	-	—
2036 - 2040	-	-	—
2041 - 2045	-	-	—
2046 - 2050	-	-	—
2051 - 2055	-	-	—
2056 - 2060	-	-	—
2061 - 2065	-	-	—
Total minimum lease payments	—	—	—
Less amounts representing interest			—
Present value of future minimum lease payments			—
Less: current portion			—
Capitalized lease obligation, net of current portion			<u>\$ —</u>

Associated Students of SFSU
Other Information
June 30, 2015
(for inclusion in the California State University)
(See Independent Auditors' Report on Supplementary Information)

6 Long-term debt obligation schedule

	Revenue Bonds			All other long-term debt obligations			Total		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Year ending June 30:									
2016	\$ -	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-
2021 - 2025	-	-	-	-	-	-	-	-	-
2026 - 2030	-	-	-	-	-	-	-	-	-
2031 - 2035	-	-	-	-	-	-	-	-	-
2036 - 2040	-	-	-	-	-	-	-	-	-
2041 - 2045	-	-	-	-	-	-	-	-	-
2046 - 2050	-	-	-	-	-	-	-	-	-
2051 - 2055	-	-	-	-	-	-	-	-	-
2056 - 2060	-	-	-	-	-	-	-	-	-
2061 - 2065	-	-	-	-	-	-	-	-	-
Total	\$ -	-	-	-	-	-	-	-	-

OK

7 Calculation of net position

	Auxiliary Organizations		Total
	GASB	FASB	Auxiliaries
7.1 Calculation of net position - Net investment in capital assets			
Capital assets, net of accumulated depreciation	\$ —	464,462	464,462
Capitalized lease obligations - current portion	—	—	—
Capitalized lease obligations, net of current portion	—	—	—
Long-term debt obligations - current portion	—	—	—
Long-term debt obligations, net of current portion	—	—	—
Portion of outstanding debt that is unspent at year-end	—	—	—
Other adjustments: (please list)			
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Net position - net investment in capital asset	\$ —	464,462	464,462
			OK
7.2 Calculation of net position - Restricted for nonexpendable - endowments			
Portion of restricted cash and cash equivalents related to endowments	\$ —	—	—
Endowment investments	—	—	—
Other adjustments: (please list)			
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Net position - Restricted for nonexpendable - endowments per SNP	\$ —	—	—

Associated Students of SFSU
Other Information
June 30, 2015
(for inclusion in the California State University)
(See Independent Auditors' Report on Supplementary Information)

8 Transactions with Related Entities

	Amount
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ —
Payments to University for other than salaries of University personnel	921,006
Payments received from University for services, space, and programs	6,537,680
Gifts-in-kind to the University from discretely presented component units	—
Gifts (cash or assets) to the University from discretely presented component units	—
Accounts (payable to) University (enter as negative number)	(371,510)
Other amounts (payable to) University (enter as negative number)	—
Accounts receivable from University	3,132,613
Other amounts receivable from University	—

9 Other Postemployment Benefits Obligation (OPEB)

Annual required contribution (ARC)	\$	—
Contributions during the year		<u>—</u>
Increase (decrease) in net OPEB obligation (NOO)		—
NOO - beginning of year		<u>—</u>
NOO - end of year	\$	<u>—</u>

Amount must be greater than the noncurrent portion in SNP

10 Pollution remediation liabilities under GASB Statement No. 49:

Description		Amount
Add description	\$	—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Total pollution remediation liabilities	\$	<u>—</u>
Less: current portion		<u>—</u>
Pollution remediation liabilities, net of current portion		<u><u>—</u></u>

Associated Students of SFSU
 Other Information
 June 30, 2015
 (for inclusion in the California State University)
 (See Independent Auditors' Report on Supplementary Information)

11 The nature and amount of the prior period adjustment(s) recorded to beginning net position

	<u>Net Position Class</u>	<u>Amount Dr. (Cr.)</u>
Net position as of June 30, 20PY, as previously reported		\$ 8,179,644
Prior period adjustments:		
1 Transfer from merged auxiliary—other changes to net assets		5,546,773
2 (list description of each adjustment)		—
3 (list description of each adjustment)		—
4 (list description of each adjustment)		—
5 (list description of each adjustment)		—
6 (list description of each adjustment)		—
7 (list description of each adjustment)		—
8 (list description of each adjustment)		—
9 (list description of each adjustment)		—
10 (list description of each adjustment)		—
Net position as of June 30, 2013, as restated		<u>\$ 13,726,417</u>

Provide a detailed breakdown of the journal entries (at the financial statement line item level) booked to record each prior period adjustment:

	<u>Debit</u>	<u>Credit</u>
Net position class: _____		
1 (breakdown of adjusting journal entry)	\$ —	—
Net position class: _____		
2 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
3 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
4 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
5 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
6 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
7 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
8 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
9 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
10 (breakdown of adjusting journal entry)	—	—