

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

REPORT ON AUDIT

FOR THE YEAR ENDED  
JUNE 30, 2009

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To the Board of Directors  
Santos Manuel Student Union of California State  
University, San Bernardino

### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying basic financial statements of the Santos Manuel Student Union of California State University, San Bernardino (the Student Union), a component unit of California State University, San Bernardino as of and for the year then ended June 30, 2009 as listed in the table of contents. These financial statements are the responsibility of the Student Union's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Student Union's 2008 financial statements and, in our report dated September 2, 2008, we expressed an unqualified opinion on those financial statements.

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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Student Union as of June 30, 2009, and the changes in net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 3 through 7 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Santos Manuel Student Union of California State University, San Bernardino's basic financial statements. The Organizational Data, the Schedule of Operating Expenses by Function, and the Auxiliary Organizations' Schedule of Net Assets, Schedule of Revenues, Expenses and Changes in Net Assets and the Other Information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Operating Expenses by Function and the Auxiliary Organizations' Schedule of Net Assets, Schedule of Revenues, Expenses and Changes in Net Assets and the Other Information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Organizational Data has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

*Rogers, Anderson, Malady + Scott, LLP*

September 16, 2009

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009

The following section of the Santos Manuel Student Union of California State University, San Bernardino's annual financial report includes some of management's insights and analysis of the Student Union's financial performance for the year ended June 30, 2009.

INTRODUCTION TO THE BASIC FINANCIAL STATEMENTS

This annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board Statement 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*.

The financial statements include the Statement of Net Assets; the Statement of Revenues, Expenses and Changes in Net Assets; and the Statement of Cash Flows. These statements are supported in the annual financial report by the notes to the financial statements, required supplemental or statistical information, and this section. All sections must be considered together to obtain a complete understanding of the financial picture of the Student Union.

Statement of Net Assets: The Statement of Net Assets includes all assets and liabilities. Assets and liabilities are reported at their book value, on an accrual basis, as of the statement date. It also identifies major categories of restrictions on the net assets of the Student Union.

Statement of Revenues, Expenses and Changes in Net Assets: The Statement of Revenues, Expenses and Changes in Net Assets presents the revenues earned and the expenses incurred during the year on an accrual basis.

Statement of Cash Flows: The Statement of Cash Flows presents the inflows and outflows of cash, summarized by operating, capital, financing and investing activities. The statement is prepared using the direct method of cash flows and, therefore, presents gross rather than net amounts for the year's activities.

REPORTING ENTITY

The Santos Manuel Student Union of California State University, San Bernardino is a 501(c)(3) not-for-profit corporation that is an auxiliary organization of California State University, San Bernardino, and is therefore considered a component unit of the University.

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009

ANALYTICAL OVERVIEW

Summary

All students who attend California State University, San Bernardino are required to pay a mandatory Student Union fee. These fees are collected quarterly and support Santos Manuel Student Union and Student Recreation and Fitness Center operations, the annual bond payments, transfers to the repair and replacement funds and the construction funds, as needed and approved by the board of directors.

In general, Student Union funds may be spent in accordance with the California Education Code, Title 5 and the terms of past student fee referenda.

A portion of the mandatory fees (return of surplus) returned to the Student Union is used to support the operating budgets of the Santos Manuel Student Union and the Student Recreation and Fitness Center in accordance with Title 5.

The increase in return of surplus revenues was due primarily to increased expenses for the Santos Manuel Student Union and Student Recreation and Fitness Center for the fiscal year.

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009

FINANCIAL ANALYSIS

Net Assets

The Student Union's net assets exceed liabilities by \$2,618,084 at the close of the most recent fiscal year. Of this, \$513,993 or 19.6% reflects its investment in capital assets (e.g., leasehold improvements, machinery and equipment). The Student Union uses these capital assets to provide services to students and other users; consequently, these assets are not available for future spending.

Student Union's Net Assets

	<u>2009</u>	<u>2008</u>
Current assets	\$ 2,655,828	\$ 2,667,304
Capital assets	513,993	565,275
Total Assets	<u>3,169,821</u>	<u>3,232,579</u>
Current liabilities	306,837	261,752
Noncurrent liabilities	244,900	124,708
Total liabilities	<u>551,737</u>	<u>386,460</u>
Net assets		
Invested in capital assets	513,993	565,275
Restricted	2,084,091	2,260,179
Unrestricted	20,000	20,665
Total Net Assets	<u>\$ 2,618,084</u>	<u>\$ 2,846,119</u>

The Student Union's net assets decreased by \$228,035 during the current fiscal year, primarily from the recognition of Other Post Employment Benefit (OPEB) expenses in accordance with GASB 45 and from investments in capital assets.

Changes in Net Assets

Operating revenues increased by \$23,605 or 0.8%, which is attributed primarily to an increase of return of surplus revenues of \$170,600 and a \$130,488 decrease in reimbursement revenues. The increase in return of surplus revenues was due to anticipated increased expenses for the Santos Manuel Student Union and Student Recreation and Fitness Center.

Expenses increased by \$33,727 or 0.1%. Expenses increased due to the increased activity at the Santos Manuel Student Union during the fiscal year and the operations of the Student Recreation and Fitness Center.

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009

Student Union's Changes in Net Assets

	<u>2009</u>	<u>2008</u>
<u>Revenues</u>		
Return of surplus	\$ 2,945,700	\$ 2,775,100
Income from operations	209,796	353,461
Program income	6,979	10,309
Investment income	45,625	128,432
Total Revenues	<u>3,208,100</u>	<u>3,267,302</u>
<u>Expenses</u>		
Student services	1,584,039	1,733,341
Auxiliary enterprise expenses	1,850,922	1,667,893
Other	1,174	-
Total Expenses	<u>3,436,135</u>	<u>3,401,234</u>
Increase (decrease) in net assets	(228,035)	(133,932)
Net Assets - Beginning of Year	<u>2,846,119</u>	<u>2,980,051</u>
Net Assets - End of Year	<u>\$ 2,618,084</u>	<u>\$ 2,846,119</u>

Capital Assets and Long-Term Debt

As of June 30, 2009, the Student Union has \$513,993 invested in capital assets, net of accumulated depreciation of \$491,746. Long-term debt is managed by the Chancellor's Office, and is not included on the financial statement of the Student Union.

Student Union's Capital Assets  
(Net of Depreciation)

	<u>2009</u>	<u>2008</u>
Leasehold improvements	\$ 185,333	\$ 205,306
Equipment, furniture and fixtures	328,660	359,969
Total	<u>\$ 513,993</u>	<u>\$ 565,275</u>



SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2009

Requests for Information

This financial report is designed to provide a general overview of the Student Union's finances for all those with an interest in the Student Union's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Santos Manuel Student Union, California State University, San Bernardino, 5500 University Parkway, San Bernardino, CA 92407-2397.

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

STATEMENT OF NET ASSETS

JUNE 30, 2009

	<u>2009</u>	<u>Comparative Totals 2008</u>
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 56,951	\$ 50,556
Short-term investments	2,528,318	2,528,473
Accrued interest receivable	6,583	11,699
Accounts receivable – net	<u>63,976</u>	<u>76,576</u>
Total current assets	2,655,828	2,667,304
Property and equipment, net	<u>513,993</u>	<u>565,275</u>
Total assets	<u>3,169,821</u>	<u>3,232,579</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	52,606	84,155
Amounts due to other auxiliary organizations	28,525	51,538
Amounts due to the University	148,025	65,846
Accrued salaries payable	30,445	24,850
Accrued compensated absences	<u>47,236</u>	<u>35,363</u>
Total current liabilities	306,837	261,752
Noncurrent Liabilities:		
OPEB obligation	<u>244,900</u>	<u>124,708</u>
Total liabilities	<u>551,737</u>	<u>386,460</u>
<u>NET ASSETS</u>		
Invested in capital assets	513,993	565,275
Restricted	2,084,091	2,260,179
Unrestricted	<u>20,000</u>	<u>20,665</u>
Total net assets	<u>\$ 2,618,084</u>	<u>\$ 2,846,119</u>

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

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2009

	<u>2009</u>	<u>Comparative Totals 2008</u>
<u>OPERATING REVENUES</u>		
Return of surplus revenue bond funds (Student Union fees)	\$ 2,945,700	\$ 2,775,100
Sales and services:		
Program revenues	6,979	10,309
Facility lease and rental	71,623	93,345
Personnel services reimbursement revenue	54,376	240,436
Miscellaneous reimbursement revenue	75,252	19,680
Contributions received	8,545	-
	<hr/>	<hr/>
Total operating revenues	3,162,475	3,138,870
<u>OPERATING EXPENSES</u>		
Student services:		
Program Board	80,734	96,948
Women's Resource Center	56,896	67,281
Cross Cultural Center	152,150	236,556
Adult Re-entry Center	83,073	94,777
Recreation Center	1,123,736	1,149,290
Game Room	3,342	2,338
Pride Center	84,108	86,151
Support services		
Administration and personnel services	502,713	500,293
Student Union operations	796,346	539,662
Maintenance	210,556	283,901
Palm Desert Campus	8,326	9,522
Board of Directors	7,773	23,196
Graphics	54,249	28,300
Scheduling	113,752	135,220
Audio visual	21,651	23,341
Technology	19,851	19,660
Depreciation	115,705	104,798
	<hr/>	<hr/>
Total operating expenses	3,434,961	3,401,234
Operating (loss)	<hr/> (272,486)	<hr/> (262,364)

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

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2009

	<u>2009</u>	<u>Comparative Totals 2008</u>
<u>NON-OPERATING REVENUES AND EXPENSES</u>		
Investment income	\$ 45,625	\$ 128,432
Loss on disposal of fixed assets	(632)	-
Uncollectible accounts	(542)	-
	<u>44,451</u>	<u>128,432</u>
Change in net assets	(228,035)	(133,932)
Net assets, beginning of year	<u>2,846,119</u>	<u>2,980,051</u>
Net assets, end of year	<u>\$ 2,618,084</u>	<u>\$ 2,846,119</u>

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

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2009

	<u>2009</u>	<u>Comparative Totals 2008</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Return of surplus	\$ 2,945,700	\$ 2,775,100
Sales and services	228,833	320,418
Payments to suppliers	(1,892,948)	(1,914,351)
Payments to employees	(1,261,031)	(1,283,591)
	<u>20,554</u>	<u>(102,424)</u>
Net cash provided by (used for) operating activities		
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>		
Purchase of equipment	(65,055)	(151,311)
	<u>(65,055)</u>	<u>(151,311)</u>
Net cash used for capital and related financing activities		
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Investment income	50,741	146,839
	<u>50,741</u>	<u>146,839</u>
Net cash provided by investing activities		
Net increase (decrease) in cash and cash equivalents	6,240	(106,896)
Cash and cash equivalents, beginning of year	<u>2,579,029</u>	<u>2,685,925</u>
Cash and cash equivalents, end of year	<u>\$ 2,585,269</u>	<u>\$ 2,579,029</u>

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

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2009

	2009	Comparative Totals 2008
<u>RECONCILIATION OF OPERATING (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</u>		
Operating (loss)	\$ (272,486)	\$ (262,364)
Adjustments to reconcile operating (loss) to net cash provided by (used for) operating activities:		
Depreciation	115,705	104,798
(Increase) decrease in receivables	12,058	(43,352)
Increase (decrease) in accounts payable	(31,549)	57,466
Increase in accrued payroll	5,598	4,282
Increase (decrease) in amounts due to other auxiliary organizations	(23,013)	45,766
Increase in accrued compensated absences	11,870	1,871
Increase (decrease) in amounts due to the University	82,179	(135,599)
Increase in unfunded OPEB obligation	120,192	124,708
	\$ 20,554	\$ (102,424)

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

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES

The Santos Manuel Student Union of California State University, San Bernardino (the Student Union) is a not-for-profit organization incorporated on November 18, 1977, under the laws of the State of California. The Student Union is an auxiliary organization (component unit) of the California State University and Colleges as defined under Section 89901 of the Education Code of the State of California and California Administrative Code, Title 5, Section 42400. The Student Union was formed to finance, operate and construct a campus union facility at California State University, San Bernardino as a student body center for the benefit of the students, faculty, staff, alumni and guests of the University in order to promote and assist the educational programs of the University. The Student Union performs these functions under an operating agreement with Trustees of the California State University (the Trustees). The Student Union agrees to apply the funds and properties it receives exclusively towards these purposes and to obtain written approval of the Trustees prior to initiating any additional functions. The operating agreement expired August 31, 2007. A new operating agreement was entered into effective September 1, 2007 through August 31, 2012.

Reporting Entity

Accounting principles generally accepted in the United States of America require that these financial statements present the accounts of the Student Union and any of its component units. Component units are legally separate entities for which the Student Union is considered to be financially accountable or otherwise has a relationship, which is such that the exclusion of the entity would cause the financial statements to be misleading. Blended component units are considered, in substance, part of the Student Union's operations, so the accounts of these entities are to be combined with the data of the Student Union. Component units, which do not meet these requirements, are reported in the financial statements as discrete units to emphasize their separate legal status. The Student Union has determined that it is not financially accountable for, nor has any other relationship with, any other organization, which would require its inclusion in these financial statements. However, the Student Union is a component unit of California State University, San Bernardino.

Fund Accounting

The accounts of the Student Union are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and uses them to aid management in demonstrating compliance with finance-related legal and contractual provisions. The Student Union's financial statements include only an enterprise fund, which is a proprietary fund type. Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the Board has decided that the determination of revenues earned, costs incurred and/or change in net assets is necessary for management accountability.

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES (continued)

Basis of Accounting

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Pursuant to GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting, the Student Union has elected not to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Student Union are the mandatory fees collected from the students at California State University, San Bernardino. Operating expenses for the Student Union include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Cash and Investments

The Student Union's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of purchase.

Investments are reported at fair value.

Accounts Receivable

Accounts receivable are carried at their estimated collectible amounts. Credit is generally extended on a short-term basis; thus accounts receivable do not bear interest.

Receivable balances are periodically reviewed for collectibility based on past credit history with customers and their current financial condition. Management makes the determination concerning the amounts to be written off on a case by case basis.

Property and Equipment

Property and equipment is carried at cost. The Student Union's policy is to capitalize additions and improvements in excess of \$1,500 that significantly add to productive capacity or extend the useful life of an asset. Repairs and maintenance are charged to operations as incurred. Costs and related allowances for depreciation of property and equipment sold or otherwise retired are eliminated from the accounts and gains or losses on disposition are included in income. Contributed assets, if any, are stated at fair market value at the time received by the Student Union. Depreciation is provided on the straight-line method over the estimated useful lives of five to fifteen years.



SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 1: NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES (continued)

Income Taxes

The Student Union is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and is classified as an organization that is not a private foundation. A comparable exemption has been granted by the State of California under the Revenue and Taxation Code 23701(d).

Use of Estimates

The preparation of these financial statements requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Restricted Net Assets

This component of net assets consists of constraints placed on net assets use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

NOTE 2: CASH AND INVESTMENTS

Cash and investments as of June 30, 2009 are classified in the accompanying financial statements as follows:

Statement of Net Assets:

Current Assets:

Cash and cash equivalents	\$ 56,951
Short-term investments	<u>2,528,318</u>
Total Cash and Investments	<u><u>\$ 2,585,269</u></u>

Cash and investments as of June 30, 2009 consist of the following:

Cash on hand	\$ 1,200
Deposits with financial institutions	55,751
Investments	<u>2,528,318</u>
Total Cash and Investments	<u><u>\$ 2,585,269</u></u>

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 2: CASH AND INVESTMENTS (continued)

Investments

At June 30, 2009, the Student Union's investment portfolio consists primarily of investments held in the California State University Investment Pool, an internal investment pool, as well as interest-bearing accounts held in the State Treasury. For the California State University Investment Pool, separate accounting is maintained as to the amounts allocable to the various funds and programs.

Investment Policy

State law and regulations require that surplus monies of the Student Union must be invested. The primary objective of the investment policy is to safeguard the principal. The secondary objective is to meet the liquidity needs of the Student Union. The third objective is to return an acceptable yield. The investment policy authorizes funds held in local trust accounts under Education Code Sections 89721 and 89724 to be invested in any of the securities authorized by Government Code Section 16430 and Education Code Section 89724, subject to certain limitations. In general, the investment policy permits investments in obligations of the federal and California state governments, certificates of deposit, and certain other investment instruments.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Student Union manages its exposure to interest rate risk is that the pool purchases a combination of short-term and mid-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or nearing maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 2: CASH AND INVESTMENTS (continued)

The following table presents the fair value, weighted average maturity, and actual rating by investment type of the Student Union's investment portfolio as of June 30, 2009:

Investment Type	Fair Value	WAM (Years)	Ratings as of Year-End				Not Rated
			AAA	AA	A	BBB	
Money Market Mutual Funds	\$ 44,106	-	\$ 44,106	\$ -	\$ -	\$ -	\$ -
Certificates of Deposit	28,809	0.27	3,426	-	25,383	-	-
US Agencies	399,810	0.56	124,148	-	275,662	-	-
Corporate and Fixed Income	408,970	1.60	212,326	67,506	101,148	21,141	6,849
US Treasury	22,522	0.64	2,039	-	20,483	-	-
Mortgage Backed Securities	27,620	10.85	27,620	-	-	-	-
LAIF	1,596,481	0.64	-	-	-	-	1,596,481
<b>Total</b>	<b>\$2,528,318</b>		<b>\$ 413,665</b>	<b>\$ 67,506</b>	<b>\$ 422,676</b>	<b>\$ 21,141</b>	<b>\$1,603,330</b>

Concentration of Credit Risk

The investment policy of the Student Union contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. At June 30, 2009 the investments in any one issuer (other than external pools) that represent 5% or more of total Student Union investments are as follows:

Issuer	Investment Type	Reported Amount
Federal Home Loan Bank	Federal agency securities	\$ 150,053
Freddie Mac	Federal agency securities	\$ 141,713

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that in the event of the failure of the counter party to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Student Union's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 2: CASH AND INVESTMENTS (continued)

As of June 30, 2009, the Student Union had no deposits with financial institutions in excess of federal depository insurance limits.

Investment in State Investment Pool

The Student Union is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The Student Union's investment in this pool is reported in the accompanying financial statements at cost which approximates fair value at amounts based upon the Student Union's pro-rata share of the fair value provided by LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Leasehold improvements	\$ 284,821	\$ -	\$ -	\$ 284,821
Equipment, furniture and fixtures	689,481	65,055	(33,618)	720,918
Total capital assets, being depreciated	<u>974,302</u>	<u>65,055</u>	<u>(33,618)</u>	<u>1,005,739</u>
Less accumulated depreciation for:				
Leasehold improvements	(79,515)	(19,973)	-	(99,488)
Equipment, furniture and fixtures	(329,512)	(95,732)	32,986	(392,258)
Total accumulated depreciation	<u>(409,027)</u>	<u>(115,705)</u>	<u>32,986</u>	<u>(491,746)</u>
Net capital assets	<u>\$ 565,275</u>	<u>\$ (50,650)</u>	<u>\$ (632)</u>	<u>\$ 513,993</u>

Depreciation expense for the year ended June 30, 2009 was \$115,705.

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 4:      STUDENT UNION FEES

On April 30, 2002 the Trustees of the California State University issued the Student Union Revenue Bonds, Series 2002 A to refund Series B bonds which were issued to finance the construction, repair and maintenance of the Student Union facility. Bonds outstanding at June 30, 2009 amounted to \$2,245,000.

On April 14, 2005 the Trustees of the California State University issued the Student Union Revenue Bonds, Series 2005 A Expansion Project. The Bonds were issued to refund the Revenue Bond Anticipation Notes issued on May 21, 2004 for the Student Union expansion project and on June 7, 2004 for the Student Recreation Center project. Bonds outstanding at June 30, 2009 were \$26,615,000.

These financial statements do not include the Student Union Facility or the Recreation Center, the liability for debt incurred to finance either of the facilities or any reserves or other assets, liabilities or activities related to debt service.

The Student Union fees that are collected are deposited into a campus trust fund, where they are returned to the Santos Manuel Student Union as a lump sum on an annual basis for the payment of expenses related to Student Union and Recreation Center expenses.

NOTE 5:      RELATED PARTY AND ECONOMIC DEPENDENCY

As discussed in Note 1, the Student Union operates under an agreement with the Trustees of the California State University, San Bernardino as an auxiliary organization of the University. Since the overwhelming majority of the Student Union's revenues and assets are dependent on its relationship with the University and its operating agreement with the Trustees, loss of this agreement would have a serious and significant impact on the Student Union's operations and financial condition.

The University also provides accounting services, utilities and various services for the Student Union. Amounts paid or accrued for these services amounted to \$857,794 for the year ended June 30, 2009. The amounts due to the University for these services as of June 30, 2009 were \$148,025.

NOTE 6:      LEASING ARRANGEMENTS

The Student Union also rents out its facilities to students, the University and community organizations as available on a day-to-day basis. Total rents from this usage amounted to \$71,623 for the year ended June 30, 2009.

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 7: DEFINED BENEFIT PENSION PLAN (PERS)

**Plan Description**

The Student Union contributes to the California Public Employees' Retirement System (PERS), a multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and Student Union regulations. Copies of PERS' annual financial report may be obtained from their executive office: 400 "P" Street, Sacramento, California 95814.

**Funding Policy**

Participants are required to contribute 7% of their annual covered salary. Employee contributions amounted to \$46,481 for the year ended June 30, 2009. The Student Union is required to contribute at an actuarially determined rate; the current rate is 15.879% of annual covered payroll. The contribution requirements of plan members and the Student Union are established and may be amended by PERS.

**Annual Pension Cost**

For 2009, the Student Union's annual pension cost of \$96,595 for PERS was equal to the required and actual contributions. The required contribution was determined as part of the June 30, 2006 actuarial valuation using the entry age normal actuarial cost method.

THREE YEAR TREND INFORMATION FOR PERS

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/07	\$ 70,708	100%	\$ -
6/30/08	\$ 85,970	100%	\$ -
6/30/09	\$ 96,595	100%	\$ -

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 8: OTHER POST EMPLOYMENT BENEFITS

**Plan Description**

The Santos Manuel Student Union provides medical and dental plan coverage for retirees and their eligible surviving dependents. This coverage is available for employees who satisfy the requirements for retirement under the California Public Employees' Retirement System (PERS), which is age 50 or older with at least five years of State or public agency service. The healthcare coverage provided by PERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

Dental benefits are provided through Met Life and medical plan benefits are provided through PERS, as permitted by the Public Employees' Medical and Hospital and Care Act (PEMHCA). As a PEMHCA employer, the Student Union has selected the equal contribution method, where it is obligated to contribute the same amount for retirees as contributed toward active employee medical plan coverage. The Student Union currently pays the full medical plan premium for employees and their dependents not to exceed the maximum of \$1,252 per month.

**Funding Policy**

The contribution requirements of the Student Union are established and may be amended by the Board of Directors. The required contribution is based on pay-as-you-go financing requirements. For fiscal year 2008-09, the Student Union contributed \$27,002 to the plan, which was 100% of the total current premiums.

**Annual OPEB Cost and Net OPEB Obligation**

The Student Union's annual other OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) not to exceed thirty years. The following table shows the components of the Student Union's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Student Union's net OPEB obligation:

	<u>June 30, 2009</u>
Annual required contribution	\$ 145,822
Interest on net OPEB obligation	5,612
Adjustment to annual required contribution	<u>(4,240)</u>
Annual OPEB cost (expense)	147,194
Contributions made	<u>(27,002)</u>
Increase in net OPEB obligation	120,192
Net OPEB obligation - beginning of year	<u>124,708</u>
Net OPEB obligation - end of year	<u><u>\$ 244,900</u></u>

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 8: OTHER POST EMPLOYMENT BENEFITS (continued)

The Student Union's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 and the two preceding years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2007	N/A	N/A	N/A
June 30, 2008	\$ 141,582	11.9%	\$ 124,708
June 30, 2009	\$ 147,194	18.3%	\$ 244,900

**Funded Status and Progress**

As of June 30, 2008, the most recent valuation date, the plan was 0.0% funded. The actuarial accrued liability for benefits was \$929,329, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$929,329 and a funded ratio (actuarial value of assets as a percentage of the actuarial accrued liability) of 0.0%. The covered payroll (annual payroll of active employees covered by plan) was \$537,912, and the ratio of the UAAL to the covered payroll was 173%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

**Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial assets, consistent with the long-term perspective of the calculations.

The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Cost Method. The actuarial assumptions included a 7.75 percent investment rate of return, which is the assumed rate of the expected long-term investment returns on plan assets calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 10 percent initially, reduced by increments of 0.5% per year to an ultimate rate of 4.5 percent after the tenth year. The UAAL is being amortized as a level percentage of projected payroll over 30 years. It is assumed the Student Union's payroll will increase 3.25% per year.



SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 9:      UNEMPLOYMENT INSURANCE TRUST

The Student Union participates in the Auxiliary Organizations Unemployment Insurance Trust, which provides unemployment compensation coverage for members. Members are individually responsible through the Trust for all unemployment claims incurred by their organization. The Trust evaluates member safe levels annually and either bills the organization or allows distributions back to the organization for excess trust balances. Contributions made and claims paid amounted to \$4,808 and \$2,799, respectively for the six months ended December 31, 2008. Condensed financial information for the trust as of December 31, 2008 is as follows:

Total assets	\$ 10,440,242
Total liabilities	<u>484,607</u>
Trust balance	<u>\$ 9,955,635</u>
Total revenues	\$ (611,822)
Total expenses	<u>918,921</u>
Net (decrease) in trust balance	<u>\$ (1,530,743)</u>

The Student Union's portion of the trust balance was \$20,547 at December 31, 2008.

OTHER SUPPLEMENTARY INFORMATION

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

ORGANIZATIONAL DATA

JUNE 30, 2009

Officers – 2008-2009

Sheree Baugh	-	Chair
Doris Ekanem	-	Vice Chair
Andre Overstreet	-	Secretary
Crystal Jordan	-	Controller

Faculty Representatives

Dr. Scott Zenter  
Johanna Smith

Student Representatives

Stephanie Esquer  
Kyle Richardson

Alumni Representative

Fatima Cristerna

ASI President

Jeremy Vasquez

ASI Vice President

Tyree Vance

University Administrative Representative

Bob Wilson

President's Designee

Dr. Frank L. Rincon

Executive Director

Interim

Helga Kray

SANTOS MANUEL STUDENT UNION OF  
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

SCHEDULE OF OPERATING EXPENSES BY FUNCTION

JUNE 30, 2009

	Student Services							Auxiliary Enterprises										Grand Total			
	Program Board	Women's Resource Center	Cross Cultural Center	Adult Re-Entry Center	Recreation Center	Game Room	Pride Center	Subtotal	Administration and Personnel Services	Student Union Operations	Maintenance	Palm Desert Campus	Board of Directors	Graphics	Scheduling	Audio Visual	Technology		Depreciation	Subtotal	
Salaries, wages & stipends	\$ 33,693	\$ 31,335	\$ 91,398	\$ 50,411	\$ 381,151	\$ -	\$ 58,877	\$ 646,865	\$ 320,600	\$ 2,000	\$ 127,182	\$ -	\$ -	\$ 42,127	\$ 105,933	\$ 17,698	\$ 16,094	\$ -	\$ 631,634	\$ 1,278,499	
Employee benefits & taxes	-	-	-	-	48,806	-	-	48,806	-	228,309	-	-	-	-	-	-	-	-	228,309	277,115	
OPEB expense	-	-	-	-	-	-	-	-	120,192	-	-	-	-	-	-	-	-	-	120,192	120,192	
Communications	-	-	-	-	15,427	-	-	15,427	(215)	11,828	-	-	-	-	-	-	-	-	11,613	27,040	
Utilities	-	-	-	-	166,663	-	-	166,663	-	294,974	-	3,563	-	-	-	-	-	-	298,537	465,200	
Travel	4,171	1,291	2,212	2,925	31,331	752	1,134	43,816	13,822	15,463	3,149	-	3,281	2,302	235	132	-	-	38,384	82,200	
Equipment	-	844	-	2,532	(2,555)	-	1,688	2,509	-	10,618	1,573	4,445	-	(2,381)	-	2,936	3,639	-	20,830	23,339	
Postage	-	-	-	-	356	-	-	356	-	1,321	-	-	-	-	-	-	-	-	1,321	1,677	
Supplies & services	3,051	3,568	13,100	2,621	289,163	1,713	2,301	315,517	27,789	4,374	79,249	318	1,139	11,587	4,835	885	118	-	130,294	445,811	
Duplicating	-	-	-	-	6,243	-	-	6,243	-	-	-	-	-	40	-	-	-	-	40	6,283	
Accounting fees	-	-	-	-	(339)	-	-	(339)	-	87,965	-	-	-	-	-	-	-	-	87,965	87,626	
Audit fees	-	-	-	-	-	-	-	-	-	5,900	-	-	-	-	-	-	-	-	5,900	5,900	
Professional fees	-	-	-	-	-	-	-	-	19,000	2,000	-	-	-	-	-	-	-	-	21,000	21,000	
Hospitality	2,445	774	4,069	306	12,459	-	2,090	22,143	1,463	1,112	83	-	1,825	294	144	-	-	-	4,921	27,064	
Specialized training	-	-	-	-	4,478	-	-	4,478	-	197	-	-	-	14	-	-	-	-	-	211	4,689
Insurance	-	-	-	-	-	-	-	-	-	24,408	-	-	-	-	-	-	-	-	24,408	24,408	
Repairs & maintenance	-	-	-	-	-	-	-	-	-	100,306	-	-	-	-	-	-	-	-	100,306	100,306	
Advertising	-	80	-	80	14,266	877	-	15,303	-	-	-	-	-	-	2,565	-	-	-	2,565	17,868	
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	115,705	-	115,705	115,705	
Rental expense	-	-	-	-	-	-	-	-	-	3,029	-	-	-	-	-	-	-	-	3,029	3,029	
Program expenses	37,374	18,582	41,020	23,211	41,183	-	17,771	179,141	-	1,613	(750)	-	1,382	237	-	-	-	-	2,482	181,623	
Campus services	-	-	-	-	115,104	-	-	115,104	-	852	-	-	-	-	-	-	-	-	852	115,956	
Resource materials	-	422	351	987	-	-	247	2,007	62	77	70	-	146	69	-	-	-	-	424	2,431	
	<u>\$ 80,734</u>	<u>\$ 56,896</u>	<u>\$ 152,150</u>	<u>\$ 83,073</u>	<u>\$ 1,123,736</u>	<u>\$ 3,342</u>	<u>\$ 84,108</u>	<u>\$ 1,584,039</u>	<u>\$ 502,713</u>	<u>\$ 796,346</u>	<u>\$ 210,556</u>	<u>\$ 8,326</u>	<u>\$ 7,773</u>	<u>\$ 54,249</u>	<u>\$ 113,752</u>	<u>\$ 21,651</u>	<u>\$ 19,851</u>	<u>\$ 115,705</u>	<u>\$ 1,850,922</u>	<u>\$ 3,434,961</u>	

**Santos Manuel Student Union**  
Schedule of Net Assets  
June 30, 2009  
(for inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	\$ 56,951
Short-term investments	2,528,318
Accounts receivable, net	63,976
Leases receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net	—
Prepaid expenses and other assets	6,583
Total current assets	<u>2,655,828</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	513,993
Other assets	—
Total noncurrent assets	<u>513,993</u>
Total assets	<u>3,169,821</u>
Liabilities:	
Current liabilities:	
Accounts payable	229,156
Accrued salaries and benefits payable	30,445
Accrued compensated absences – current portion	47,236
Deferred revenue	—
Capitalized lease obligations – current portion	—
Long-term debt obligations – current portion	—
Self-insurance claims liability – current portion	—
Other liabilities	—
Total current liabilities	<u>306,837</u>
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	—
Deferred revenue	—
Grants refundable	—
Capitalized lease obligations, net of current portion	—
Long-term debt obligations, net of current portion	—
Self-insurance claims liabilities, net of current portion	—
Depository accounts	—
Other postemployment benefits obligation	244,900
Other liabilities	—
Total noncurrent liabilities	<u>244,900</u>
Total liabilities	<u>551,737</u>
Net assets:	
Invested in capital assets, net of related debt	513,993
Restricted for:	
Nonexpendable – endowments	—
Expendable:	
Scholarships and fellowships	—
Research	—
Loans	—
Capital projects	—
Debt service	—
Other	2,084,091
Unrestricted	20,000
Total net assets	<u>\$ 2,618,084</u>

**Santos Manuel Student Union**  
Schedule of Revenues, Expenses, and Changes in Net Assets  
Year Ended June 30, 2009  
(for inclusion in the California State University)

Revenues:	
Operating revenues:	
Student tuition and fees (net of scholarship allowances of \$_____)	\$ —
Grants and contracts, noncapital:	
Federal	—
State	—
Local	—
Nongovernmental	—
Sales and services of educational activities	—
Sales and services of auxiliary enterprises (net of scholarship allowances of \$_____)	3,162,475
Other operating revenues	—
Total operating revenues	<u>3,162,475</u>
Expenses:	
Operating expenses:	
Instruction	—
Research	—
Public service	—
Academic support	—
Student services	1,584,039
Institutional support	—
Operation and maintenance of plant	—
Student grants and scholarships	—
Auxiliary enterprise expenses	1,735,217
Depreciation and amortization	115,705
Total operating expenses	<u>3,434,961</u>
Operating income (loss)	<u>(272,486)</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	—
Gifts, noncapital	—
Investment income (loss), net	45,625
Endowment income	—
Interest expenses	—
Other nonoperating revenues (expenses)	(1,174)
Net nonoperating revenues (expenses)	<u>44,451</u>
Income (loss) before other additions	(228,035)
State appropriations, capital	—
Grants and gifts, capital	—
Additions (reductions) to permanent endowments	—
Increase (decrease) in net assets	<u>(228,035)</u>
Net assets:	
Net assets at beginning of year, as previously reported	2,846,119
Restatements	—
Net assets at beginning of year, as restated	<u>2,846,119</u>
Net assets at end of year	<u>\$ 2,618,084</u>

**Santos Manuel Student Union**  
 Other Information  
 June 30, 2009  
 (for inclusion in the California State University)

**1 Restricted cash and cash equivalents at June 30, 2009:**  
 Portion of restricted cash and cash equivalents related to endowments  
 All other restricted cash and cash equivalents  
 Total restricted cash and cash equivalents

	\$
	---
	\$
	---

**2.1 Composition of investments at June 30, 2009:**

	Current Unrestricted	Current Restricted	Total Current	Noncurrent Unrestricted	Noncurrent Restricted	Total Noncurrent	Total
State of California Surplus Money Investment Fund (SMIF)	1,596,481	---	1,596,481	---	---	---	1,596,481
State of California Local Agencies Investment Fund (LAIIF)	---	---	---	---	---	---	---
Wachovia Short Term Fund	---	---	---	---	---	---	---
Wachovia Medium Term Fund	---	---	---	---	---	---	---
Wachovia Equity Fund	---	---	---	---	---	---	---
US Bank SMIF Fund	931,837	---	931,837	---	---	---	931,837
Common Fund - Short Term Fund	---	---	---	---	---	---	---
Common Fund - Others	---	---	---	---	---	---	---
Debt securities	---	---	---	---	---	---	---
Equity securities	---	---	---	---	---	---	---
Fixed income securities (Treasury notes, GNMA's)	---	---	---	---	---	---	---
Land and other real estate	---	---	---	---	---	---	---
Certificates of deposit	---	---	---	---	---	---	---
Notes receivable	---	---	---	---	---	---	---
Mutual funds	---	---	---	---	---	---	---
Collateralized mortgage obligations	---	---	---	---	---	---	---
Inverse floaters	---	---	---	---	---	---	---
Interest-only strips	---	---	---	---	---	---	---
Agency pass through	---	---	---	---	---	---	---
Private pass through	---	---	---	---	---	---	---
Other major investments	---	---	---	---	---	---	---
<b>Total investments</b>	2,528,318	---	2,528,318	---	---	---	2,528,318
<b>Less endowment investments (enter as negative number)</b>	---	---	---	---	---	---	---
<b>Total investments</b>	2,528,318	---	2,528,318	---	---	---	2,528,318

**Sanjos Manuel Student Union**  
 Other Information  
 June 30, 2009  
 (for inclusion in the California State University)

**2.2 - Investments held by the University under contractual**

agreements at June 30, 2009 :  
 Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2009 :

**2.3 - Restricted current investments at June 30, 2009 related to:**

- Add description
- Add description
- Add description
- Add description
- Add description
- Add description
- Add description
- Add description
- Add description

**Amount**

**Total restricted current investments at June 30, 2009**

**2.4 - Restricted noncurrent investments at June 30, 2009 related to:**

- Add description
- Add description
- Add description
- Add description
- Add description
- Add description
- Add description
- Add description
- Add description

**Amount**

**Total restricted noncurrent investments at June 30, 2009**



**Santos Manuel Student Union**

Other Information

June 30, 2009

(for inclusion in the California State University)

**3.1 Composition of capital assets at June 30, 2009:**

	Balance June 30, 2008	Prior period Adjustments	Reclassifications	Balance June 30, 2008 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2009
<b>Nondepreciable capital assets:</b>								
Land and land improvements	—	—	—	—	—	—	—	—
Works of art and historical treasures	—	—	—	—	—	—	—	—
Construction work in progress (CWIP)	—	—	—	—	—	—	—	—
<b>Total nondepreciable capital assets</b>	—	—	—	—	—	—	—	—
<b>Depreciable capital assets:</b>								
Buildings and building improvements	284,821	—	—	284,821	—	—	—	284,821
Improvements, other than buildings	—	—	—	—	—	—	—	—
Infrastructure	—	—	—	—	—	—	—	—
Leasehold improvements	—	—	—	—	—	—	—	—
Personal property	689,481	—	—	689,481	65,055	(33,618)	—	720,918
Equipment	—	—	—	—	—	—	—	—
Library books and materials	—	—	—	—	—	—	—	—
<b>Intangible assets</b>	—	—	—	—	—	—	—	—
<b>Total depreciable capital assets</b>	974,302	—	—	974,302	65,055	(33,618)	—	1,005,739
<b>Total capital assets</b>	974,302	—	—	974,302	65,055	(33,618)	—	1,005,739
<b>Less accumulated depreciation:</b>								
Buildings and building improvements	(79,515)	—	—	(79,515)	(19,973)	—	—	(99,488)
Improvements, other than buildings	—	—	—	—	—	—	—	—
Infrastructure	—	—	—	—	—	—	—	—
Leasehold improvements	—	—	—	—	—	—	—	—
Personal property	(329,512)	—	—	(329,512)	(95,732)	32,986	—	(392,258)
Equipment	—	—	—	—	—	—	—	—
Library books and materials	—	—	—	—	—	—	—	—
<b>Intangible assets</b>	—	—	—	—	—	—	—	—
<b>Total accumulated depreciation</b>	(409,027)	—	—	(409,027)	(115,705)	32,986	—	(491,746)
<b>Total capital assets, net</b>	565,275	—	—	565,275	(50,650)	(632)	—	513,993

**3.2 - Detail of depreciation and amortization expense for the year ended June 30, 2009:**

Depreciation and amortization expense related to capital assets	\$ 115,705
Amortization expense related to other assets	—
<b>Total depreciation and amortization</b>	<b>\$ 115,705</b>

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4 Long-term liabilities activity schedule:

	Balance June 30, 2008	Prior period adjustments	Reclassifications	Balance June 30, 2008 (restated)	Additions	Reductions	Balance June 30, 2009	Current portion	Long-term portion
\$	35,363	--	--	35,363	32,317	(20,444)	47,236	47,236	--
Accrued compensated absences	--	--	--	--	--	--	--	--	--
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	--	--	--	--	--	--	--	--	--
Other:									
Description	--	--	--	--	--	--	--	--	--
Description	--	--	--	--	--	--	--	--	--
Description	--	--	--	--	--	--	--	--	--
Description	--	--	--	--	--	--	--	--	--
Description	--	--	--	--	--	--	--	--	--
Description	--	--	--	--	--	--	--	--	--
Total long-term debt obligations	--	--	--	--	--	--	--	--	--
Unamortized bond premium / (discount)	--	--	--	--	--	--	--	--	--
Unamortized loss on refunding	--	--	--	--	--	--	--	--	--
Total long-term debt obligations, net	--	--	--	--	--	--	--	--	--
Total long-term liabilities	35,363	--	--	35,363	32,317	(20,444)	47,236	47,236	--

5 Future minimum lease payments - capital lease obligations:

Year ending June 30	Principal	Interest	Principal and Interest
2010	--	--	--
2011	--	--	--
2012	--	--	--
2013	--	--	--
2014	--	--	--
2015 - 2019	--	--	--
2020 - 2024	--	--	--
2025 - 2029	--	--	--
2030 - 2034	--	--	--
2035 - 2039	--	--	--
2040 - 2044	--	--	--
2045 - 2049	--	--	--
2050 - 2054	--	--	--
2055 - 2059	--	--	--
Total minimum lease payments	--	--	--
Less amounts representing interest	--	--	--
Present value of future minimum lease payments	--	--	--
Less: current portion	--	--	--
<b>Capitalized lease obligation, net of current portion</b>			\$

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6 Long term debt obligation schedule

Year ending June 30:	Revenue Bonds		All other long-term debt obligations		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	—	—	—	—	—	—
2011	—	—	—	—	—	—
2012	—	—	—	—	—	—
2013	—	—	—	—	—	—
2014	—	—	—	—	—	—
2015 - 2019	—	—	—	—	—	—
2020 - 2024	—	—	—	—	—	—
2025 - 2029	—	—	—	—	—	—
2030 - 2034	—	—	—	—	—	—
2035 - 2039	—	—	—	—	—	—
2040 - 2044	—	—	—	—	—	—
2045 - 2049	—	—	—	—	—	—
2050 - 2054	—	—	—	—	—	—
2055 - 2059	—	—	—	—	—	—
Total	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

7 Calculation of net assets

	Auxiliary Organizations		Total
	GASB	FASB	
7.1 Calculation of net assets - invested in capital assets, net of related debt			
Capital assets, net of accumulated depreciation	\$ 513,993	—	\$ 513,993
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:			
(description)	—	—	—
(description)	—	—	—
(description)	—	—	—
(description)	—	—	—
(description)	—	—	—
Net assets - invested in capital assets, net of related debt	\$ 513,993	—	\$ 513,993

7.2 Calculation of net assets - Restricted for nonexpendable - endowments

Portion of restricted cash and cash equivalents related to endowments	\$ —	—	—
Endowment investments	—	—	—
Other adjustments: (please list)	—	—	—
Net assets - Restricted for nonexpendable - endowments per SNA	\$ —	—	\$ —

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8 Transactions with Related Entities

Reimbursements to University for salaries of University personnel working on contracts, grants, and other programs	\$	857,794
Reimbursements to University for other than salaries of University personnel		---
Payments received from University for services, space, and programs		---
Gifts-in-kind to the University from Auxiliary Organizations		---
Gifts (cash or assets) to the University from recognized Auxiliary Organizations		---
Accounts (payable to) University (enter as negative number)		(148,025)
Other amounts (payable to) University (enter as negative number)		---
Accounts receivable from University		---
Other amounts receivable from University		---

9 Other Postemployment Benefits Obligation (OPEB)

Annual required contribution (ARC)	\$	147,194
Contributions during the year		(27,002)
Increase (decrease) in net OPEB obligation (NOO)		120,192
NOO - beginning of year		124,708
NOO - end of year	\$	244,900

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	---
Total pollution remediation liabilities	\$
Less: current portion	---
Pollution remediation liabilities, net of current portion	---

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

Net Asset Class	Amount Dr. (Cr.)
Net assets as of June 30, 2008, as previously reported	\$ 2,846,119
Prior period adjustments:	
1 (list description of each adjustment)	—
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 assets as of June 30, 2008, as restated	\$ 2,846,119

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

Net asset class:	Debit	Credit
1 (breakdown of adjusting journal entry)	\$ —	—
Net asset class:		
2 (breakdown of adjusting journal entry)	—	—
Net asset class:		
3 (breakdown of adjusting journal entry)	—	—
Net asset class:		
4 (breakdown of adjusting journal entry)	—	—
Net asset class:		
5 (breakdown of adjusting journal entry)	—	—
Net asset class:		
6 (breakdown of adjusting journal entry)	—	—
Net asset class:		
7 (breakdown of adjusting journal entry)	—	—
Net asset class:		
8 (breakdown of adjusting journal entry)	—	—
Net asset class:		
9 (breakdown of adjusting journal entry)	—	—
Net asset class:		
10 (breakdown of adjusting journal entry)	—	—