

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2021



WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

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**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
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YEAR ENDED JUNE 30, 2021**

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UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
BOARD OF DIRECTORS
JUNE 30, 2021

OFFICERS

Tomás D. Morales, Chief Executive Officer
Sam Sudhakar, Chair
Valerie Zellmer, Vice Chair
Douglas Freer, Secretary/Treasurer

BOARD MEMBERS

| | |
|----------------------|----------------------------------------------------------------|
| Tomás D. Morales | Director (University President); Board Chief Executive Officer |
| Sam Sudhakar | Director (Vice President); Board Chair |
| Valerie Zellmer | Director (Community); Vice Chair |
| Douglas Freer | Director (Vice President); Board Secretary/Treasurer |
| Jeremy Dodsworth | Director (Faculty) |
| Dorothy Chen-Maynard | Director (Community) |
| Paz Olivérez | Director (Vice President) |
| Jennifer Sorenson | Director (Staff) |
| LaNya Lyons | Director (Community) |
| Graciela Moran | Director (Student) |
| Robert Nava | Director (Vice President) |
| Shari McMahon | Director (Vice President) |
| Taewon Yang | Director (Faculty) |
| William Stevenson | Director (Community) |
| William Tooke | Director (Community) |
| Yusra Serhan | Director (Student) |
| Quinay Ross | Director (Student) |

INDEPENDENT AUDITORS' REPORT

Board of Directors
University Enterprises Corporation at CSUSB
San Bernardino, California

Report on the Financial Statements

We have audited the accompanying financial statements of University Enterprises Corporation at CSUSB (UEC), which comprise the statement of financial position as of June 30, 2021, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UEC as of June 30, 2021, 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.

Emphasis-of-Matters

Change in Accounting Principle

As discussed in Note 1 to the financial statements, UEC has adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue From Contracts with Customers (Topic 606)*. The adoption of this standard did not have a significant impact on UEC's reported historical revenue. Our opinion is not modified with respect to this matter.

Prior Period Adjustment

As discussed in Note 10 to the financial statements, an error resulting in an understatement of net assets at June 30, 2020 and 2019 was discovered during the current year. Accordingly, amounts reported in the 2020 financial statements have been restated to correct the error. Our opinion is not modified with respect to that matter.

Report on Summarized Comparative Information


We have previously audited the financial statements of University Enterprises Corporation at CSUSB as of June 30, 2020 and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 10, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of net position, the schedule of revenues, expenses, and changes in net position, and other information as listed in the table of contents are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2021, on our consideration of UEC'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 UEC'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 UEC's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Glendora, California
September 27, 2021

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR 2020)

| | 2021 | 2020 |
|------------------------------------|---------------|---------------|
| ASSETS | | |
| Cash and Cash Equivalents | \$ 5,858,075 | \$ 3,014,885 |
| Short-term Investments | 5,721,601 | 6,098,668 |
| Grants Receivable | 8,933,846 | 8,392,799 |
| Due From Related Party | 1,624,144 | 95,172 |
| Other Receivables | 131,268 | 93,244 |
| Prepaid Expenses | 114,677 | 68,205 |
| Property, Plant and Equipment, Net | 4,598,862 | 5,003,527 |
| Total Assets | \$ 26,982,473 | \$ 22,766,500 |
| LIABILITIES | | |
| Accounts Payable | \$ 2,502,994 | \$ 3,837,821 |
| Due To Related Party | 2,546,298 | 1,369,161 |
| Accrued Wages and Benefits | 816,291 | 658,603 |
| Accrued Vacation | 718,761 | 549,988 |
| Other Accrued Liabilities | 714,855 | 985,306 |
| Deferred Revenue | 6,919,221 | 3,666,736 |
| Loan Payable | 400,000 | - |
| Post-employment Medical Benefits | 1,511,264 | 3,309,384 |
| Liabilities for Pension Benefits | 3,549,384 | 2,771,633 |
| Total Liabilities | 19,679,068 | 17,148,632 |
| NET ASSETS | | |
| Without Donor Restrictions | | |
| Undesignated | 5,832,241 | 4,146,704 |
| Board-Designated | 1,471,164 | 1,471,164 |
| Total Without Donor Restrictions | 7,303,405 | 5,617,868 |
| Total Net Assets | 7,303,405 | 5,617,868 |
| Total Liabilities and Net Assets | \$ 26,982,473 | \$ 22,766,500 |

See accompanying Notes to Financial Statements.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR 2020)

| | Without Donor Restrictions | With Donor Restrictions | 2021 Total | 2020 Total |
|-------------------------------------------------------------|-------------------------------|----------------------------|---------------------|---------------------|
| REVENUES | | | | |
| Commissions | \$ 276,203 | \$ - | \$ 276,203 | \$ 724,951 |
| Grants and Contracts | 31,394,090 | - | 31,394,090 | 29,945,563 |
| Special Programs | 518,804 | - | 518,804 | 737,213 |
| Parent Fees | 39,844 | - | 39,844 | 214,199 |
| Investment Income, Net | 146,053 | - | 146,053 | 181,089 |
| Gain/(Loss) on Disposal of Asset | - | - | - | (55,220) |
| Unrealized Gain/(Loss) on Investments | 370 | - | 370 | 357 |
| Realized Gain/(Loss) on Investments | 26,511 | - | 26,511 | 7,766 |
| Miscellaneous Income | 2,000,775 | - | 2,000,775 | 603,399 |
| Total Revenues from Operations | 34,402,650 | - | 34,402,650 | 32,359,317 |
| Transfers from University/Other Auxiliary Organizations | 696,408 | - | 696,408 | 865,240 |
| Total Revenues | 35,099,058 | - | 35,099,058 | 33,224,557 |
| EXPENSES | | | | |
| Program Expenses: | | | | |
| Commercial Operations | 1,602,375 | - | 1,602,375 | 1,069,683 |
| Sponsored Programs | 30,581,249 | - | 30,581,249 | 30,559,450 |
| Campus Programs | 1,651,108 | - | 1,651,108 | 1,687,722 |
| Management and General | 577,158 | - | 577,158 | 1,101,403 |
| Total Program and General Expenses | 34,411,890 | - | 34,411,890 | 34,418,258 |
| CHANGES IN NET ASSETS FROM PROGRAM ACTIVITIES | 687,168 | - | 687,168 | (1,193,702) |
| OTHER ADJUSTMENTS | | | | |
| Transfers to University/Other Auxiliary Organizations | 22,000 | - | 22,000 | 74,465 |
| Net Change in Pension Liability Valuation | 777,751 | - | 777,751 | 897,306 |
| Net Change in OPEB Liability Valuation | (1,798,120) | - | (1,798,120) | (109,816) |
| Total Other Adjustments | (998,369) | - | (998,369) | 861,955 |
| CHANGES IN NET ASSETS INCLUDING OTHER ADJUSTMENTS | 1,685,537 | - | 1,685,537 | (2,055,656) |
| NET ASSETS, Beginning of Year as Previously Reported | 5,617,868 | - | 5,617,868 | 9,275,389 |
| Restatement (see Note 10) | - | - | - | (1,601,865) |
| NET ASSETS, Beginning of Year as Restated | 5,617,868 | - | 5,617,868 | 7,673,524 |
| NET ASSETS, End of Year | \$ 7,303,405 | \$ - | \$ 7,303,405 | \$ 5,617,868 |

See accompanying Notes to Financial Statements.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR 2020)

| | 2021 | | | | 2020 | | |
|-------------------------------------------|--------------------------|---------------------------------------------|---------------------|-----------------------------|----------------------------------------------------|----------------------|----------------------|
| | Commercial Operations | Program Activities Sponsored Programs | Campus Programs | Total Program Activities | Supporting Activities Management and General | Total Expenses | Total Expenses |
| Salaries | \$ - | \$ 12,484,000 | \$ 1,174,154 | \$ 13,658,154 | \$ 859,588 | \$ 14,517,742 | \$ 14,744,987 |
| Employee benefits | - | 3,535,871 | 339,140 | 3,875,011 | 412,457 | 4,287,468 | 4,590,753 |
| Administrative costs | - | 15,460 | 2,088 | 17,548 | 4,212 | 21,760 | 14,223 |
| Bad debts | 28,532 | - | - | 28,532 | - | 28,532 | 60,024 |
| Bank and credit fees | - | - | - | - | 7,522 | 7,522 | 10,182 |
| Small equipment purchases | 11,375 | 132,192 | 2,329 | 145,896 | 26,157 | 172,053 | 414,310 |
| Conferences and meetings | - | 3,143 | 2,154 | 5,297 | 3,795 | 9,092 | 81,734 |
| Contract services | 749,183 | 2,947,627 | 4,392 | 3,701,202 | 226,333 | 3,927,535 | 3,314,005 |
| Cost of goods sold | - | - | - | - | - | - | 18,041 |
| Depreciation | 516,223 | 172,334 | 36,905 | 725,462 | 62,264 | 787,726 | 940,271 |
| Campus Services Expense | - | - | - | - | 1,881,197 | 1,881,197 | 1,808,514 |
| Dues, memberships and subscriptions | - | 11,198 | 328 | 11,526 | 25,238 | 36,764 | 12,334 |
| Food | - | 4,025 | 1,629 | 5,654 | - | 5,654 | 31,533 |
| Grant Indirect Costs | - | 3,481,098 | - | 3,481,098 | (3,481,098) | - | - |
| Honoraria | - | 3,500 | - | 3,500 | - | 3,500 | 4,871 |
| Information technology costs | 30,595 | 151,648 | 63,532 | 245,775 | 45,050 | 290,825 | 290,909 |
| Insurance | - | 17,750 | 8,218 | 25,968 | 92,397 | 118,365 | 107,546 |
| Licenses and permits | 6,026 | 2,370 | 726 | 9,122 | 2,647 | 11,769 | 36,740 |
| Grant Subrecipient Costs | - | 1,551,458 | - | 1,551,458 | - | 1,551,458 | 479,025 |
| Other expenses | 34,168 | 304,649 | (30,963) | 307,854 | 85,051 | 392,905 | 630,738 |
| Postage | - | 3,842 | 111 | 3,953 | 208 | 4,161 | 9,221 |
| Printing | - | 5,376 | - | 5,376 | - | 5,376 | 31,304 |
| Professional development and training | - | 47,520 | 1,802 | 49,322 | 24,414 | 73,736 | 99,790 |
| Professional fees | - | - | 8,995 | 8,995 | 52,897 | 61,892 | 91,778 |
| Public relations | - | 8,980 | 1,293 | 10,273 | 10,342 | 20,615 | 27,888 |
| Rental, equipment and space | 1,073 | 702,369 | - | 703,442 | 3,438 | 706,880 | 863,696 |
| Repairs | 113,809 | 15,970 | 922 | 130,701 | - | 130,701 | 254,408 |
| Stipends, room and board | - | 3,874,045 | - | 3,874,045 | 2,784 | 3,876,829 | 3,479,143 |
| Supplies | - | 872,955 | 27,991 | 900,946 | 220,174 | 1,121,120 | 980,817 |
| Travel | - | 75,357 | 30 | 75,387 | 1,274 | 76,661 | 809,153 |
| Utilities and telephone | 111,391 | 156,512 | 5,332 | 273,235 | 8,817 | 282,052 | 180,186 |
| Total program and general expenses | \$ 1,602,375 | \$ 30,581,249 | \$ 1,651,108 | \$ 33,834,732 | \$ 577,158 | \$ 34,411,890 | \$ 34,418,258 |

See accompanying Notes to Financial Statements.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021
(WITH COMPARATIVE TOTALS FOR 2020)

| | 2021 | 2020 |
|-----------------------------------------------------------------------------------------------------------|--------------|----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Change in net assets | \$ 1,685,537 | \$ (2,055,656) |
| Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities: | | |
| Depreciation | 787,727 | 940,271 |
| Unrealized (gain) loss on investments | (370) | (357) |
| (Gain) loss on disposal of fixed assets | - | 55,220 |
| (Increase) decrease in: | | |
| Grants receivable | (541,047) | 2,132,793 |
| Due from related party | (1,528,972) | 38,609 |
| Other receivables | (38,024) | 231,832 |
| Prepaid expenses | (46,472) | (41,553) |
| Increase (decrease) in: | | |
| Accounts payable | (1,334,827) | 202,134 |
| Due to related party | 1,177,137 | (379,038) |
| Accrued wages and benefits | 157,688 | (16,130) |
| Accrued vacation | 168,773 | 62,593 |
| Other accrued liabilities | (270,451) | (62,931) |
| Deferred revenue | 3,252,485 | (1,991,378) |
| Loan payable | 400,000 | - |
| Post-employment medical benefits | (1,798,120) | (109,816) |
| Actuarial pension related items | 777,751 | 890,422 |
| Net cash provided by (used for) operating activities | 2,848,815 | (102,985) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Payments related to the construction of capital assets | - | (35,833) |
| Payments related to the acquisition of capital assets | (383,061) | (330,665) |
| Proceeds from disposal of fixed assets | - | 175,661 |
| Purchase of investments | (772,564) | (1,005,487) |
| Sale of investments | 1,150,000 | 1,965,233 |
| Net cash provided by (used for) investing activities | (5,625) | 768,909 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 2,843,190 | 665,924 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | \$ 3,014,885 | 2,348,961 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | \$ 5,858,075 | \$ 3,014,885 |

See accompanying Notes to Financial Statements.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

University Enterprises Corporation at CSUSB was created on July 31, 1962 as the San Bernardino-Riverside State College Foundation pursuant to the general nonprofit corporation laws of the state of California. On October 30, 1984, the name of the corporation was changed to The Foundation for California State University, San Bernardino (the Foundation). On July 1, 2011, the name of the corporation was changed to University Enterprises Corporation at CSUSB (UEC). At that time all endowment and gift assets, with the exception of charitable remainder trusts set up with the UEC acting as trustee, were transferred to the newly created Philanthropic Foundation. The UEC was organized to promote and assist education, administration and related services of the California State University, San Bernardino. The UEC operates as an auxiliary organization of the California State University, San Bernardino (University) under an operating agreement with the Trustees of the California State University (Trustees) which expires June 30, 2030.

Major Program Services

The UEC's major program services include:

Commercial Operations, consisting of vending and contract oversight of campus bookstore and dining service operations.

Sponsored Programs, which includes the operation and administration of externally funded sponsored projects in support of the instructional, research and public functions of the University.

Campus Programs, consisting of the operation of the on-campus Child Care Center, Infant Toddler Center, PC Lab, and Alumni Relations.

Estimates

The preparation of these financial statements in conformity with accounting principles generally accepted in the United States of America 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. Accordingly, actual results could differ from those estimates. Management also determines the accounting principles to be used in the preparation of the financial statements. A description of the significant accounting policies employed in the preparation of these financial statements follows.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

**NOTE 1 SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Basis of Accounting and Presentation

The financial statements of the UEC have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205. Accordingly, information regarding financial position, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of UEC and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations, and which may be designated for specific purposes by action of the board of directors.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are released from restrictions when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both

Cash and Cash Equivalents and Concentrations

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid investments with a maturity of three months or less from date of purchase. UEC maintains its cash balances in three financial institutions. The Federal Deposit Insurance Corporation (FDIC) insures up to \$250,000 per depositor, per insured bank, for each account ownership category. These balances may at times exceed the FDIC limit. As of June 30, 2021, UEC had \$6,227,148 above federally insured limits. However, the financial institutions have secured the deposits by pledging securities in an individual collateral pool, held by a depository, regulated under state law. Accordingly, UEC believes it is not exposed to any significant credit risk on cash and cash equivalents.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. The fair value of investments in securities is based on the quoted market price of the underlying securities. Investments in real estate are stated at acquisition cost. Unrealized gains and losses are included in the change in net assets. Short-term investments consist of debt securities with original maturities of 12 months or less. Long-term investments consist of debt securities with original maturities greater than 12 months.

Prepaid Expenses

Prepaid expenses are advance payments for products or services that will be used in UEC's programs or activities in subsequent periods.

Receivables and Allowances

Other receivables are presented net of an allowance for doubtful accounts. The allowance is based on prior years' experience and management's estimate of collectability. Management estimates that all receivables at June 30, 2021 are fully collectible, and therefore no allowance has been presented.

Property, Plant, and Equipment

Property, plant, and equipment are carried at cost or, if contributed, at fair market value at the date of contribution. Intangible assets include patents and software. UEC's policy is to capitalize additions and improvements that significantly add to productive capacity or extend the useful life of an asset and are above \$5,000. Repairs and maintenance are charged to operations as incurred. Costs and related allowances for depreciation of property, plant, and equipment sold or otherwise retired are eliminated from the accounts and gains or losses on disposition are included in the changes in net assets. Depreciation and amortization are calculated using the straight-line method over the estimated useful lives of the assets.

Property acquired with federal and/or state funds is considered to be owned by UEC while used in the program(s) for which it was purchased or in other future authorized programs. Disposition of such equipment and the ownership of any proceeds there from is subject to federal and state regulations.

Donated Materials, Services, and Other Assets

Donated materials and other assets such as stocks, bonds, and other long-lived assets are recorded at their estimated fair value at the date of donation.

Volunteers contribute time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet the recognition criteria prescribed by generally accepted accounting principles.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

**NOTE 1 SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Revenue and Revenue Recognition

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expirations of donor-imposed restrictions on net assets, that is, the donor-imposed stipulated purpose has been accomplished and/or the stipulated time period has elapsed, are reported as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same year the gift is made are reported as contributions without donor restrictions. Gains and losses on assets and liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations.

Unconditional promises to give are recognized initially at fair value as contributions revenue in the period such promises are made by donors. Conditional promises are recorded as revenue once the conditions are substantially met. Contributions are recognized as donor restricted net assets if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same year the gift is made are reported as contributions with donor restrictions and releases in the current year.

Grants and Contracts comprise of cost-reimbursable contracts and grants, which are conditional contributions recognized in accordance with the policy described in the preceding paragraph, and exchange revenue related to the value of the benefits received by the funding agency, which is recognized as the services are provided. Amounts received under cost-reimbursable contracts are recognized as earned and are reported as revenue when UEC has incurred expenditures in compliance with specific contract or grant provisions. Amounts received but not yet earned are reported as deferred revenue in the statement of financial position. UEC received cost reimbursable grants of \$6,720,482 that have not been recognized at June 30, 2021 because qualifying expenditures have not yet been incurred.

Special Program revenue consists primarily of unconditional contributions.

Commissions revenue is recognized when earned in accordance with the terms and conditions contained in the agreements with the third-parties. UEC receives a percentage of proceeds derived from Bookstore and Food Services operations as well as vending machines. The contractor of the Bookstore operation provides a guaranteed commission for the life of the contract. The Food Services commission is based on a percentage of gross sales.

Concentrations

Receivables at June 30, 2021 include amounts due from students, governmental funding sources, and the California State University, San Bernardino.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

**NOTE 1 SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Income Taxes

UEC is a nonprofit tax-exempt corporation organized under Internal Revenue Code Section 501(c)(3) and is classified as other than a private foundation. It is also exempt from state income taxes. However, any unrelated business income may be subject to taxation. The UEC had no obligation for any unrelated business income tax during the year.

Subsequent Events

Management has evaluated subsequent events through September 27, 2021, the date the financial statements were available to be issued.

Risks and Uncertainties

The World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. Subsequent to year end, the COVID-19 pandemic continues to have significant effects on global markets, supply chains, businesses, and communities. Specific to UEC, COVID-19 may impact various parts of its 2021-22 operations and financial results, including, but not limited to, declines in enrollment, loss of auxiliary revenues, additional bad debts, costs for increased use of technology, or potential shortages of personnel. Management believes UEC is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

Change in Accounting Principle

UEC has adopted Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended. The update establishes the core principle that an entity should recognize revenue to depict the transfer of promised goods or services to customers in the amount that reflects the consideration to which the entity expects to be entitled in exchange for those good or services. UEC adopted ASU 2014-09 under the full retrospective approach. There was no material impact to UEC's financial position and results of operations upon adoption of the new standard. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 INVESTMENTS AND FAIR VALUE MEASUREMENTS

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value:

Money Market Funds – Money Market Funds are valued at net asset value (NAV) of \$1 per share, and are comprised of short-term (less than one year) securities representing high-quality, liquid debt and monetary instruments.

Mutual Funds – Shares of mutual funds are valued at quoted market prices, which represent the net assets value of shares held by UEC at year-end.

Equity Securities – Equity securities are valued at last quoted sales price as of the close of trading at year-end; such securities, not traded on the year-end date, are valued at the last quoted bid price.

Fixed Income Securities – Fixed income securities are valued using the last quoted bid price.

Investment Pool (SWIFT) – The pool investment is reported at fair value as provided by the University System.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although UEC believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2021 are as follows:

| | Total | Fair Value Measurements at June 30, 2021 | | Level 3 |
|------------------------------|---------------------|------------------------------------------|---------------------|-------------|
| | | Level 1 | Level 2 | |
| Short-term investments: | | | | |
| Money market funds | \$ 41,883 | \$ 41,883 | \$ - | \$ - |
| SWIFT investment fund | 5,486,163 | - | 5,486,163 | - |
| Mutual funds | 76,695 | 76,695 | - | - |
| Equity securities | 116,860 | 116,860 | - | - |
| Total short-term investments | <u>\$ 5,721,601</u> | <u>\$ 235,438</u> | <u>\$ 5,486,163</u> | <u>\$ -</u> |

UEC has pooled investments with the CSU Systemwide Investment Fund Trust (SWIFT). As a result of a 2007 change in Education Code 89721(l) that allowed CSU to self-manage student tuition and fees, CSU created a central banking system and created the SWIFT investment portfolio for the purpose of enhancing centralized cash and investment management. Because the central banking system and SWIFT are inextricably linked, each member in the central banking system is also a member in SWIFT, also referred to collectively as "the Bank of CSU". These funds are reported as a short-term investment. The SWIFT consists of investments of cash on an overnight and/or short-term basis, the funds representing the float on funds collected from all eligible sources prior to their use for payment of accounts payable and payroll. Excess cash over and above what is needed to fund short-term payables and payroll are transferred to medium or longer term investments.

Investment fees for the year ended June 30, 2021 amounted to \$2,561 and are netted against investment income on the statement of activities.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment consisted of the following at June 30, 2021:

| | | |
|-------------------------------------------------|----|-------------------------|
| Land | \$ | 4,640 |
| Buildings | | 4,039,012 |
| Equipment, furniture and fixtures | | 4,881,018 |
| Leasehold improvements | | 3,081,497 |
| Intangible assets | | 189,057 |
| | | <u>12,195,224</u> |
| Less: accumulated depreciation and amortization | | <u>(7,596,362)</u> |
| Property, plant and equipment, net | \$ | <u><u>4,598,862</u></u> |

The buildings are located on land leased from the State of California. Because of the relationship between UEC and the University, the building is being depreciated over its estimated useful life rather than the term of the lease which expired December 31, 2017.

Depreciation expense for the year ended June 30, 2021 was \$787,726.

NOTE 4 BOARD-DESIGNATED AND DONOR RESTRICTED NET ASSETS

UEC's governing board has designated, from net assets without donor restrictions of \$1,471,164 net assets for the following purposes as of June 30, 2021:

| | | |
|----------------------------------------------|----|-------------------------|
| Board-Designated Net Assets | | |
| Current Operations Reserve | \$ | 302,253 |
| Working Capital Reserve | | 543,900 |
| Unplanned Capital Replacement Reserve | | 259,620 |
| Undesignated General Reserve | | 75,391 |
| Sponsored Programs Reserve for Disallowances | | 290,000 |
| | | <u>290,000</u> |
| Total Board-Designated Net Assets | \$ | <u><u>1,471,164</u></u> |

There were no net assets with donor restrictions at June 30, 2021.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 DEFINED BENEFIT PENSION PLAN

Plan Description

UEC contributes to the California Public Employees' Retirement System (PERS), a cost-sharing multiple employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the state of California. All employees who are current members of PERS or employed for more than six months or accumulate 1,000 hours of paid employment are eligible to participate in PERS. Benefits vest after five years of PERS credited service, usually five years of full-time service. UEC employees who retire at or after age 50 with five years of credited service are entitled to an annual retirement benefit, payable for life, in an amount equal to a percent of pay, on a scale based on age and years of service, of the average monthly pay rate for the highest consecutive 12 months of compensation. PERS also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute and UEC policies. Copies of CalPERS' annual financial report may be obtained from the CalPERS's website, at www.calpers.ca.gov.

Effective January 1, 2013, Public Employees' Pension Reform Act (PEPRA) implemented new benefit formulas and final compensation period, as well as new contribution requirements for new employees hired on or after January 1, 2013, who meet the definition of new member as per PEPRA.

Funding Policy

UEC employees are required to contribute 5% of their annual covered earnings over \$513. UEC is required to contribute the remaining amounts necessary to fund the benefits for its members, using the actuarial basis recommended by the PERS actuaries and actuarial consultants and adopted by the Board of Administration. The required employer contribution rate for the year ended June 30, 2021 was 13.746% for the miscellaneous plan and 7.874% for the miscellaneous tier 1 plan (PEPRA). The payroll for employees covered by PERS for the year ended June 30, 2021 was \$8,505,021. Total payroll for the year ended June 30, 2021 amounted to \$12,939,145. Employer contributions for the year ended June 30, 2021 were \$816,696 based on amounts required to be contributed. Total employee contributions for the year ended June 30, 2021 were \$545,510.

The following table presents a reconciliation of net pension liability:

| | Plan Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Plan Net Pension Liability (c) = (a) - (b) |
|--------------------|----------------------------------------|---------------------------------------|--------------------------------------------------|
| Miscellaneous Plan | \$ 33,324,566 | \$ 28,632,848 | \$ 4,691,718 |

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Funding Policy (Continued)

Plan assets and funded status of the plan is as follows:

| Valuation Date | Measurement Date | Accrued Liability | Actuarial Value of Assets (AVA) | Funding Actuarial Excess | Funded Ratio AVA |
|----------------|------------------|-------------------|---------------------------------|--------------------------|------------------|
| 6/30/2019 | 6/30/2020 | \$ 33,324,566 | \$ 28,632,848 | \$ 4,691,718 | 85.92% |

Items not yet recognized as a component of net periodic pension cost during the year are as follows:

| | Future Pension Cost Outflows | Future Pension Cost Inflows |
|---------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| Changes of Assumptions | \$ - | \$ (33,463) |
| Differences between Expected and Actual Experience | 241,778 | - |
| Differences between Projected and Actual Investment Earnings | 139,375 | - |
| Differences between Employer's Contributions and Proportionate Share of Contributions | - | (697,359) |
| Change in Employer's Proportion | 675,307 | - |
| Pension Contributions Made Subsequent to Measurement Date | 816,696 | - |
| Total | \$ 1,873,156 | \$ (730,822) |

Net actuarial pension expenses recognized as expenses in the statement of activities for the year was \$1,594,447.

Total liabilities for pension benefits recognized in the statement of financial position:

| | 2020 |
|----------------------------------------|----------------|
| Net pension liability | \$ (4,691,718) |
| Future pension cost outflows | 1,873,156 |
| Future pension cost inflows | (730,822) |
| Total liabilities for pension benefits | (3,549,384) |

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions

| | <u>Miscellaneous Plan</u> |
|----------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| Valuation Date | 6/30/2019 |
| Measurement Date | 6/30/2020 |
| Actuarial Cost Method | Entry Age Normal |
| Asset Valuation Method | Actuarial Value of Assets |
| Amortization Method | Level of Percent of Payroll |
| Actuarial Assumptions: | |
| Discount Rate | 7.15% (net of admin expenses) |
| Inflation Rate | 2.50% |
| Projected Salary Growth | 3.3% - 14.2% |
| Salary Increases | Varies by Entry Age and Service |
| Investment Rate of Return | 7.15% |
| Mortality Rate Table (1) | Derived using CalPERS' Membership Data for all Funds |
| Post Retirement Benefit Increase | Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter. |

(1) The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

NOTE 6 OTHER POSTEMPLOYMENT BENEFITS

UEC has one retiree health plan that offers active and retired employees the option of enrolling in certain HMO or indemnity plans available through the program. UEC currently pays up to \$515 per month for retiree coverage, \$996 per month for coverage with one dependent and \$1,265 for coverage with two or more dependents of retirees. Retiree contributions are to fund the cost of coverage that exceeds these amounts. The accounting for the health care plan anticipates future cost-sharing changes to the written plan that are consistent with UEC's past practice and management's intent to manage plan costs. In particular, UEC's maximum increase in the capped contribution is assumed to be limited to 2.5%.

UEC no longer offers retiree medical benefits to employees hired after September 11, 2009.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The following is a summary of change in accumulated postemployment benefit obligation, change in plan assets, and funded status of the plan.

Change in accumulated postemployment benefit obligation (APBO)

| | |
|-----------------------------------|------------------|
| APBO at beginning of year | \$ 6,112,837 |
| Service cost (excluding expenses) | 61,444 |
| Interest cost | 150,040 |
| Actuarial (gain) loss | (694,680) |
| Benefits paid | (222,439) |
| APBO at end of year | <u>5,407,202</u> |

Change in plan assets

| | |
|-------------------------------------------|------------------|
| Fair value of assets at beginning of year | 2,803,453 |
| Actual return on assets (net of expenses) | 762,485 |
| Employer contribution | 552,439 |
| Benefits paid | (222,439) |
| Fair value of plan assets at end of year | <u>3,895,938</u> |

| | |
|-----------------------------------------------------------|----------------------------|
| <i>Funded status - unfunded net OPEB liability</i> | <u><u>\$ 1,511,264</u></u> |
|-----------------------------------------------------------|----------------------------|

Amounts recognized in the statement of financial position consist of:

| | |
|-----------------------------------------------------|----------------------------|
| Current liabilities | 214,106 |
| Noncurrent liabilities | 1,297,158 |
| Total recognized on Statement of Financial Position | <u><u>\$ 1,511,264</u></u> |

Components of net periodic postretirement benefit cost (NPPBC)

| | |
|------------------------------------------|------------------|
| Service cost (including expenses) | \$ 61,444 |
| Interest cost | 150,040 |
| Expected return on plan assets | (177,207) |
| Amortization of net (gain) loss | (209,427) |
| Net periodic postretirement benefit cost | <u>(175,150)</u> |

Other changes in plan assets and benefit obligations recognized in AOCI

| | |
|------------------------------------------|------------------------------|
| Net actuarial (gain) loss | (1,279,958) |
| Amortization of actuarial (gain) loss | 209,427 |
| Total recognized | <u>(1,070,531)</u> |
| Total recognized in change in net assets | <u><u>\$ (1,245,681)</u></u> |

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The assumptions used in the measurement of UEC's benefit obligation and net periodic postemployment benefit cost included a 2.50% weighted-average discount rate as of and for the year ended June 30, 2021. A weighted-average discount rate of 3.40% was used as of and for the year ended June 30, 2020.

Medical plan premiums and CalPERS minimum employer contributions are assumed to increase at rates shown in the following table:

| Year | Rate |
|-----------|-------|
| 2022 | 5.75% |
| 2023 | 5.50% |
| 2024-2069 | 5.20% |
| 2070+ | 4.00% |

Assumed healthcare cost trend rates have a significant effect on the amounts reported for the healthcare plan. A 1% increase in the assumed healthcare trend rates would have the following effects:

| | Dollar Increase | Percent Increase |
|-----------------------------------------------------------|--------------------|---------------------|
| Accumulated post-employment benefit obligation (Increase) | \$ 847,786 | 15.70% |

A 1% decrease in the assumed healthcare trend rates would have the following effects:

| | Dollar Decrease | Percent Decrease |
|-----------------------------------------------------------|--------------------|---------------------|
| Accumulated post-employment benefit obligation (Decrease) | 688,416 | 12.70% |

The Plan is funded on a pay-as-you-go basis; the expected contribution for the following year is the same as the expected future benefit payments for such year. UEC paid \$186,968 during the year ended June 30, 2021, for current benefit costs.

The expected benefits to be paid are as follows:

| Years Ending June 30, | Amount |
|--------------------------|---------|
| 2022 | 204,706 |
| 2023 | 222,566 |
| 2024 | 223,952 |
| 2025 | 215,493 |
| 2026 | 228,211 |
| Thereafter | 986,381 |

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 RELATED PARTIES AND ECONOMIC DEPENDENCY

As discussed in Note 1, UEC operates under an agreement with the Trustees as an auxiliary organization of the University. Accordingly, essentially all revenues and realization of certain assets, are dependent upon the continuation of this agreement. UEC leases space for its bookstore operations, the Center for Developmental Activities, and the land for UEC's offices for nominal rent from the state of California. Accounting principles generally accepted in the United States of America require that contribution revenue and rent expense be recorded for the difference between a fair market rent and the amount actually charged under these leases. However, UEC has not determined a fair market rent and, accordingly, these amounts are not recorded in the financial statements.

A schedule of related party transactions between UEC, University, and other auxiliary organizations are as follows:

| For the year ended June 30, 2021 | CSUSB | Associated Students | Philanthropic Foundation | Santos Manuel Student Union | Total |
|-------------------------------------------------------------------------------------------------|--------------|---------------------|--------------------------|-----------------------------|--------------|
| <u>Expenses</u> | | | | | |
| Payments to Univ/Aux for salaries of personnel working on contracts, grants, and other programs | \$ 2,452,162 | \$ - | \$ - | \$ 12,986 | \$ 2,465,148 |
| Payments to Univ/Aux for other than salaries of personnel | 4,351,342 | | 154,458 | 1,156 | 4,506,956 |
| <u>Revenues</u> | | | | | |
| Payments received from Univ/Aux for services, space and programs | 2,423,176 | 162,000 | 739,966 | - | 3,325,142 |
| <u>Due to</u> | | | | | |
| Accounts Payable due to Univ/Aux as of June 30, 2020 | (2,546,173) | - | - | (125) | (2,546,298) |
| <u>Due from</u> | | | | | |
| Accounts Receivable due from Univ/Aux as of June 30, 2020 | 1,623,469 | - | 675 | - | 1,624,144 |

NOTE 8 LOAN PAYABLE

In February 2021, UEC received a loan from Citizens Business Bank in the amount of \$400,000 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the "PPP Loan"). The PPP Loan bears interest at a fixed rate of 1.0% per annum, with the first six months of interest deferred, has a term of five years, and is unsecured and guaranteed by the U.S. Small Business Administration. Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if UEC fails to apply for forgiveness within 10 months after the covered period, then payment of principal and interest shall begin on that date. These amounts may be forgiven subject to compliance and approval based on the timing and use of these funds in accordance with the program. To the extent that all or part of the PPP Loan is not forgiven, UEC will be required to pay interest on the PPP Loan at a rate of 1.0% per annum, and commencing in June 2022 principal and interest payments will be required through the maturity date in February 2026.

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 AVAILABLE RESOURCES AND LIQUIDITY

UEC regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. UEC has various sources of liquidity at its disposal, including cash and cash equivalents, short-term debt and equity securities, and receivables due within the next 12 months.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, UEC considers all expenditures related to its ongoing activities of commercial operations, campus programs, and sponsored programs, as well as the general and administrative services undertaken to support those activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, UEC operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures. Refer to the statement of cash flows, which identifies the sources and uses of UEC's cash and shows positive cash generated by operations for fiscal year 2021.

As of June 30, 2021, the following tables show the total financial assets held by UEC and the amounts of those financial assets that could readily be made available within one year of the balance sheet date to meet general expenditures. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the balance sheet date.

| Financial Assets: | 2021 |
|-------------------------------------------------------|---------------|
| Cash and Cash Equivalents | \$ 5,858,075 |
| Investments Convertible to Cash in the Next 12 Months | 5,721,601 |
| Grants Receivable | 8,933,846 |
| Due From Related Parties | 1,624,144 |
| Other Receivables | 131,268 |
| Other Long-Term Assets | 4,713,539 |
| Total | \$ 26,982,473 |

| Financial Assets Available to Meet General Expenditures Over the Next 12 Months: | 2021 |
|---------------------------------------------------------------------------------------------|---------------|
| Cash and Cash Equivalents | \$ 5,858,075 |
| Investments Convertible to Cash in the Next 12 Months | 5,721,601 |
| Accounts Receivable | 8,933,846 |
| Due From Related Parties | 1,624,144 |
| Other Receivables | 131,268 |
| Total | \$ 22,268,934 |

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 PRIOR PERIOD ADJUSTMENT

Net assets have been restated to recognize contribution revenue earned in previous years. UEC failed to recognize revenue as conditions were met on conditional contributions received. The effect of the adjustments is presented here:

| Statement of Financial Position | As Previously Reported | Adjustments | As Restated |
|-----------------------------------------|---------------------------|---------------|---------------|
| <u>As of July 1, 2019</u> | | | |
| Net Assets Without Donor Restrictions | | | |
| Undesignated | \$ 9,275,389 | \$(1,601,865) | \$ 7,673,524 |
| <u>For the year ended June 30, 2020</u> | | | |
| Miscellaneous Revenue | \$ 353,399 | \$ 250,000 | \$ 603,399 |
| Expenses | \$ 36,097,956 | \$(1,679,698) | \$ 34,418,258 |
| <u>As of June 30, 2020</u> | | | |
| Net Assets Without Donor Restrictions | | | |
| Undesignated | \$ 5,290,035 | \$ 327,833 | \$ 5,617,868 |
| Other Accrued Liabilities | \$ 1,313,139 | \$ (327,833) | \$ 985,306 |

SUPPLEMENTARY INFORMATION

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
SCHEDULE OF NET POSITION
JUNE 30, 2021
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)
(SEE ACCOMPANYNG INDEPENDENT AUDITORS' REPORT)

| | |
|----------------------------------------------------------------------------------|---------------------|
| Assets: | |
| Current assets: | |
| Cash and cash equivalents | \$ 5,858,074 |
| Short-term investments | 5,721,601 |
| Accounts receivable, net | 10,689,258 |
| Capital lease receivable, current portion | - |
| Notes receivable, current portion | - |
| Pledges receivable, net | - |
| Prepaid expenses and other current assets | 114,677 |
| Total current assets | 22,383,610 |
| Noncurrent assets: | |
| Restricted cash and cash equivalents | - |
| Accounts receivable, net | - |
| Capital lease 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 | 4,598,862 |
| Other assets | - |
| Total noncurrent assets | 4,598,862 |
| Total assets | 26,982,473 |
| Deferred outflows of resources: | |
| Unamortized loss on debt refunding | - |
| Net pension liability | 1,873,156 |
| Net OPEB liability | - |
| Others | - |
| Total deferred outflows of resources | 1,873,156 |
| Liabilities: | |
| Current liabilities: | |
| Accounts payable | 5,049,292 |
| Accrued salaries and benefits | 816,292 |
| Accrued compensated absences, current portion | 395,319 |
| Unearned revenues | 6,919,221 |
| Capital lease obligations, current portion | - |
| Long-term debt obligations, current portion | - |
| Claims liability for losses and loss adjustment expenses, current portion | - |
| Depository accounts | - |
| Other liabilities | 1,114,854 |
| Total current liabilities | 14,294,978 |
| Noncurrent liabilities: | |
| Accrued compensated absences, net of current portion | 323,442 |
| Unearned revenues | - |
| Grants refundable | - |
| Capital lease obligations, net of current portion | - |
| Long-term debt obligations, net of current portion | - |
| Claims liability for losses and loss adjustment expenses, net of current portion | - |
| Depository accounts | - |
| Net other postemployment benefits liability | 1,511,264 |
| Net pension liability | 4,691,718 |
| Other liabilities | - |
| Total noncurrent liabilities | 6,526,424 |
| Total liabilities | 20,821,402 |
| Deferred inflows of resources: | |
| Service concession arrangements | - |
| Net pension liability | 730,822 |
| Net OPEB liability | - |
| Unamortized gain on debt refunding | - |
| Nonexchange transactions | - |
| Others | - |
| Total deferred inflows of resources | 730,822 |
| Net position: | |
| Net investment in capital assets | 4,598,862 |
| Restricted for: | |
| Nonexpendable – endowments | - |
| Expendable: | |
| Scholarships and fellowships | - |
| Research | - |
| Loans | - |
| Capital projects | - |
| Debt service | - |
| Others | - |
| Unrestricted | 2,704,543 |
| Total net position | \$ 7,303,405 |

UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2021
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)
(SEE ACCOMPANYING INDEPENDENT AUDITORS' REPORT)

| | |
|----------------------------------------------------------------------|----------------------------|
| Revenues: | |
| Operating revenues: | |
| Student tuition and fees, gross | \$ - |
| Scholarship allowances (enter as negative) | - |
| Grants and contracts, noncapital: | |
| Federal | 18,388,963 |
| State | 9,746,398 |
| Local | 2,180,549 |
| Nongovernmental | 936,847 |
| Sales and services of educational activities | - |
| Sales and services of auxiliary enterprises, gross | 276,203 |
| Scholarship allowances (enter as negative) | - |
| Other operating revenues | <u>1,207,617</u> |
| Total operating revenues | <u>32,736,577</u> |
| Expenses: | |
| Operating expenses: | |
| Instruction | 89,393 |
| Research | 16,096,186 |
| Public service | 7,918,919 |
| Academic support | 90,721 |
| Student services | 7,827,903 |
| Institutional support | (504,701) |
| Operation and maintenance of plant | - |
| Student grants and scholarships | - |
| Auxiliary enterprise expenses | 1,086,152 |
| Depreciation and amortization | <u>787,726</u> |
| Total operating expenses | <u>33,392,298</u> |
| Operating income (loss) | <u>(655,722)</u> |
| Nonoperating revenues (expenses): | |
| State appropriations, noncapital | - |
| Federal financial aid grants, noncapital | - |
| State financial aid grants, noncapital | - |
| Local financial aid grants, noncapital | - |
| Nongovernmental and other financial aid grants, noncapital | - |
| Other federal nonoperating grants, noncapital | - |
| Gifts, noncapital | - |
| Investment income (loss), net | 172,933 |
| Endowment income (loss), net | - |
| Interest expense | - |
| Other nonoperating revenues (expenses) - excl. interagency transfers | <u>2,168,325</u> |
| Net nonoperating revenues (expenses) | <u>2,341,258</u> |
| Income (loss) before other revenues (expenses) | <u>1,685,537</u> |
| State appropriations, capital | - |
| Grants and gifts, capital | - |
| Additions (reductions) to permanent endowments | <u>-</u> |
| Increase (decrease) in net position | 1,685,537 |
| Net position: | |
| Net position at beginning of year, as previously reported | 5,290,035 |
| Restatements | <u>327,833</u> |
| Net position at beginning of year, as restated | <u>5,617,868</u> |
| Net position at end of year | <u>\$ 7,303,405</u> |

**UNIVERSITY ENTERPRISES CORPORATION AT CSUSB
OTHER INFORMATION (CONTINUED)
YEAR ENDED JUNE 30, 2021
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)
(SEE ACCOMPANYNG INDEPENDENT AUDITORS' REPORT)**

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to

endowments

All other restricted cash and cash equivalents

Noncurrent restricted cash and cash equivalents

Current cash and cash equivalents

Total

| |
|---------------------|
| - |
| 5,858,074 |
| \$ 5,858,074 |

2.1 Composition of investments:

| Investment Type | Current | Noncurrent | Fair Value |
|----------------------------------------------------------|---------------------|------------|------------------|
| Money market funds | \$ 41,883 | | 41,883 |
| Repurchase agreements | | | - |
| Certificates of deposit | | | - |
| U.S. agency securities | | | - |
| U.S. treasury securities | | | - |
| Municipal bonds | | | - |
| Corporate bonds | | | - |
| Asset backed securities | | | - |
| Mortgage backed securities | | | - |
| Commercial paper | | | - |
| Mutual funds | 76,694 | | 76,694 |
| Exchange traded funds | | | - |
| Equity securities | 116,860 | | 116,860 |
| Alternative investments: | | | |
| Private equity (including limited partnerships) | | | - |
| Hedge funds | | | - |
| Managed futures | | | - |
| Real estate investments (including REITs) | | | - |
| Commodities | | | - |
| Derivatives | | | - |
| Other alternative investment | | | - |
| Other external investment pools | | | - |
| CSU Consolidated Investment Pool (formerly SWIFT) | 5,486,163 | | 5,486,163 |
| State of California Local Agency Investment Fund (LAIF) | | | - |
| State of California Surplus Money Investment Fund (SMIF) | | | - |
| Other investments: | | | |
| Total Other investments | - | | - |
| Total investments | 5,721,601 | | 5,721,601 |
| Less endowment investments (enter as negative number) | | | - |
| Total investments, net of endowments | \$ 5,721,601 | | 5,721,601 |

-Agree with SNP-

-Agree with SNP-

2.2 Fair value hierarchy in investments:

| Investment Type | Fair Value | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Net Asset Value (NAV) |
|----------------------------------------------------------|---------------------|----------------------------------------------------------------------|--------------------------------------------------|----------------------------------------------|-----------------------|
| Money market funds | \$ 41,883 | 41,883 | | | - |
| Repurchase agreements | | | | | - |
| Certificates of deposit | | | | | - |
| U.S. agency securities | | | | | - |
| U.S. treasury securities | | | | | - |
| Municipal bonds | | | | | - |
| Corporate bonds | | | | | - |
| Asset backed securities | | | | | - |
| Mortgage backed securities | | | | | - |
| Commercial paper | | | | | - |
| Mutual funds | 76,694 | 76,694 | | | - |
| Exchange traded funds | | | | | - |
| Equity securities | 116,860 | 116,860 | | | - |
| Alternative investments: | | | | | |
| Private equity (including limited partnerships) | | | | | - |
| Hedge funds | | | | | - |
| Managed futures | | | | | - |
| Real estate investments (including REITs) | | | | | - |
| Commodities | | | | | - |
| Derivatives | | | | | - |
| Other alternative investment | | | | | - |
| Other external investment pools | | | | | - |
| CSU Consolidated Investment Pool (formerly SWIFT) | 5,486,163 | | | | 5,486,163 |
| State of California Local Agency Investment Fund (LAIF) | | | | | - |
| State of California Surplus Money Investment Fund (SMIF) | | | | | - |
| Other investments: | | | | | |
| Total Other investments | - | | | | - |
| Total investments | \$ 5,721,601 | 235,438 | | | 5,486,163 |

-Agree with Note 2.1-

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2.3 Investments held by the University under contractual agreements:

| | Current | Noncurrent | Total |
|------------------------------------------------------------------------------------------------------------------------------|-----------|------------|--------------|
| Investments held by the University under contractual agreements e.g. - CSU Consolidated Investment Pool (formerly SWIFT): | 5,486,163 | \$ - | \$ 5,486,163 |

3.1 Composition of capital assets:

| | Balance June 30, 2020 | Reclassifications | Prior Period Additions | Prior Period Retirements | Balance June 30, 2020 (Restated) | Additions | Retirements | Transfer of completed CWIP/PWIP | Balance June 30, 2021 |
|-------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------|------------------------|--------------------------|----------------------------------------|------------------|-------------|------------------------------------|--------------------------|
| Non-depreciable/Non-amortizable capital assets: | | | | | | | | | |
| Land and land improvements | \$ 4,640 | | | | \$ 4,640 | | | | \$ 4,640 |
| Works of art and historical treasures | - | | | | - | | | | - |
| Construction work in progress (CWIP) | 38,162 | | | | 38,162 | - | - | (38,162) | - |
| Intangible assets: | | | | | | | | | |
| Rights and easements | - | | | | - | | | | - |
| Patents, copyrights and trademarks | - | | | | - | | | | - |
| Intangible assets in progress (PWIP) | - | | | | - | | | | - |
| Licenses and permits | - | | | | - | | | | - |
| Other intangible assets: | | | | | | | | | |
| Total Other intangible assets | - | - | - | - | - | - | - | - | - |
| Total intangible assets | - | - | - | - | - | - | - | - | - |
| Total non-depreciable/non-amortizable capital assets | \$ 42,802 | - | - | - | \$ 42,802 | - | - | (38,162) | \$ 4,640 |
| Depreciable/Amortizable capital assets: | | | | | | | | | |
| Buildings and building improvements | 4,036,683 | | | | 4,036,683 | - | | 2,329 | 4,039,012 |
| Improvements, other than buildings | - | | | | - | | | | - |
| Infrastructure | - | | | | - | | | | - |
| Leasehold improvements | 3,045,664 | | | | 3,045,664 | | | 35,833 | 3,081,497 |
| Personal property: | | | | | | | | | |
| Equipment | 4,497,957 | | | | 4,497,957 | 383,061 | - | | 4,881,018 |
| Library books and materials | - | | | | - | | | | - |
| Intangible assets: | | | | | | | | | |
| Software and websites | 72,804 | | | | 72,804 | | | | 72,804 |
| Rights and easements | - | | | | - | | | | - |
| Patents, copyrights and trademarks | 116,253 | | | | 116,253 | | | | 116,253 |
| Licenses and permits | - | | | | - | | | | - |
| Other intangible assets: | | | | | | | | | |
| Total Other intangible assets: | - | - | - | - | - | - | - | - | - |
| Total intangible assets | 189,057 | - | - | - | 189,057 | - | - | - | 189,057 |
| Total depreciable/amortizable capital assets | 11,769,361 | - | - | - | 11,769,361 | 383,061 | - | 38,162 | 12,190,584 |
| Total capital assets | \$ 11,812,163 | - | - | - | \$ 11,812,163 | 383,061 | - | - | \$ 12,195,224 |
| Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number) | | | | | | | | | |
| Buildings and building improvements | (2,849,058) | | | | (2,849,058) | (95,169) | | | (2,944,227) |
| Improvements, other than buildings | - | | | | - | | | | - |
| Infrastructure | - | | | | - | | | | - |
| Leasehold improvements | (862,694) | | | | (862,694) | (275,916) | | | (1,138,610) |
| Personal property: | | | | | | | | | |
| Equipment | (2,907,827) | | | | (2,907,827) | (416,641) | - | | (3,324,468) |
| Library books and materials | - | | | | - | | | | - |
| Intangible assets: | | | | | | | | | |
| Software and websites | (72,804) | | | | (72,804) | | | | (72,804) |
| Rights and easements | - | | | | - | | | | - |
| Patents, copyrights and trademarks | (116,253) | | | | (116,253) | | | | (116,253) |
| Licenses and permits | - | | | | - | | | | - |
| Other intangible assets: | | | | | | | | | |
| Total Other intangible assets: | - | - | - | - | - | - | - | - | - |
| Total intangible assets | (189,057) | - | - | - | (189,057) | - | - | - | (189,057) |
| Total accumulated depreciation/amortization | (6,808,636) | - | - | - | (6,808,636) | (787,726) | - | - | (7,596,362) |
| Total capital assets, net | \$ 5,003,527 | - | - | - | \$ 5,003,527 | (404,665) | - | - | 4,598,862 |

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3.2 Detail of depreciation and amortization expense:
 Depreciation and amortization expense related to capital assets
 Amortization expense related to other assets
Total depreciation and amortization

| | | | |
|----|----------------|---------------------|---|
| \$ | 787,726 | | |
| \$ | <u>787,726</u> | -Agree with Note 9- | - |

4 Long-term liabilities:

| | Balance June 30, 2020 | Prior Period Adjustments/Reclassifications | Balance June 30, 2020 (Restated) | Additions | Reductions | Balance June 30, 2021 | Current Portion | Noncurrent Portion |
|--------------------------------------------------------------------|--------------------------|-----------------------------------------------|-------------------------------------|-----------|--------------|--------------------------|-----------------|--------------------|
| 1. Accrued compensated absences | \$ 549,988 | | 549,988 | 553,936 | (385,163) \$ | 718,761 \$ | 395,319 \$ | 323,442 |
| 2. Claims liability for losses and loss adjustment expenses | - | | - | | | - | | - |
| 3. Capital lease obligations: | | | | | | | | |
| Gross balance | - | | - | | | - | - | - |
| Unamortized net premium/(discount) | - | | - | | | - | - | - |
| Total capital lease obligations | \$ - | - | - | - | - | - | - | - |
| 4. Long-term debt obligations: | | | | | | | | |
| 4.1 Auxiliary revenue bonds (non-SRB related) | \$ - | | - | | \$ - | - | - | - |
| 4.2 Commercial paper | - | | - | | | - | | - |
| 4.3 Notes payable (SRB related) | - | | - | | | - | | - |
| 4.4 Others: | | | | | | | | |
| Total others | - | | - | | | - | | - |
| Sub-total long-term debt | \$ - | - | - | - | - | - | - | - |
| 4.5 Unamortized net bond premium/(discount) | - | | - | | | - | | - |
| Total long-term debt obligations | - | - | - | - | - | - | - | - |
| Total long-term liabilities | \$ 549,988 | - | 549,988 | 553,936 | (385,163) \$ | 718,761 | 395,319 \$ | 323,442 |

5 Capital lease obligations schedule:

| | Capital lease obligations related to SRB | | | All other capital lease obligations | | | Total capital lease obligations | | |
|----------------------------------------------------------|------------------------------------------|---------------|------------------------|-------------------------------------|---------------|------------------------|---------------------------------|---------------|------------------------|
| | Principal Only | Interest Only | Principal and Interest | Principal Only | Interest Only | Principal and Interest | Principal Only | Interest Only | Principal and Interest |
| Year ending June 30: | | | | | | | | | |
| 2021 | | | - | | | - | | | - |
| 2022 | | | - | | | - | | | - |
| 2023 | | | - | | | - | | | - |
| 2024 | | | - | | | - | | | - |
| 2025 | | | - | | | - | | | - |
| 2026 - 2030 | | | - | | | - | | | - |
| 2031 - 2035 | | | - | | | - | | | - |
| 2036 - 2040 | | | - | | | - | | | - |
| 2041 - 2045 | | | - | | | - | | | - |
| 2046 - 2050 | | | - | | | - | | | - |
| Thereafter | | | - | | | - | | | - |
| Total minimum lease payments | \$ - | - | - | - | - | - | - | - | - |
| Less: amounts representing interest | | | | | | | | | - |
| Present value of future minimum lease payments | | | | | | | | | - |
| Unamortized net premium/(discount) | | | | | | | | | - |
| Total capital lease obligations | | | | | | | | | - |
| Less: current portion | | | | | | | | | - |
| Capital lease obligations, net of current portion | | | | | | | | | \$ - |

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6 Long-term debt obligations schedule:

| | Auxiliary revenue bonds (non-SRB related) | | | All other long-term debt obligations | | | Total long-term debt obligations | | |
|-----------------------------------------------------------|-------------------------------------------|----------|------------------------|--------------------------------------|----------|------------------------|----------------------------------|----------|------------------------|
| | Principal | Interest | Principal and Interest | Principal | Interest | Principal and Interest | Principal | Interest | Principal and Interest |
| Year ending June 30: | | | | | | | | | |
| 2021 | | | - | | | - | | | - |
| 2022 | | | - | | | - | | | - |
| 2023 | | | - | | | - | | | - |
| 2024 | | | - | | | - | | | - |
| 2025 | | | - | | | - | | | - |
| 2026 - 2030 | | | - | | | - | | | - |
| 2031 - 2035 | | | - | | | - | | | - |
| 2036 - 2040 | | | - | | | - | | | - |
| 2041 - 2045 | | | - | | | - | | | - |
| 2046 - 2050 | | | - | | | - | | | - |
| Thereafter | | | - | | | - | | | - |
| Total minimum payments | \$ | - | - | - | - | - | - | - | - |
| Less: amounts representing interest | | | | | | | | | - |
| Present value of future minimum payments | | | | | | | | | - |
| Unamortized net premium/(discount) | | | | | | | | | - |
| Total long-term debt obligations | | | | | | | | | - |
| Less: current portion | | | | | | | | | - |
| Long-term debt obligations, net of current portion | | | | | | | | | - |

7 Transactions with related entities:

| | |
|--------------------------------------------------------------------------------------------------------------|-------------|
| Payments to University for salaries of University personnel working on contracts, grants, and other programs | 2,452,162 |
| Payments to University for other than salaries of University personnel | 4,351,342 |
| Payments received from University for services, space, and programs | 2,423,176 |
| Gifts-in-kind to the University from discretely presented component units | |
| Gifts (cash or assets) to the University from discretely presented component units | |
| Accounts (payable to) University (enter as negative number) | (2,546,173) |
| Other amounts (payable to) University (enter as negative number) | |
| Accounts receivable from University (enter as positive number) | 1,623,469 |
| Other amounts receivable from University (enter as positive number) | |

8 Restatements

Provide a detailed breakdown of the journal entries (at the financial statement line items level) booked to record each restatement:

| Restatement #1 | Recognition of contribution related to Sponsored Programs Fixed Assets | Debit/(Credit) |
|----------------|------------------------------------------------------------------------|------------------|
| | | Unearned revenue |
| | Unrestricted | 327,833 |
| | | - |
| Restatement #2 | Enter transaction description | |
| | | - |

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9 Natural classifications of operating expenses:

| | Salaries | Benefits - Other | Benefits - Pension | Benefits - OPEB | Scholarships and fellowships | Supplies and other services | Depreciation and amortization | Total operating expenses |
|------------------------------------|----------------------|------------------|--------------------|--------------------|------------------------------|-----------------------------|-------------------------------|--------------------------|
| Instruction | 48,617 | 5,705 | - | - | - | 35,071 | - | 89,393 |
| Research | 6,380,985 | 991,292 | 636,723 | - | - | 8,087,186 | - | 16,096,186 |
| Public service | 3,487,002 | 604,320 | 352,054 | - | - | 3,475,543 | - | 7,918,919 |
| Academic support | 19,642 | 2,027 | 1,138 | - | - | 67,914 | - | 90,721 |
| Student services | 3,721,908 | 969,121 | 312,631 | - | - | 2,824,242 | - | 7,827,903 |
| Institutional support | 859,588 | 412,457 | 777,751 | (1,798,120) | - | (756,378) | - | (504,701) |
| Operation and maintenance of plant | - | - | - | - | - | - | - | - |
| Student grants and scholarships | - | - | - | - | - | - | - | - |
| Auxiliary enterprise expenses | - | - | - | - | - | 1,086,152 | - | 1,086,152 |
| Depreciation and amortization | - | - | - | - | - | - | 787,726 | 787,726 |
| Total operating expenses | \$ 14,517,742 | 2,984,923 | 2,080,297 | (1,798,120) | - | 14,819,730 | 787,726 | 33,392,298 |

10 Deferred outflows/inflows of resources:

1. Deferred Outflows of Resources

| | |
|-------------------------------------------------------|-----------|
| Deferred outflows - unamortized loss on refunding(s) | |
| Deferred outflows - net pension liability | 1,873,156 |
| Deferred outflows - net OPEB liability | |
| Deferred outflows - others: | |
| Sales/intra-entity transfers of future revenues | |
| Gain/loss on sale leaseback | |
| Loan origination fees and costs | |
| Change in fair value of hedging derivative instrument | |
| Irrevocable split-interest agreements | |

Total deferred outflows - others

Total deferred outflows of resources

-

\$ 1,873,156

2. Deferred Inflows of Resources

| | |
|----------------------------------------------------------|---------|
| Deferred inflows - service concession arrangements | |
| Deferred inflows - net pension liability | 730,822 |
| Deferred inflows - net OPEB liability | |
| Deferred inflows - unamortized gain on debt refunding(s) | |
| Deferred inflows - nonexchange transactions | |
| Deferred inflows - others: | |
| Sales/intra-entity transfers of future revenues | |
| Gain/loss on sale leaseback | |
| Loan origination fees and costs | |
| Change in fair value of hedging derivative instrument | |
| Irrevocable split-interest agreements | |

Total deferred inflows - others

Total deferred inflows of resources

-

\$ 730,822

11 Other nonoperating revenues (expenses)

| | |
|-----------------------------------------------------|---------------------|
| Other nonoperating revenues | 2,190,325 |
| Other nonoperating (expenses) | (22,000) |
| Total other nonoperating revenues (expenses) | \$ 2,168,325 |

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