

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Statement of Net Position

June 30, 2019

(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 21	8,238	8,259
Short-term investments	73,913	21,365	95,278
Accounts receivable, net	8,487	11,425	19,912
Capital lease receivable, current portion	—	—	—
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	1,568	1,568
Prepaid expenses and other current assets	1,562	38	1,600
Total current assets	<u>83,983</u>	<u>42,634</u>	<u>126,617</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	—	—
Accounts receivable, net	1,659	—	1,659
Capital lease receivable, net of current portion	—	—	—
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	1,499	—	1,499
Pledges receivable, net	—	—	—
Endowment investments	—	41,118	41,118
Other long-term investments	41,945	5,425	47,370
Capital assets, net	457,473	6,302	463,775
Other assets	101	201	302
Total noncurrent assets	<u>502,677</u>	<u>53,046</u>	<u>555,723</u>
Total assets	<u>586,660</u>	<u>95,680</u>	<u>682,340</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>85,243</u>	<u>3,172</u>	<u>88,415</u>
Liabilities			
Current liabilities:			
Accounts payable	13,113	6,499	19,612
Accrued salaries and benefits	13,354	734	14,088
Accrued compensated absences, current portion	5,154	336	5,490
Unearned revenues	4,210	3,728	7,938
Capital lease obligations, current portion	650	—	650
Long-term debt obligations, current portion	5,430	—	5,430
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	854	—	854
Other liabilities	8,001	1,609	9,610
Total current liabilities	<u>50,766</u>	<u>12,906</u>	<u>63,672</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	4,386	336	4,722
Unearned revenues	—	—	—
Grants refundable	1,293	—	1,293
Capital lease obligations, net of current portion	559	—	559
Long-term debt obligations, net of current portion	232,959	—	232,959
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	449,459	4,235	453,694
Net pension liability	290,476	4,631	295,107
Other liabilities	154	4,457	4,611
Total noncurrent liabilities	<u>979,286</u>	<u>13,659</u>	<u>992,945</u>
Total liabilities	<u>1,030,052</u>	<u>26,565</u>	<u>1,056,617</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>99,872</u>	<u>1,743</u>	<u>101,615</u>
Net Position			
Net position:			
Net investment in capital assets	232,419	6,302	238,721
Restricted for:			
Nonexpendable – endowments	—	41,118	41,118
Expendable:			
Scholarships and fellowships	—	—	—
Research	—	—	—
Loans	965	—	965
Capital projects	1,719	—	1,719
Debt service	1,990	—	1,990
Others	10	13,296	13,306
Unrestricted	(695,124)	9,828	(685,296)
Total net position	<u>\$ (458,021)</u>	<u>70,544</u>	<u>(387,477)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
Statement of Revenues, Expenses, and Changes in Net Position
Year ended June 30, 2019
(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$89,538)	\$ 62,788	1,750	—	64,538
Grants and contracts, noncapital:				
Federal	—	19,966	—	19,966
State	—	11,856	—	11,856
Local	—	2,431	—	2,431
Nongovernmental	—	511	—	511
Sales and services of educational activities	147	—	—	147
Sales and services of auxiliary enterprises (net of scholarship allowances of \$7,106)	11,117	46	—	11,163
Other operating revenues	8,434	10,693	—	19,127
Total operating revenues	<u>82,486</u>	<u>47,253</u>	<u>—</u>	<u>129,739</u>
Expenses:				
Operating expenses:				
Instruction	131,791	202	—	131,993
Research	(40)	17,306	—	17,266
Public service	681	6,157	—	6,838
Academic support	29,470	180	—	29,650
Student services	32,824	12,930	—	45,754
Institutional support	52,408	2,177	—	54,585
Operation and maintenance of plant	30,530	—	—	30,530
Student grants and scholarships	44,972	1,574	(1,214)	45,332
Auxiliary enterprise expenses	17,016	8,371	—	25,387
Depreciation and amortization	21,575	663	—	22,238
Total operating expenses	<u>361,227</u>	<u>49,560</u>	<u>(1,214)</u>	<u>409,573</u>
Operating loss	<u>(278,741)</u>	<u>(2,307)</u>	<u>1,214</u>	<u>(279,834)</u>
Nonoperating revenues (expenses):				
State appropriations, noncapital	139,128	—	—	139,128
Federal financial aid grants, noncapital	57,829	—	—	57,829
State financial aid grants, noncapital	43,994	—	—	43,994
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	1,214	—	(1,214)	—
Other federal nonoperating grants, noncapital	85	—	—	85
Gifts, noncapital	6	4,766	—	4,772
Investment income, net	4,108	2,546	—	6,654
Endowment income (loss), net	—	—	—	—
Interest expense	(8,041)	—	—	(8,041)
Other nonoperating revenues	8,261	317	—	8,578
Net nonoperating income	<u>246,584</u>	<u>7,629</u>	<u>(1,214)</u>	<u>252,999</u>
Income (loss) before other revenues	<u>(32,157)</u>	<u>5,322</u>	<u>—</u>	<u>(26,835)</u>
State appropriations, capital	1,659	—	—	1,659
Grants and gifts, capital	238	—	—	238
Additions to permanent endowments	—	1,723	—	1,723
Increase (decrease) in net position	<u>(30,260)</u>	<u>7,045</u>	<u>—</u>	<u>(23,215)</u>
Net position:				
Net position at beginning of year	<u>(427,761)</u>	<u>63,499</u>	<u>—</u>	<u>(364,262)</u>
Net position at end of year	<u>\$ (458,021)</u>	<u>70,544</u>	<u>—</u>	<u>(387,477)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Statement of Cash Flows

Year ended June 30, 2019

(In thousands)

	<u>Campus</u>
Cash flows from operating activities:	
Student tuition and fees	\$ 61,482
Federal grants and contracts	—
State grants and contracts	—
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(51,306)
Payments to employees	(140,334)
Payments for benefits	(68,786)
Payments to students	(45,094)
Collections of student loans	3
Sales and services of educational activities	147
Sales and services of auxiliary enterprises	11,158
Other receipts	6,110
	<u>(226,620)</u>
Net cash used in operating activities	
Cash flows from noncapital financing activities:	
State appropriations	126,628
Federal financial aid grants	57,481
State financial aid grants	43,994
Nongovernmental and other financial aid grants	1,214
Other federal nonoperating grants	85
Gifts and grants received for other than capital purposes	6
Federal loan program receipts	59,369
Federal loan program disbursements	(58,667)
Monies received on behalf of others	8
Monies disbursed on behalf of others	(74)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on capital leases	—
Interest collections on capital leases	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	7,814
	<u>237,858</u>
Net cash provided by noncapital financing activities	
Cash flows from capital and related financing activities:	
Proceeds from capital debt	52,116
State appropriations	19
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	238
Proceeds from sale of capital assets	639
Acquisition of capital assets	(43,697)
Transfers to escrow agent	—
Principal paid on capital debt and leases	(25,297)
Interest paid on capital debt and leases	(11,245)
Principal collection on capital leases	—
Interest collection on capital leases	—
	<u>(27,227)</u>
Net cash used in capital and related financing activities	

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Statement of Cash Flows

Year ended June 30, 2019

(In thousands)

	<u>Campus</u>
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 439,734
Purchases of investments	(426,495)
Investment income proceeds	2,361
	<u>15,600</u>
Net cash provided by investing activities	(389)
Net decrease in cash and cash equivalents	410
Cash and cash equivalents at beginning of year	<u>21</u>
Cash and cash equivalents at end of year	<u>\$ 21</u>
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 21
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	<u>\$ 21</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (278,741)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	21,575
Change in assets and liabilities:	
Accounts receivable, net	(1,508)
Student loans receivable, net	(124)
Pledges receivable, net	—
Prepaid expenses and other current assets	351
Other assets	(63)
Deferred outflows of resources	64,582
Accounts payable	(1,564)
Accrued salaries and benefits	981
Accrued compensated absences	558
Unearned revenues	(254)
Depository accounts	—
Total other postemployment benefits liability	(30,976)
Net pension liability	(49,058)
Other liabilities	6
Deferred inflows of resources	47,615
Net cash used in operating activities	<u>\$ (226,620)</u>
Supplemental schedule of noncash transactions:	
State's contribution for OPEB	\$ 12,474
Change in accrued capital asset purchases	2,913
Amortization of net bond premium	1,314
Capital assets paid by the Office of the Chancellor	446
Acquisition of capital asset through capital lease obligations	208
Amortization of loss on debt refundings	129

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Transactions with Related Entities

Year ended June 30, 2019

(In thousands)

	<u>Campus</u>
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 3,599
Payments from discretely presented component units for other than salaries	6,445
Payments to discretely presented component units for services, space, and programs	2,502
Gifts in kind from discretely presented component units	—
Gifts (cash or assets) from discretely presented component units	—
Accounts receivable from discretely presented component units	3,090
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	(198)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	157
Payments to the Office of the Chancellor for state pro rata charges	63
Accounts receivable from the Office of the Chancellor	214
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	1,770
Other interagency payments or receipts for services, space, and programs	133

See accompanying independent auditors' report.