

**ASSOCIATED STUDENTS OF SAN FRANCISCO STATE UNIVERSITY
(COMPONENT UNIT OF SAN FRANCISCO STATE UNIVERSITY)**

**FINANCIAL STATEMENTS, SUPPLEMENTARY INFORMATION,
AND INDEPENDENT AUDITORS' REPORT**

June 30, 2022

(With Summarized Comparative Totals for June 30, 2021)

General Summary

Full Official Name of the Agency:	Associated Students, Inc. of San Francisco State University
Type of Agency:	Non-Profit Corporation
Project Number	38-V131-00-1
Program Number	State Preschool: CSPP – 1478
Address of Agency Headquarters:	Associated Students, Inc. of SFSU 1650 Holloway Avenue, M106 San Francisco, CA 94132
Name and Address of Executive Director, Center Director, and Accountant:	ASI Executive Director – Anthony Sherrill Associated Students, Inc. of SFSU 1650 Holloway Avenue, M106 San Francisco, CA 94132
	ASI Center Director – Erica Almaguer ASI Children’s Center San Francisco State University South State Drive San Francisco, CA 94132
	Accountant – Tammie Ridgell, Director San Francisco State University Auxiliary Business Services 1600 Holloway Avenue, Adm 361 San Francisco, CA 94132
Period Covered by Audit:	July 1, 2021 through June 30, 2022
Number of Days of Agency Operation:	168
Scheduled Hours of Operation, Each Day	ASI Children’s Center – 7:30AM to 5:00PM, 9.5 hours per day
	State Preschool Contract – 7:30AM to 5:00PM, 9.5 hours per day
	ASI Business Office – 9:00AM to 5:00PM

CONTENTS

Independent Auditors' Report	1-3
Financial Statements	
Statement of Financial Position.....	4
Statement of Activities.....	5
Statement of Cash Flows	6
Notes to Financial Statements	7-17
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance With <i>Government Auditing Standards</i>	18-19
Schedule of Findings and Questioned Costs.....	20
Supplementary Information	
Schedule of Expenditures of Federal and State Awards	21
Combining Statement of Activities	22
Schedule of Expenditures by State Categories	23
Schedule of Claimed Expenditures for Renovations and Repairs	24
Schedule of Claimed Administrative Costs	25
Schedule of Claimed Equipment Expenditures.....	26
Audited Attendance and Fiscal Reports.....	27-40
Notes to the Child Development Contract Supplementary Information	41

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Associated Students of San Francisco State University

Opinion

We have audited the accompanying financial statements of Associated Students of San Francisco State University (a California State University Auxiliary Organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, 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 of San Francisco State University ("the Organization" or "Associated Students") as of June 30, 2022, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Organization'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 Organization'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 21-41 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 23, 2022 on our consideration of the Organization'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 the Organization'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 the Organization's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the Organization's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 17, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Long Beach, California

September 23, 2022

(except for the Supplementary Information, as to which the date is November 15, 2022)

Associated Students of San Francisco State University

STATEMENT OF FINANCIAL POSITION

June 30, 2022 (with comparative totals for June 30, 2021)

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	\$ 3,682,493	\$ 2,829,873
Short-term investments	18,549,380	19,694,656
Long-term investments	632,472	739,315
Accounts receivable, net of allowance for doubtful accounts	482,300	295,289
Prepaid expenses and other assets	90	6,160
Property and equipment, net	284,739	29,293
Capitalized leasehold improvements, net	<u>46,353</u>	<u>85,218</u>
Total assets	<u>\$ 23,677,827</u>	<u>\$ 23,679,804</u>
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 370,494	\$ 303,587
Accrued vacation	399,042	350,745
Deferred revenue	16,927	16,784
Employee benefits payable	<u>3,587,036</u>	<u>4,585,956</u>
Total liabilities	<u>4,373,499</u>	<u>5,257,072</u>
Net assets without donor restrictions		
Undesignated	15,491,376	14,709,780
Internally designated - Children's Center	<u>3,812,952</u>	<u>3,712,952</u>
Total net assets without donor restrictions	<u>19,304,328</u>	<u>18,422,732</u>
Total liabilities and net assets	<u>\$ 23,677,827</u>	<u>\$ 23,679,804</u>

The accompanying notes are an integral part of these financial statements.

Associated Students of San Francisco State University

STATEMENT OF ACTIVITIES

Year ended June 30, 2022 (with comparative totals for June 30, 2021)

	2022	2021
Revenue and Support:		
Contribution and grants	\$ 1,007,485	\$ 762,786
Service fees	6,408,389	6,494,283
Program fees	764,898	649,883
Investment return, net	35,453	96,800
Total revenue and support	8,216,225	8,003,752
Expenses:		
Program Services		
Student services	4,281,987	3,494,916
Student government	721,984	710,217
Community services	1,030,728	854,175
Student organizations	452,349	401,444
Management and general	2,493,649	2,819,846
Total expenses	8,980,697	8,280,598
Change in net assets without donor restrictions before change in employee benefits liability	(764,472)	(276,846)
Change in employee benefits liability	1,646,068	1,821,353
Change in net assets without donor restrictions	881,596	1,544,507
Net assets without donor restrictions, beginning of year	18,422,732	16,878,225
Net assets without donor restrictions, end of year	\$ 19,304,328	\$ 18,422,732

The accompanying notes are an integral part of these financial statements.

Associated Students of San Francisco State University

STATEMENT OF CASH FLOWS

Year ended June 30, 2022 (with comparative totals for June 30, 2021)

	2022	2021
Operating Activities:		
Change in net assets without donor restrictions	\$ 881,596	\$ 1,544,507
Adjustments to reconcile change in net assets without donor restrictions to net cash provided by (used in) operating activities:		
Depreciation and amortization	69,100	117,054
Net realized and unrealized loss on investments	59,511	21,639
Changes in:		
Accounts receivable, net of allowance for doubtful accounts	(187,011)	(50,784)
Student activity fees receivable	-	3,123,238
Prepaid expenses and other assets	6,070	(4,345)
Accounts payable and accrued expenses	66,907	(31,473)
Accrued vacation	48,297	50,075
Deferred revenue	143	(78,436)
Employee benefits payable	(998,920)	(1,048,618)
Net cash provided by (used in) operating activities	<u>(54,307)</u>	<u>3,642,857</u>
Investing Activities:		
Purchase of investments	(2,938,884)	(1,441,015)
Proceeds from sale of investments	4,131,492	524,400
Purchase of property, equipment and leasehold improvements	(285,681)	(36,357)
Net cash provided by (used in) investing activities	<u>906,927</u>	<u>(952,972)</u>
Net change in cash and cash equivalents	852,620	2,689,885
Cash and cash equivalents, beginning of year	<u>2,829,873</u>	<u>139,988</u>
Cash and cash equivalents, end of year	<u>\$ 3,682,493</u>	<u>\$ 2,829,873</u>

The accompanying notes are an integral part of these financial statements.

Associated Students of San Francisco State University

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

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 "University"). The Associated Students operates student programs and activities for the benefit of the students of the University. Such programs and activities are funded primarily from student activity and program fees.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 accounting principles generally accepted in the United States of America ("U.S. GAAP"), 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, the following classes of net assets as prescribed for not-for-profit organizations by the Financial Accounting Standards Board ("FASB") report all financial transactions:

Net Assets without Donor Restrictions - Net assets consist of all resources of the Associated Students that are not subject to donor-imposed restrictions. Net assets without donor restrictions are available to support all of its programs, activities, facilities and operations.

Net Assets with Donor Restrictions - Net assets with donor-imposed restrictions are subject to donor and grant-imposed stipulations. Some donor restrictions are temporary in nature; when a stipulated time or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets are released from restrictions. Other donor restrictions are perpetual in nature, whereby the donor has stipulated be maintained in perpetuity. At June 30, 2022, there were no net assets with perpetual or temporary restrictions.

Revenue Recognition

Contribution and grant revenue is recognized when cash, securities, other assets, a promise to give, or a notification of beneficial interest is received unconditionally. Conditional contributions received are accounted for as a liability, until conditions are met, at which point the transaction is recognized as unconditional and classified as either net assets with donor restrictions or net assets without donor restrictions. Conditions must have:

- One or more barriers to overcome before a recipient is entitled to the assets transferred or promised; and
- A right of return to the provider for assets transferred (or for a reduction, settlement, or cancellation of liabilities), or a right of release of the promisor from its obligation to transfer assets (or reduce, settle, or cancel liabilities).

Associated Students of San Francisco State University

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

The Associated Students is party to conditional grants with grant terms through September 30, 2022, and additional funding of \$31,066 that has not been recognized at June 30, 2022 because certain performance obligations have not been met.

Contributions and grants are reviewed for restrictions imposed by donors to determine if the contribution or grant should be classified as net assets with donor restrictions or net assets without donor restrictions. The Associated Students report donor-restricted contributions whose restrictions are met in the same reporting period as revenue recognized as support within net assets without donor restrictions. There were no contributions with restrictions received during the year ended June 30, 2022.

The Associated Students has contract revenue consisting of Commission Fees, Childcare Tuition, Service Fee associated with the Student Activity fees and Student Center fees and Technical Services. Revenue is recognized when a performance obligation is satisfied when there is a transfer of control of the asset or at the time the good or service is consumed. Contracts are satisfied over the time of the contract. The transaction price is determined using fixed and variable amounts. The Associated Students recognizes service fees revenue as it is earned at the end of each semester and revenue is requested after each semester. The Associated Students is required under Title 5 Section 42403(a) of the California Code of Regulations, to have the student activity fees collected by the University in a campus trust account. At June 30, 2022 and 2021, the service fees for student activities earned was \$6,408,389 and \$6,494,283, respectively.

Program revenue are fees the Associated Students receives for providing childcare, room scheduling/meetings, Farmers Market and other activities. The fees are collected by the Associated Students and recognized when earned.

Cash and Cash Equivalents

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

Investments

Investments are carried at fair value. Investments consist of funds invested in the Local Agency Investment Fund ("LAIF") and debt securities with interest and realized and unrealized gains and losses reflected in the statement of activities.

Accounts Receivable, net

Accounts receivable includes amounts due from the Early Childcare Education Center (ECEC), San Francisco State University and a note receivable assumed from the merger of the Cesar Chavez Student Center and the Associated Students of San Francisco. Accounts receivable of \$482,300 at June 30, 2022, is shown net of an allowance for uncollectible accounts of \$4,000.

Property, 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.

Associated Students of San Francisco State University

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenue

Deferred revenue consists primarily of tuitions and fees collected in advance for summer sessions at ECEC.

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 FASB Accounting Standards Codification ("ASC") Topic 740 for accounting for uncertainty in income taxes. At June 30, 2022, 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. The statute of limitations for federal and California state purposes is generally three and four years, respectively.

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.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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.

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.

Comparative Information

The financial statements include certain prior year summarized comparative information in total but not by asset class. Such information does not include sufficient detail to constitute a complete presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Associated Students' financial statements and notes for the year ended June 30, 2021, from which the summarized information was derived.

Associated Students of San Francisco State University

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Management has evaluated the impact of any subsequent events through September 23, 2022, the date on which the accompanying financial statements were available to be issued.

NOTE 3 - INVESTMENTS

Investments consists of the following as of June 30, 2022:

	Fair Value	Investment Maturities (Years)				Other
		<1 Year	1 - 5 Years	6 - 10 Years	10+ Years	
Local agency investment fund	\$ 18,388,801	\$ 18,388,801	\$ -	\$ -	\$ -	\$ -
Cash and Money Market Funds	55,468	55,468	-	-	-	-
Corporate Bonds	<u>737,583</u>	<u>105,111</u>	<u>632,472</u>	-	-	-
	<u>\$ 19,181,852</u>	<u>\$ 18,549,380</u>	<u>\$ 632,472</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Investment return for the year ending on June 30, 2022 consists of the following:

	<u>2022</u>
Interest and dividends	\$ 97,013
Realized and unrealized loss	(59,511)
Management Fees	<u>(2,049)</u>
	<u>\$ 35,453</u>

The Local Agency Investment Fund 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. Participating agencies’ portions of the fund are held at fair value using net asset value (“NAV”) information provided by LAIF.

Associated Students of San Francisco State University

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

NOTE 4 - FAIR VALUE MEASUREMENT

The Associated Students' investments are classified by level within the valuation hierarchy on a recurring basis at June 30, 2022, as follows:

	Level 1	Level 2	NAV	Total
Cash and Money Market Fund	\$ 55,468	\$ -	\$ -	\$ 55,468
Corporate Bonds	-	737,583	-	737,583
Local Agency Investment Fund	-	-	18,388,801	18,388,801
	<u>\$ 55,468</u>	<u>\$ 737,583</u>	<u>\$ 18,388,801</u>	<u>\$ 19,181,852</u>

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2022 consist of:

Equipment, furniture and fixtures	\$ 1,103,470
Less accumulated depreciation	<u>(818,731)</u>
Property and equipment, net	<u>\$ 284,739</u>
Leasehold Improvements	\$ 5,460,727
Construction in progress	<u>36,357</u>
	5,497,084
Less: accumulated amortization	<u>(5,450,731)</u>
Capitalized leasehold improvement, net	<u>\$ 46,353</u>

The design of the kitchen upgrade project should be completed by Fall semester, 2022 for a total commitment of \$100,000 for phase I of the project.

NOTE 6 – RETIREMENT PLAN

All salaried employees are covered under an employer-sponsored 403(b) tax-sheltered 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, 2022 and 2021 were \$277,633 and \$289,312, respectively.

Associated Students of San Francisco State University

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

NOTE 7 – EMPLOYEE BENEFITS PAYABLE

Prior to the merger with the Associated Students, the Student Center of San Francisco State University (the “Student Center”) provided health care benefits to its active employees and retirees. 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 Associated Students did 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. Effective January 1, 2018, the Associated Students changed its retirement plan to include post-retirement health care benefits for all employees of the Associated Students who vest. The present value of future expected healthcare benefits was calculated using actuarial assumptions based on the benefits provided, premium increases, and assumptions disclosed in the tables below. Reporting information under ASC 715-60 for 2021/2022 fiscal year is based on a roll-forward of the June 30, 2021 Actuarial Valuation assuming actual experience matched expected experience. The June 30, 2022 accumulated post-retirement benefit obligation, APBO, was adjusted to the appropriate June 30, 2022 discount rate.

The following table provides a reconciliation of the changes in the employee benefits liability and the funded status at June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Benefit obligation at beginning of year	\$ 4,585,956	\$ 5,634,574
Service cost	378,454	428,602
Interest cost	132,153	156,834
Actuarial (gain) / loss	(1,451,635)	(1,567,350)
Benefits paid	<u>(57,892)</u>	<u>(66,704)</u>
Benefit obligation at end of year	3,587,036	4,585,956
Fair value of plan assets at beginning of year		
Employer contributions	57,892	66,704
Benefits paid	<u>(57,892)</u>	<u>(66,704)</u>
Fair value of plan assets at end of year	<u>-</u>	<u>-</u>
Unfunded benefit obligation at end of year	<u>\$ 3,587,036</u>	<u>\$ 4,585,956</u>

The following table provides the components of the net periodic benefit cost for the plan, which was included in total expenses in the statements of activities for the years ended June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Service cost	\$ 378,454	\$ 428,602
Interest cost	132,153	156,834
Amortization of prior service cost	254,003	254,003
Amortization of net loss / (gain)	<u>(59,570)</u>	<u>-</u>
Net periodic benefit cost	<u>\$ 705,040</u>	<u>\$ 839,439</u>

Associated Students of San Francisco State University

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

NOTE 7 – EMPLOYEE BENEFITS PAYABLE (CONTINUED)

The following table provides plan items not yet recognized as a component of periodic plan expenses, but included as a separate charge to net assets at June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Prior service cost	\$ 3,160,663	\$ 3,414,666
Actuarial (gains) loss	(2,505,930)	(1,113,865)
	<u>\$ 654,733</u>	<u>\$ 2,300,801</u>

The change in the prior service cost and the actuarial gains (loss) for the years ended June 30, 2022 and 2021 was \$1,646,068 and \$1,821,353, respectively, which was recognized as a charge (credit) to net assets in the statements of activities. Prior service cost of \$254,003 and actuarial gain of \$195,202 are expected to be recognized as components of net periodic benefit cost over the next fiscal year.

The following weighted-average assumptions were used to determine OPEB expense:

	<u>2022</u>	<u>2021</u>
Discount rate	2.90%	2.80%
Expected long-term return on plan assets	N/A	N/A

Assumed health care cost trend rates:
Rate assumed for following year:

	<u>2022</u>	<u>2021</u>
	Actual Increases	Actual Increases
Pre-Medicare	6.50%	6.75%
Post-Medicare – Kaiser	4.70%	5.90%
Post-Medicare – Non-Kaiser	5.70%	
Ultimate rate	4.00%	4.00%
Year ultimate rate reached	2075	2075

A one-percentage-point change in assumed health care cost trend rate would have the following effects:

	<u>One-Percentage- Point Increase</u>	<u>One-Percentage- Point Decrease</u>
Effect on accumulated benefit obligation as of June 30, 2022	\$ 833,493	\$ (637,254)
Effect on 2021/2022 annual aggregate service and interest costs	\$ 169,986	\$ (121,840)

Associated Students of San Francisco State University

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

NOTE 7 – EMPLOYEE BENEFITS PAYABLE (CONTINUED)

The Associated Students estimates employer contributions of \$73,000 to be paid to the plan during the next fiscal year. Future benefit payments under the plan are as follows:

Year ending June 30,

2023	\$	73,357
2024	\$	76,914
2025	\$	83,367
2026	\$	89,705
2027	\$	83,880
2028-2032	\$	553,411

NOTE 8 - CAPITALIZED LEASEHOLD IMPROVEMENTS AND LEASE OBLIGATION

The Associated Students' capitalized leasehold improvements are related to capital improvements made to the Children's Center on land, which is leased from the Board of Trustees of the California State University (the "Trustees"). The Associated Students facility lease with the Trustees for the facility of the Children's Center, the current term of the facility lease agreement commenced December 2017 and runs through June 30, 2022. Total capitalized leasehold improvements were \$5,497,084 and \$5,486,469 at June 30, 2022 and 2021, respectively. Accumulated amortization relating to the capitalized leasehold improvements was \$5,450,731 and \$5,401,251 at June 30, 2022 and 2021, respectively.

NOTE 9 – TRANSACTIONS WITH RELATED ENTITIES

Associated Students is an auxiliary organization affiliated with the University and the California State University (CSU) System statewide. Associated Students is also affiliated with The University Corporation, San Francisco State (the "Corporation"), an auxiliary organization of the University and CSU. The accompanying financial statements include transactions with related parties as of and for the years ended June 30, 2022 and 2021, as follows:

	<u>June 30,</u>	
	<u>2022</u>	<u>2021</u>
Payments to the University for salaries of University personnel working on contracts, grants, and other programs	\$ 286,808	\$ -
Payments to the University for other than salaries of University personnel	\$ 764,401	\$ 902,737
Payments to the Corporation for student support, reimbursements, and accounting services	\$ 467,566	\$ 638,760
Payments received from University for services, Spaces, and programs	\$ 6,916,274	\$ 9,965,085
Payments received from the Corporation	\$ -	\$ 50,966
Amounts payable to the University	\$ 118,429	\$ 73,930
Amounts due to the Corporation	\$ 95,592	\$ 2,666
Amounts due from the Corporation	\$ 3,621	\$ -
Accounts receivable from the University	\$ 325,561	\$ 139,958

Associated Students of San Francisco State University

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

NOTE 9 – TRANSACTIONS WITH RELATED ENTITIES (CONTINUED)

Effective August 1, 2017, the Associated Students entered into an operating agreement and lease (“Master Lease”) with the Board of Trustees (“Trustees”) of the California State University, for the facilities and space that it utilizes in the Student Center. The term of the Master Lease is August 1, 2017 to July 31, 2024. The Associated Students will share usage with the Corporation. For lease costs, the Associated Students is required to pay its share of the common area and facilities upkeep costs. For the year ended June 30, 2022, the Associated Students incurred \$866,512 for its 46% share cost of the maintenance of the Student Center. Of this amount, \$750,830 is reimbursed and \$115,682 is payable to the University as of June 30, 2022.

The Corporation did not make a contribution to the Associated Students for the year ended June 30, 2022. Due to the campus continuing to have remote environment related to Covid-19, there was not 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 LAIF. 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 \$18,388,801 at June 30, 2022. From time to time, cash balances may exceed federally insured limits. The Associated Students has not experienced any previous losses in such accounts and believes it is not exposed to any significant credit risk on its cash.

NOTE 11 - GOVERNING BOARD TRANSACTIONS

Compensation paid to student members of the Associated Students Governing Board for the year ended June 30, 2022 was \$235,980. These payments, which range from \$849 - \$1,486 per month, are included in the statement of activities as student government expenses.

NOTE 12 - FUNCTIONAL EXPENSES AND NATURAL ACCOUNT

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable and equitable basis, which is determined by management. The expenses that are allocated include and the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and benefits	Percentage share
Office and occupancy	Percentage share
Professional services	Percentage share
Depreciation	Specific location
Supplies and travel	Specific location

Associated Students of San Francisco State University

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

NOTE 12 - FUNCTIONAL EXPENSES AND NATURAL ACCOUNT (CONTINUED)

An analysis of expenses by both natural classification and functional classification for the year ended June 30, 2022 follows:

	Program Activities					Management and General	Total Expenses
	Student Services	Student Government	Community Services	Student Organizations	Programs Subtotal		
Salaries and benefits	\$ 3,473,016	\$ 239,646	\$ 632,495	\$ 184,547	\$ 4,529,704	\$ 1,360,996	\$ 5,890,700
Grants to other organizations	48,029	-	25,000	-	73,029	-	73,029
Supplies and travel	278,096	26,479	45,978	65,365	415,918	84,426	500,344
Services and professional fees	360,022	431,809	251,368	178,387	1,221,586	830,163	2,051,749
Office and occupancy	70,891	21,597	73,435	21,598	187,521	208,254	395,775
Depreciation	<u>51,933</u>	<u>2,453</u>	<u>2,452</u>	<u>2,452</u>	<u>59,290</u>	<u>9,810</u>	<u>69,100</u>
Total expenses	<u>\$ 4,281,987</u>	<u>\$ 721,984</u>	<u>\$ 1,030,728</u>	<u>\$ 452,349</u>	<u>\$ 6,487,048</u>	<u>\$ 2,493,649</u>	<u>\$ 8,980,697</u>

NOTE 13 - LIQUIDITY

Financial assets at the statement of financial position date available to meet general expenditures within one year of the statement of financial position date include:

Cash and cash equivalents	\$ 3,682,493
Short term investments	18,549,380
Receivables	<u>482,300</u>

Financial assets available to meet general expenditures over the next twelve months	<u>\$ 22,714,173</u>
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None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position ended June 30, 2022. The Associated Students maintains financial assets, which consist of cash and short-term investments, on hand as part of its operating reserves to meet six months of normal operations. The Associated Students uses normal revenue generated from programs to meet normal operating expenses, which are, on average, approximately \$355,600 (unaudited) per month. As part of its liquidity management, the Associated Students invests cash in excess of daily requirement in various short-term investments, including the LAIF.

Associated Students of San Francisco State University

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

NOTE 14 - SUBSEQUENT EVENTS

The global pandemic due to COVID-19 continues to have an impact to the Associated Students with the University planning to increase in-person classes, activities and programs starting in Fall 2022. Associated Students was required to develop both virtual and in-person programming to engage the student body. Operations within the Cesar Chavez Student Center resumed on a modified scale to meet safety requirements. Management will embark on a space allocation assessment to identify underutilized space to propose potential renovation for optimize usage of office and meeting space.

Management continues to evaluate the impact of COVID-19 on its operations and has determined that the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**INDEPENDENT AUDITORS' 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 Board of Directors of
Associated Students of San Francisco State University

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 of San Francisco State University (Associated Students) (a California State University Auxiliary Organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 23, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Associated Students of San Francisco State University's internal control over financial reporting (internal control) as a basis for designing the 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 the 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 Associated Students' 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 may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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



Long Beach, California

September 23, 2022

(except for the Supplementary Information, as to which the date is November 15, 2022)

ASSOCIATED STUDENTS OF SAN FRANCISCO STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

The auditors’ report expressed an unmodified opinion on whether the financial statements of Associated Students of San Francisco State University were prepared in accordance with generally accepted accounting principles.

Internal control over financial reporting

1. Material weakness(es) identified? – None reported
2. Significant deficiencies identified? – None reported
3. Noncompliance material to financial statements noted? – No

SECTION II – FINDINGS - FINANCIAL STATEMENTS AUDIT

None reported

SECTION III – STATUS OF CORRECTIVE ACTION ON PRIOR-YEAR FINDINGS

None reported

Associated Students of
San Francisco State University

Schedule of Expenditures of Federal and State Awards

June 30, 2022

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Entity Identifying Number	Grant Award Amount			Revenue Earned / Expenditures		
			Federal	State	Total	Federal	State	Total
STATE AWARDS:								
State of California Child Development Services:								
State Preschool		CSPP - 1478	\$ -	\$ 130,746	\$ 130,746	\$ -	\$ 602,484	\$ 602,484
State Preschool - Federal	93.596	CSPP - 1478	36,767		36,767	-	-	-
TOTAL STATE AWARDS			\$ 36,767	\$ 130,746	\$ 167,513	\$ -	\$ 602,484	\$ 602,484
Total Federal and State Awards			36,767	130,746	167,513	-	602,484	602,484
Reconciliation to Total Reimbursable Expenditures:								
Grant Expenditures						\$	602,484	
Non-Grant Expenditures							-	
Total Reimbursable Expenditures						\$	602,484	
Reconciliation to Grant Revenue Recognition:								
Apportionments by CDE						\$	152,966	
Payment on Prior Year						\$	4,200	
Amounts due from / (to) CDE								
Total Grant Revenue Recognition						\$	157,166	

**Associated Students of
San Francisco State University
Combining Statement of Activities**

June 30, 2022

	CSPP-1478 State Preschool	Other	2022
Revenues:			
Student activity fees	\$ -	\$ 6,408,389	\$ 6,408,389
Program fees	\$ 400,872	\$ 364,026	\$ 764,898
Investment return, net	\$ -	\$ 35,453	\$ 35,453
California Department of Education Contributions and grants	\$ 157,166	\$ -	\$ 157,166
Other revenue	\$ 18,339	\$ 831,980	\$ 850,319
	\$ -	\$ -	\$ -
	\$ 576,377	\$ 7,639,848	\$ 8,216,225
Expenses:			
Teachers	\$ 96,240	\$ 123,860	\$ 220,100
Supervisors	\$ 147,862	\$ 2,012,313	\$ 2,160,175
Instructional aides	\$ 165,565	\$ 175,198	\$ 340,763
Clerical and other personnel	\$ -	\$ 133,404	\$ 133,404
Student assistance	\$ -	\$ 1,078,062	\$ 1,078,062
Auxiliary expense	\$ -	\$ 466,213	\$ 466,213
Social security	\$ 23,574	\$ 202,369	\$ 225,943
Health and welfare	\$ 64,684	\$ 1,234,013	\$ 1,298,697
State unemployment	\$ 7,497	\$ 50,172	\$ 57,669
Worker's compensation insurance	\$ 2,716	\$ 18,176	\$ 20,892
Other benefits	\$ 32,888	\$ 322,108	\$ 354,996
Instructional supplies	\$ 9,233	\$ 36,875	\$ 46,108
Other supplies	\$ 2,907	\$ 150,021	\$ 152,928
Food supplies	\$ 21,708	\$ 18,266	\$ 39,974
Contracts for personal services	\$ 14,179	\$ 1,280,525	\$ 1,294,704
Travel and conferences	\$ 56	\$ 35,532	\$ 35,588
Student activities	\$ -	\$ -	\$ -
Insurance	\$ -	\$ 73,766	\$ 73,766
Utilities and housekeeping services	\$ 3,932	\$ 71,793	\$ 75,725
Advertising	\$ -	\$ 37,340	\$ 37,340
Maintenance and repairs	\$ -	\$ 32,151	\$ 32,151
Communication	\$ 9	\$ 43,096	\$ 43,105
Furniture and equipment	\$ -	\$ -	\$ -
Bank service fees	\$ 5,585	\$ 7,066	\$ 12,651
Other services and expenses	\$ 3,849	\$ 775,894	\$ 779,743
	602,484	8,378,213	8,980,697
Change in employee benefits liability	-	1,646,068	1,646,068
Change in Net Assets	(26,107)	(738,365)	(764,472)
Transfer of Deficit	26,107	(26,107)	-
Net Assets, beginning of year	-	-	18,422,732
Net Assets, end of year	\$ -	\$ 881,596	\$ 19,304,328

Associated Students of
San Francisco State University

Schedule of Expenditures by State Categories

June 30, 2022

		State Preschool CSPP - 1478	Other Funding	Total
1000	Certified Salaries	\$ 244,102	\$ 992,108	\$ 1,236,210
1100	Teacher's Salaries	95,954	123,860	219,814
1300	Supervisor's Salaries	147,862	864,198	1,012,060
	Overtime	286	4,050	4,336
2000	Classified Salaries	165,565	896,700	1,062,265
2100	Instructional Aides' Salaries/Wages	165,565	-	165,565
2300	Clerical & Other Office Personnel	-	896,700	896,700
3000	Employee Benefits	131,359	1,043,182	1,174,541
3300	FICA	23,574	100,085	123,659
3840	VALIC (Retirement)	27,984	109,912	137,896
3400	Health and Dental Benefits	64,684	778,776	843,460
3500	State Unemployment Insurance	7,497	16,868	24,365
3600	Workers Compensation Insurance	2,716	6,111	8,827
3900	Other Benefits	4,904	31,430	36,334
4000	Books, Supplies & Equipment Repl.	33,782	139,787	173,569
4300	Instructional Materials and Supplies	9,166	29,462	38,628
4400	Non-capitalized Equipment	-	-	-
4500	Other Supplies	2,908	92,059	94,967
4710	Food	21,708	18,266	39,974
5000	Contracted Services & Other Operating Expenses	27,676	607,726	635,402
5100	Contracts for Personal Services (including vendor payments)	14,178	347,747	361,925
5200	Travel, Conference and Other Expenses	151	2,081	2,232
5300	Dues	-	-	-
5400	Insurance	-	9,221	9,221
5500	Utilities	-	-	-
5800	Other Services and Operating Expenses	13,338	241,816	255,154
5900	Communications	9	6,861	6,870
6000	Capital Outlay	-	-	-
6400	New Equipment	-	-	-
	Total expenses claimed for reimbursement	\$ 602,484	\$ 3,679,503	\$ 4,281,987
	Total supplemental expenses	-	-	-
	Total Expenditures	\$ 602,484	\$ 3,679,503	\$ 4,281,987
	Total Student Services Expenses			4,281,987

Associated Students of
San Francisco State University

Schedule of Claimed Expenditures For
Renovations and Repairs

June 30, 2022

State
Preschool
CSPP - 1478

Renovation and Repairs over \$10,000

Unit Cost with CDE Approval:

Item: \$ -

Total -

Renovation and Repairs under \$10,000

Unit Cost with CDE Approval:

Item: -

Total -

Unit Cost under \$7,500

Item: -

Total -

Unit Cost over \$7,500

With CDE Approval

Item: -

Total -

Total Equipment Expenditures \$ -

Associated Students of
San Francisco State University

Schedule of Claimed Administrative Costs

June 30, 2022

	State Preschool CSPP - 1478
Salaries	\$ 37,630
Employee Benefits	17,102
Books and Supplies	-
Services and Other Operating Expenses	4,690
Depreciation on non-CDE-funded assets used in program	-
Indirect Costs	-
<hr/>	<hr/>
Total Administrative Costs	\$ 59,422

**Associated Students of
San Francisco State University**

Schedule of Claimed Equipment Expenditures

June 30, 2022

	State Preschool CSPP - 1478	Subtotal	Non-CD Programs	Total
Capitalized Equipment Expensed on the AUD With Prior Written Approval				
None	\$ -	\$ -	\$ -	\$ -
Capitalized Equipment Expensed on the AUD Without Prior Written Approval				
None	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -

**California State Preschool Program – Form 1A
 Certified Children Days of Enrollment and Attendance from July 2021 – December 2021**

Pilot Program: San Francisco

Enrollment Description	Column A Cumulative FY per CPARIS December Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Three Years and Older Full-time-plus			0	1.1800	0.0000
Three Years and Older Full-time	539		539	1.0000	539.0000
Three Years and Older Three-quarters-time			0	0.7500	0.0000
Three Years and Older One-half-time			0	0.6772	0.0000
Exceptional Needs Full-time-plus			0	1.8172	0.0000
Exceptional Needs Full-time			0	1.5400	0.0000
Exceptional Needs Three-quarters-time			0	1.1550	0.0000
Exceptional Needs One-half-time			0	1.0429	0.0000
Limited and Non-English Proficient Full-time-plus			0	1.2980	0.0000
Limited and Non-English Proficient Full-time			0	1.1000	0.0000
Limited and Non-English Proficient Three-quarters-time			0	0.8250	0.0000
Limited and Non-English Proficient One-half-time			0	0.6772	0.0000

Enrollment Description	Column A Cumulative FY per CPARIS December 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	1.2980	0.0000
At Risk of Abuse or Neglect Full-time			0	1.1000	0.0000
At Risk of Abuse or Neglect Three-quarters-time			0	0.8250	0.0000
At Risk of Abuse or Neglect One-half-time			0	0.6772	0.0000
Severely Disabled Full-time-plus			0	2.2774	0.0000
Severely Disabled Full-time			0	1.9300	0.0000
Severely Disabled Three-quarters-time			0	1.4475	0.0000
Severely Disabled One-half-time			0	1.3070	0.0000
TOTAL CERTIFIED DAYS OF ENROLLMENT	539	0	539	N/A	539.0000

Attendance	Column A Cumulative FY per CPARIS December Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
DAYS OF ATTENDANCE	526		526	N/A	N/A

Enter the sum of Total Certified Days of Enrollment from all Form 1s in the Total Certified Days of Enrollment line of AUD 8501, Section 2.

Enter the sum of Days of Attendance from all Form 1s and Form 2s in the Days of Attendance line of AUD 8501, Section 2.

**California State Preschool Program – Form 1B
 Certified Children Days of Enrollment and Attendance from January 2022 – June 2022**

Service County: San Francisco

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 and Older Full-time-plus			0	1.1800	0.0000
Three Years and Older Full-time	545		545	1.0000	545.0000
Three Years and Older One-half-time	113		113	0.6286	71.0318
Exceptional Needs Full-time-plus			0	1.8172	0.0000
Exceptional Needs Full-time			0	1.5400	0.0000
Exceptional Needs One-half-time			0	0.9680	0.0000
Dual Language Learner Full-time-plus			0	1.2980	0.0000
Dual Language Learner Full-time			0	1.1000	0.0000
Dual Language Learner One-half-time			0	0.6286	0.0000
At Risk of Abuse or Neglect Full-time-plus			0	1.2980	0.0000
At Risk of Abuse or Neglect Full-time			0	1.1000	0.0000
At Risk of Abuse or Neglect One-half-time			0	0.6286	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
Severely Disabled Full-time-plus			0	2.2774	0.0000
Severely Disabled Full-time			0	1.9300	0.0000
Severely Disabled One-half-time			0	1.2132	0.0000
TOTAL CERTIFIED DAYS OF ENROLLMENT	658	0	658	N/A	616.0318

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
DAYS OF ATTENDANCE	658		658	N/A	N/A

Enter the sum of Total Certified Days of Enrollment from all Form 1s in the Total Certified Days of Enrollment line of AUD 8501, Section 2.

Enter the sum of Days of Attendance from all Form 1s and Form 2s in the Days of Attendance line of AUD 8501, Section 2.

**California State Preschool Program – Form 3A
Non-Certified Children Days of Enrollment from July 2021 – December 2021**

Pilot Program: San Francisco

Enrollment Description	Column A Cumulative FY per CPARIS December 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	2.1240	0.0000
Toddlers (18 up to 36 months) Full-time			0	1.8000	0.0000
Toddlers (18 up to 36 months) Three-quarters-time			0	1.3500	0.0000
Toddlers (18 up to 36 months) One-half-time			0	0.9900	0.0000
Three Years and Older Full-time-plus			0	1.1800	0.0000
Three Years and Older Full-time	1,439		1,439	1.0000	1,439.0000
Three Years and Older Three-quarters-time			0	0.7500	0.0000
Three Years and Older One-half-time			0	0.6772	0.0000
Exceptional Needs Full-time-plus			0	1.8172	0.0000
Exceptional Needs Full-time			0	1.5400	0.0000
Exceptional Needs Three-quarters-time			0	1.1550	0.0000
Exceptional Needs One-half-time			0	1.0429	0.0000

Enrollment Description	Column A Cumulative FY per CPARIS December Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Limited and Non-English Proficient Full-time-plus			0	1.2980	0.0000
Limited and Non-English Proficient Full-time			0	1.1000	0.0000
Limited and Non-English Proficient Three-quarters-time			0	0.8250	0.0000
Limited and Non-English Proficient One-half-time			0	0.6772	0.0000
At Risk of Abuse or Neglect Full-time-plus			0	1.2980	0.0000
At Risk of Abuse or Neglect Full-time			0	1.1000	0.0000
At Risk of Abuse or Neglect Three-quarters-time			0	0.8250	0.0000
At Risk of Abuse or Neglect One-half-time			0	0.6772	0.0000
Severely Disabled Full-time-plus			0	2.2774	0.0000
Severely Disabled Full-time			0	1.9300	0.0000
Severely Disabled Three-quarters-time			0	1.4475	0.0000
Severely Disabled One-half-time			0	1.3070	0.0000
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT	1,439	0	1,439	N/A	1,439.0000

Enter the sum of Total Non-Certified Days of Enrollment from all Form 3s in the Total Non-Certified Days of Enrollment line of AUD 8501, Section 2.

**California State Preschool Program – Form 3B
Non-Certified Children Days of Enrollment from January 2022 – June 2022**

Service County: San Francisco

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	2.1240	0.0000
Toddlers (18 up to 36 months) Full-time			0	1.8000	0.0000
Toddlers (18 up to 36 months) One-half-time			0	0.9900	0.0000
Three Years and Older Full-time-plus			0	1.1800	0.0000
Three Years and Older Full-time	1,496		1,496	1.0000	1,496.0000
Three Years and Older One-half-time	239		239	0.6286	150.2354
Exceptional Needs Full-time-plus			0	1.8172	0.0000
Exceptional Needs Full-time			0	1.5400	0.0000
Exceptional Needs One-half-time			0	0.9680	0.0000
Dual Language Learner Full-time-plus			0	1.2980	0.0000
Dual Language Learner Full-time			0	1.1000	0.0000
Dual Language Learner One-half-time			0	0.6286	0.0000
At Risk of Abuse or Neglect Full-time-plus			0	1.2980	0.0000
At Risk of Abuse or Neglect Full-time			0	1.1000	0.0000
At Risk of Abuse or Neglect One-half-time			0	0.6286	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
Severely Disabled Full-time-plus			0	2.2774	0.0000
Severely Disabled Full-time			0	1.9300	0.0000
Severely Disabled One-half-time			0	1.2132	0.0000
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT	1,735	0	1,735	N/A	1,646.2354

Enter the sum of Total Non-Certified Days of Enrollment from all Form 3s in the Total Non-Certified Days of Enrollment line of AUD 8501, Section 2.

Contractor Name: Associated Students of San Francisco State University

Contract Number: CSPP-1478

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

Fiscal Year Ended: June 30, 2022

Vendor Code: V131

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):

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):

Total enrollment and attendance forms to attach: 4

Note: For each of the above categories, submit one July-December form and one form for each service county for January-June.

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	1,197		1,197	
Total Certified Days of Enrollment with Mental Health Consultation Services			0	
Days of Attendance (including MHCS)			0	N/A
Total Non-Certified Days of Enrollment	3,174		3,174	
Total Non-Certified Days of Enrollment with Mental Health Consultation Services			0	

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	168		168	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			0
County Maintenance of Effort (EC Section 8279)			0
Other:		18,339	18,339
Other:			0
TOTAL RESTRICTED INCOME	0	18,339	18,339

Transfer from Reserve	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Transfer from Reserve			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	9,022		9,022
Interest Earned on Child Development Apportionment Payments			0
Fees for Non-Certified Children	364,594	36,278	400,872
Unrestricted Income: Head Start			0
Other:			0
Other:			0

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
1000 Certificated Salaries	227,605	16,497	244,102
2000 Classified Salaries	157,441	8,124	165,565
3000 Employee Benefits	117,428	13,931	131,359
4000 Books and Supplies		33,782	33,782
5000 Services and Other Operating Expenses	59,082	(31,406)	27,676
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (program-related)			0
6500 Equipment Replacement (program-related)			0
Depreciation or Use Allowance			0
Start-up Expenses (service level exemption)			0
Indirect Costs (include in Total Administrative Cost)			0
TOTAL REIMBURSABLE EXPENSES	561,556	40,928	602,484

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

Approved Indirect Cost Rate:

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)	59,422		59,422
Total Staff Training Cost (included in Reimbursable Expenses)			0

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

Section 5 - Supplemental Funding

Supplemental Revenue	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Enhancement Funding			0
Other:			0
Other:			0
TOTAL SUPPLEMENTAL REVENUE	0	0	0

Supplemental Expenses	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
1000 Certificated Salaries			0
2000 Classified Salaries			0
3000 Employee Benefits			0
4000 Books and Supplies			0
5000 Services and Other Operating Expenses			0
6000 Equipment / Capital Outlay			0
Depreciation or Use Allowance			0
Indirect Costs			0
Non-Reimbursable Supplemental Expenses			0
TOTAL SUPPLEMENTAL EXPENSES	0	0	0

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)	1,197	0	1,197
Days of Operation	168	0	168
Days of Attendance (including MHCS)	0	0	0
Total Certified Adjusted Days of Enrollment	N/A	N/A	0.0000
Total Non-Certified Adjusted Days of Enrollment	N/A	N/A	0.0000
Restricted Program Income	0	18,339	18,339
Transfer from Reserve	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	561,556	40,928	602,484
Total Administrative Cost	59,422	0	59,422
Total Staff Training Cost	0	0	0
Non-Reimbursable Cost (State Use Only)	N/A	N/A	

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.

Associated Students of San Francisco State University

**NOTES TO THE CHILD DEVELOPMENT CONTRACT
SUPPLEMENTARY INFORMATION**

June 30, 2022

NOTE 1 - INTEREST EXPENSE

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, 2022.

NOTE 2 - RELATED-PARTY RENT

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 was claimed to a child development contract for the year ended June 30, 2022.

NOTE 3 - BAD-DEBT EXPENSE

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, 2022.