California State University, San Bernardino
Santos Manuel Student Union Board of Directors
Audit Committee
September 10, 2026 – 12:00pm
Zoom: https://csusb.zoom.us/j/88153481904

AGENDA

1. Call to Order
2. Roll Call
3. Approval of Minutes
   a. March 18, 2026
   b. March 24, 2026
4. Open Forum (3 minutes per speaker)
5. Adoption of Agenda

New Business

AC 01/27 Election of Audit Committee Chair (Action, Del Rossi)

AC 02/27 Review and Approval of Santos Manuel Student Union Audited Financial Statement for 25-26 Fiscal Year | Presentation by Bakertilly Representatives (Action, Del Rossi)

AC 03/27 Review of Audit Committee Charge and 2026-2027 Priorities (Discussion, Del Rossi)

Announcements

Adjournment

California State University, San Bernardino
Santos Manuel Student Union Board of Directors
Audit Committee
March 18, 2026 | 3:00pm
Zoom: https://csusb.zoom.us/j/88153481904

Minutes

Members Present: Anjali, Sukhpreet Kaur, Jocelyn Paz

Staff Present : Vilayat Del Rossi, Elizabeth Junker, Maria Elena Najera-Neri

Call to Order: The meeting was called to order at 3:00pm

Roll Call: A verbal roll call of attendees was conducted. Quorum was met.

Approval of Minutes: M/S Sukhpreet/Anjali; motion to approve February 12, 2026 minutes.
Motion passed.

Open Forum: There were no members of the community present.

Adoption of Agenda
M/S Sukhpreet/Anjali; motion to adopt the agenda for March 18, 2026.
Motion passed.

NEW BUSINESS:

AC 04/26 Review and Discuss Audit and Tax Services RFP Finalists (Discussion, Del Rossi)

Interim Executive Director Del Rossi presented a preliminary summary of the audit firm review process for the campus auxiliaries, explaining that the document was intended to guide the committee's discussion while the complete interview scoring from all 13 interview participants was still pending. He reviewed the evaluation framework, which included written technical proposals, interviews, and cost, and clarified that the committee would ultimately need to consider both firm selection and timing of engagement, including whether to retain the current auditor, CLA, for one final year or transition immediately to a new firm. He also noted that the audit engagement for the upcoming cycle would ordinarily begin in April and acknowledged that the current review process was occurring later than preferred.

The committee discussed the firms' qualifications, cost structures, and familiarity with CSU auxiliaries and nonprofit environments. Del Rossi and staff noted that CLA is the current firm, RAMS previously served as auditor, and Baker Tilly also demonstrated CSU auxiliary experience, while LSL appeared to have broader municipal and nonprofit experience without the same CSU-specific background. Cost was identified as a formal component of the evaluation, and staff explained that while Baker Tilly appeared to be the highest-cost option for SMSU, the budget could be adjusted if the committee determined that a higher-cost firm would provide stronger service. Staff also noted that CLA's current pricing reflected discounts and credits, but cautioned that additional out-of-scope work could still increase total cost.

The committee also discussed communication expectations, the compressed CSU audit timeline, and the importance of proactive coordination among the auditors, auxiliary management, and university accounting. Maria Elena emphasized that while audit firms frequently describe communication with "management," that communication often occurs primarily with accounting staff, and she suggested the committee may wish to clarify expectations for direct communication with auxiliary leadership as part of any future engagement. She also noted that delays can result from either the audit firm or the university accounting process, and that greater visibility into deadlines and responsibilities could improve accountability. Committee members further noted that a firm's local presence and willingness to work on campus could be an operational advantage. Mr. Del Rossi concluded by stating that the full evaluation materials would be forwarded to the committee once received so they could inform the committee's recommendation at the next meeting.

Announcements
There were no announcements from committee members.

Adjournment
M/S Anjali/Kaur; motion to adjourn the meeting at 4:11pm.

Reviewed and respectfully submitted by:

_______________________________________ ____________________
Audit Committee Chair Date

California State University, San Bernardino
Santos Manuel Student Union Board of Directors
Audit Committee
March 24, 2026 | 4:00pm
Zoom: https://csusb.zoom.us/j/88153481904

Minutes

Members Present: Anjali, Sukhpreet Kaur, Jocelyn Paz

Staff Present : Vilayat Del Rossi, Elizabeth Junker, Maria Elena Najera-Neri

Call to Order: The meeting was called to order at 4:09am

Roll Call: A verbal roll call of attendees was conducted. Quorum was met.

Approval of Minutes: None

Open Forum: There were no members of the community present.

Adoption of Agenda
M/S Kaur/Anjali; motion to adopt the agenda for March 24, 2026.
Motion passed.

NEW BUSINESS:

AC 03/26 Financial Audit Request for Proposal Review (Discussion, Del Rossi)

M/S Kaur/Anjali ; motion to open AC 03/26 Financial Audit Request for Proposal Review.

The Audit Committee opened discussion on AC03-26 regarding the Financial Audit Report and the issuance of a Request for Proposals (RFP) for independent audit services prior to the expiration of the current contract. The RFP outlines the scope of services, minimum qualifications, regulatory and tax compliance requirements, engagement personnel expectations, fee proposals, and required timelines. Three firms, CLA (incumbent), LSL, and Baker Tilly submitted proposals by the deadline. The Audit Committee holds delegated authority from the Board of Directors to review proposals, participate in finalist presentations, and select the audit firm, with the final selection to be reported to the Board as an informational item.

The committee discussed its role in reviewing proposals, attending finalist presentations, and evaluating firms using an established rubric. Members emphasized the importance of clear communication, defined timelines, and consistent engagement throughout the audit cycle. It was noted that proposal materials will be shared with the committee for review, finalist presentations are anticipated between late February and mid-March, and additional coordination will occur to ensure the committee is prepared to complete its evaluation within the established RFP timeline.

Announcements
There were no announcements from committee members.

Adjournment
M/S Kaur/Anjali; motion to adjourn the meeting at 9:53am.

Reviewed and respectfully submitted by:

____ ___________________
Audit Committee Chair Date

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Reports of Independent Auditors and Financial Statements
with Supplementary Information

Santos Manuel Student Union, A Component Unit of California State University, San Bernardino

Year Ended June 30, 2026

Including Schedules Prepared for Inclusion
in the Financial Statements of the
California State University

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Report of Independent Auditors

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Management's Discussion and Analysis

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The following section of the Santos Manuel Student Union of California State University, San Bernardino's (Student Union) annual financial report includes some of management's insights and analysis of the Student Union's financial performance for the year ended June 30, 2026.

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

The financial statements include the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows. These statements are supported in the annual financial report by the notes to the financial statements, required supplementary 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 Position: The Statement of Net Position includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Assets and liabilities are reported on an accrual basis, as of the statement date. However, investments are reported at their fair value. It also identifies major categories of restrictions on the net position of the Student Union.

Statement of Revenues, Expenses and Changes in Net Position: The Statement of Revenues, Expenses and Changes in Net Position 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, noncapital financing, capital and related financing activities, and investing 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.

Summary – All students enrolled at California State University, San Bernardino are required to pay a mandatory Student Union fee each semester. These fees fund the operations of the Santos Manuel Student Union and the Student Recreation and Fitness Center, support annual bond payments, provide for transfers to repair and replacement funds, and contribute to construction funds as needed and approved by the Board of Directors.

Student Union funds are utilized in compliance with the California Education Code, Title 5, as well as the stipulations of previous student fee referenda. A portion of the mandatory fees (This is described in the 'Summary' of surplus) allocated to the Student Union is directed towards supporting the operating budgets of the Santos Manuel Student Union and the Student Recreation and Fitness Center, in accordance with Title 5.

Financial Summary

Student Union's Summarized Statement of Net Position

	2026	2025	$ Change from FY25 to FY26
Current assets	$ 15,331,234	$ 13,114,034	$ 2,217,200
Capital assets	731,828	466,686	265,142
Total assets	16,063,062	13,580,720	2,482,342
Deferred outflows of resources	943,270	1,153,507	(210,237)
Current liabilities	529,883	488,604	41,279
Noncurrent liabilities	1,377,363	2,021,903	(644,540)
Total liabilities	1,907,246	2,510,507	(603,261)
Deferred inflows of resources	1,997,317	1,156,855	840,462
Net position			
Net investment in capital assets	353,451	244,876	108,575
Restricted for OPEB	333,401	-	333,401
Unrestricted*	12,414,917	10,821,989	1,592,928
Total net position	$ 13,101,769	$ 11,066,865	$ 2,034,904

*See table below for breakdown of unrestricted net position:

Capital Improvement/Construction	$ 3,873,541
Equipment Acquisition	1,596,955
Program Development	775,955
Facilities Maintenance and Repairs	1,369,760
Outstanding Commitments	1,315,512
Catastrophic Events	871,956
Economic Uncertainty	2,611,238
Total	$ 12,414,917

Assets – Total assets increased by $2.48 Million compared to prior year. This change can be attributed to the increase in short-term investments.

Liabilities – Total liabilities decreased by $603.3 thousand compared to the prior year. This decrease is primarily due to the change in OPEB liability to a net OPEB asset for a change of $609 thousand and a decrease in Pension liability by $371 thousand.

Net Position – The Student Union's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $13.1 million at the close of fiscal year 2026. Of this amount, $353 thousand, or 2.70%, reflects its investment in capital assets (e.g., buildings, leasehold improvements, and machinery and equipment, net of accumulated depreciation and amortization), $333 thousand represents the net OPEB asset**,** and the remaining $12.4 million represents unrestricted net position for financial reporting purposes, including amounts designated by the Board for specific reserve purposes.

Changes in Net Position – Operating revenues decreased by $295 thousand, or 2.3%, from $12.7 million in fiscal year 2025 to $12.4 million in fiscal year 2026. This decrease is attributed primarily to decreases in miscellaneous reimbursement revenues and personnel services reimbursement revenues, partially offset by an increase in facility lease and rental revenue.

Student Union's Changes in Net Position

	2026	2025	$ Change from FY25 to FY26
Revenues			
Return of surplus	$ 10,502,768	$ 10,565,911	$ (63,143)
Income from operations	1,359,445	1,458,550	(99,105)
Program income	252,255	290,366	(38,111)
Investment income	308,398	288,919	19,479
Other nonoperating revenues	-	112,451	(112,451)
Total revenues	12,422,866	12,716,197	(293,331)
Expenses			
Student services	4,587,395	4,828,128	(240,733)
Support services	5,800,567	6,307,691	(507,124)
Total expenses	10,387,962	11,135,819	(507,124)
Change in net position	2,034,904	1,580,378	454,526
Net position, beginning of year	11,066,865	9,486,487	1,580,378
Net position, end of year	$ 13,101,769	$ 11,066,865	$ 2,034,904

Significant Capital Asset and Long-term Financial Activity

Capital Assets and Long-Term Debt – reported $367,107 in capital assets, net of depreciation and amortization, an increase of $122,231 from the prior year. The increase primarily reflects additions to equipment, furniture and fixtures and recognition of SBITA assets, partially offset by depreciation and amortization. Net investment in capital assets was $353,451 after related liabilities. Long-term debt associated with Student Union facilities is managed by the Chancellor's Office and is not recorded as a liability of the Student Union.

Student Union's Capital Assets (Net of Depreciation)

	2026	2025	$ Change from FY25 to FY26
Buildings and leasehold improvements	$ 91,508	$ 111,637	$ (20,129)
Equipment, furniture and fixtures	207,888	81,854	126,034
SBITAs	16,326	-	16,326
Works of art	51,385	51,385	-
Total	$ 367,107	$ 244,876	$ 122,231

Currently Known Facts, Decisions, or Conditions

Student headcount during the 2025–26 academic year was approximately 17,100, and enrollment remains a key driver of mandatory student fee revenue. For 2026–27, the Board approved a balanced $13.3 million operating budget that provides for approximately $6.18 million in annual bond debt service, maintains a projected debt service coverage ratio of 1.20 compared with the required 1.10, and includes approximately $911,000 in planned lifecycle and facility improvement projects. Management will continue to monitor enrollment, compensation and inflationary operating pressures while maintaining Board-designated reserves for debt service, economic uncertainty, capital renewal, equipment, facilities maintenance, outstanding commitments, catastrophic events, and other long-term obligations.

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.

Financial Statements

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Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Statement of Net Position
June 30, 2026

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ASSETS

CURRENT ASSETS	
Cash and cash equivalents	$ 374,540
Short-term investments	13,409,273
Accrued interest receivable	28,623
Accounts receivable, net	771,905
Due from related party	250,396
Lease receivable, currrent portion	496,497
Total current assets	15,331,234
NONCURRENT ASSETS	
Lease receivable, net of current portion	31,320
Capital assets, net	367,107
Net OPEB Asset	333,401
Total noncurrent assets	731,828
Total assets	16,063,062
DEFERRED OUTFLOWS OF RESOURCES	
Pension related items	439,352
OPEB related items	503,918
Total deferred outflows of resources	$ 943,270

See accompanying notes.

Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Statement of Net Position
June 30, 2026

LIABILITIES

CURRENT LIABILITIES	
Accounts payable	$ 187,556
Due to related party	29,584
Accrued salaries	202,681
Accrued compensated absences	86,157
Unearned revenue	2
Other liabilities	23,903
Total current liabilities	529,883
NONCURRENT LIABILITIES	
Accrued Compensated Absences	86,157
Net pension liability	1,291,206
Total noncurrent liabilities	1,377,363
Total liabilities	1,907,246
DEFERRED INFLOWS OF RESOURCES	
Pension related items	273,671
OPEB related items	1,203,474
Leases	520,172
Total deferred inflows of resources	1,997,317
NET POSITION	
Net investment in capital assets	353,451
Restricted for net OPEB asset	333,401
Unrestricted	12,414,917
Total net position	$ 13,101,769

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See accompanying notes.

Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Statement of Revenue, Expenses, and Change in Net Position
Year Ended June 30, 2026

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OPERATING REVENUES	
Return of surplus revenue bond funds (student union fees)	$ 10,502,768
Local reserves	354,000
Program revenues	252,255
Facility lease and rental	708,376
Personnel services reimbursement revenues	289,085
Miscellaneous reimbursement revenues	7,984
Total operating revenues	12,114,468
OPERATING EXPENSES	
Student services	
Program board	83,227
Women's resource center	140,075
Student centers	572,979
Cross cultural center	226,398
Adult re-entry center	115,646
Recreation center	2,998,353
Bowling	47,765
Esport arena	59,013
Pride center	135,769
Palm desert campus	208,170
Support services	
Administration and personnel services	461,120
Scheduling	301,196
Maintenance	547,366
Board of directors	53,878
Graphics	309,281
Student union operations	3,577,827
Concierge services	214,843
Event operations	217,948
Technology	117,108
Total operating expenses	10,387,962
Total operating income	1,726,506
NONOPERATING REVENUES	
Investment income	308,398
Total nonoperating revenues	308,398
CHANGE IN NET POSITION	2,034,904
NET POSITION, beginning of year	11,066,865
NET POSITION, end of year	$ 13,101,769

See accompanying notes.

Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Statement of Cash Flows
Year Ended June 30, 2026

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CASH FLOWS FROM OPERATING ACTIVITIES	
Return of surplus	$ 10,502,768
Sales and services	1,454,199
Payments to suppliers	(4,256,136)
Payments to employees	(5,997,696)
Net cash from operating activities	1,703,135
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital assets purchased	(165,843)
Net cash used by capital and related financing activities	(165,843)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of investments	(12,455,307)
Sales of investments	10,589,645
Investment income	310,693
Net cash used by investing activities	(1,554,969)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(17,677)
CASH AND CASH EQUIVALENTS, beginning of year	392,217
CASH AND CASH EQUIVALENTS, end of year	$ 374,540
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES	
Operating income	$ 1,726,506
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation and amortization	61,836
(Increase) decrease in assets and deferred outflows	
Accounts receivable, net	78,115
Due from related parties	(237,762)
Lease receivable	(21,373)
Deferred outflows of resources	210,237
Increase (decrease) in liabilities and deferred intflows	
Accounts payable	34,849
Other liabilities	(4,097)
Due to related parties	29,584
Accrued compensated absences	3,546
Accrued salaries	(39,054)
Net opeb liability/asset	(608,778)
Net pension liability	(370,936)
Deferred inflows of resources	840,462
Net cash from operating activities	$ 1,703,135
NONCASH CAPITAL AND RELATED FINANCING ACTIVITY	
Issuance of SBITA	$ 18,224

See accompanying notes.

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Note 1 – Summary of Significant Accounting Policies

Organization – The Santos Manuel Student Union of California State University, San Bernardino (the Student Union) is a nonprofit 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 current operating agreement was entered into effective September 1, 2017, and expires on August 31, 2027.

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.

Basis of accounting – As a component unit of California State University, San Bernardino, the Student Union has elected to follow the accounting standards and pronouncements issued by the Governmental Accounting Standards Board (GASB). The Student Union reports its operations as a proprietary fund, which is accounted for using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 nonoperating revenues and expenses.

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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 position is necessary for management accountability.

Cash and cash equivalents – 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.

Short-term investments – Investments, including the Local Agency Investment Fund (LAIF) and CSU Systemwide Investment Fund Trust (SWIFT), are recorded at their amortized cost, which approximates fair value in the statement of net position. Investment income or losses (including realized gains and losses on investments, interest, and dividends) are included in the statement of revenues, expenses, and change in net position as increases or decreases in investment income, net.

Accounts receivable – Accounts receivable consists of charges to auxiliary enterprise services provided to student organizations and other auxiliary organizations.

Receivable balances are periodically reviewed for collectability 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. As of June 30, 2026, the organization estimated $28,332 to be uncollectible.

Lease receivable – The Student Union is a lessor for noncancelable leases rental space. The Student Union recognizes a lease receivable and a deferred inflow of resources in the financial statements. At the commencement of a lease, the Student Union initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for the lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. Lease obligations receivable consists of amounts due to the Student Union for various leased spaces for which the Student Union serves as the lessor.

Capital assets – Capital assets including property and equipment are carried at cost. The Student Union's policy is to capitalize additions and improvements greater than $5,000. Repairs and maintenance are charged to operations as incurred. Costs and related allowances for depreciation of capital assets sold or otherwise retired are eliminated from the accounts and gains or losses on disposition are included in non-operating income. Contributed assets, if any, are stated at acquisition 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.

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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).

The Student Union files informational tax returns in the U.S. federal jurisdictions and the state of California. The Student Union is no longer subject to U.S. federal and state examinations for years before 2022.

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, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Subscription-based IT agreements – The Student Union accounts for subscription-based information technology arrangements (SBITAs) in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. An SBITA is a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, for a period of time in an exchange or exchange-like transaction. At commencement, the Student Union recognizes a subscription liability and an intangible right-to-use subscription asset for qualifying SBITAs, excluding short-term SBITAs and other arrangements specifically excluded by GASB 96. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term, and the subscription asset is generally measured as the initial liability plus qualifying payments made at or before commencement and certain capitalizable implementation costs. The subscription asset is amortized over the shorter of the subscription term or useful life, while interest expense is recognized on the outstanding subscription liability.

Adoption of new accounting pronouncements – In the fiscal year ended June 30, 2026, the Student Union adopted GASB Statement No. 103, *Financial Reporting Model Improvements*, and GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The adoption of these Statements had no cumulative effect on beginning net position.

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Net position – Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position is reported in three components: net investment in capital assets, restricted, and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation and amortization, reduced by outstanding debt attributable to the acquisition, construction, or improvement of those assets, with applicable adjustments for deferred outflows and inflows of resources. Restricted net position consists of resources subject to externally imposed constraints by creditors, grantors, contributors, laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation; all remaining net position is classified as unrestricted. When both restricted and unrestricted resources are available for the same purpose, the Student Union's policy is to use restricted resources first, followed by unrestricted resources.

Unrestricted net position – The Unrestricted Net Position of $12,414,917 is designated to Program Funds as shown below. These are allocated fund reserves, which support programs such as Working Capital, the Long-Term Equipment Repair and Replacement Plan, Major Maintenance Plan, and SMSU Major Campus Event Funds.

Capital Improvement/Construction	$ 3,873,541
Equipment Acquisition	1,596,955
Program Development	775,955
Facilities Maintenance and Repairs	1,369,760
Outstanding Commitments	1,315,512
Catastrophic Events	871,956
Economic Uncertainty	2,611,238
Total	$ 12,414,917

Revenue – Rental income is recognized as revenue when earned and consists of unrelated party event fees and bowling alley shoe rental.

Note 2 – Cash and Investments

Cash and investments as of June 30, 2026, are classified in the accompanying financial statements as follows:

Current assets	
Cash and cash equivalents	$ 374,540
Short-term investments	13,409,273
Total cash and investments	$ 13,783,813

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Investment in CSU Systemwide Investment Fund Trust – Student Union 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.

Student Union relies upon information provided by SWIFT in estimating the fair value position of its holdings in it. SWIFT is not subject to a credit quality rating. The allocated totals presented are derived from the percentage of the Student Union's investment balance in relation to the pool's investment balance applied to the pools total balance for each investment category.

Investment in State Investment Pool – The Student Union is a voluntary participant in the Local Agency Investment Fund (LAIF), which is part of the Pooled Money Investment Account that is regulated by the California Government Code under the oversight of the State Treasurer, Director of Finance and State Controller. The Student Union may invest up to $75 million in the LAIF fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within 24 hours without loss of interest. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. All investments with LAIF are secured by the full faith and credit of the State of California. Separate LAIF financial statements are available from the California State Treasurer's Office on the Internet at www.treasurer.ca.gov.

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 for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). LAIF's (and the Student Union's) exposure to risk (credit, market or legal) is not currently available.

Fair value measurements – GASB Statement No. 72, Fair Value Measurements and Application, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of quoted prices (unadjusted) for identical assets and liabilities in active markets that a government can access at the measurement date, Level 2 inputs that are observable for an asset or liability, either directly or indirectly, and Level 3 inputs have the lowest priority and consist of unobservable inputs for an asset or liability. The Student Union does not have any investments categorized as Level 1, Level 2, or Level 3.

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The following table presents the balances of the assets recorded at amortized cost as of June 30, 2026:

Type	2026 Amortized cost
SWIFT Investments	$ 12,172,126
LAIF	1,237,147
Total investments	$ 13,409,273

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.

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 requires that a financial institutions 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.

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.

Santos Manuel Student Union maintains its cash in one financial institution account. The standard insurance amount under the Federal Deposit Insurance Corporation (FDIC) is $250,000 per depositor, per insured bank, for each account ownership category. These balances may at times exceed the insured limits. As of June 30, 2026, the Student Union's cash balances exceeded federally insured limits by $124,540.

Concentration of credit risk – Concentration risk rises as investments become concentrated relative to a portfolio characteristic such as issuance, issuer, market sector, counterparty, or sovereign nation, and is best mitigated by diversification. The investment policy of the Student Union contains no limitations on the amount that can be invested in any one issuer beyond what is stipulated by the California Government Code.

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Note 3 – Student Union Fees

The Student Union fees that are collected are deposited into a California State University, San Bernardino trust fund, where a portion is kept by the University to pay for debt service and the remaining portion is 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.

The University allocates a portion of the Student Union fee funding collected during the academic year for Student Union operations based on the Student Union's University-approved annual operating budget. The allocation of operating funds follows a retention of collected Student Union fees for debt service obligations and a reserve for capital expenditures. The Student Union fee is a mandatory part of a student's Tuition and Fees and is paid to the University and is held in the Student Union Fee Trust for payment of debt service, contribution to the reserve for capital expenditures, and distribution of operating funds to the Student Union. The Student Union recognizes fee funding as revenue when earned.

Reserved balances as of June 30, 2026 held by the University on behalf of the Santos Manuel Student Union were Designated for Operations and Designated for Maintenance and Repairs for $7,430,307 and $3,452,374, respectively. There was no reserve balance Designated for Capital Improvements. Debt payments are funded through these reserve balances. The following are the outstanding debt issues related to the Student Union's arrangement with the Campus.

In August of 2019, the Trustees of the California State University issued the Systemwide Revenue Bonds Series 2019A. The Bonds were issued to finance and refinance the acquisition, construction, renovation, and improvement of certain facilities of the California State University. Included in the projects financed with the Series 2019A Bonds was approximately $80,000,000 designated for the construction of the Santos Manuel Student Union North, a three-story, 120,000-square-foot building. The SMSU North includes a multi-purpose ballroom, which is twice the size of the existing SMSU Conference Center formerly known as the Events Center, an eight-lane bowling alley and game room, a pub, food service and retail space, collaborative spaces for student organizations and support centers, and the Coyote Bookstore. The overall SMSU, which consists of three buildings SMSU North, SMSU South and Recreation & Wellness Center, is one of the largest building complexes in the 23-campus California State University system. The project began in June 2019 and was completed in March 2022. Bonds outstanding at June 30, 2026, amounted to $67,030,000.

In July 2021, California State University issued Systemwide Revenue Bond Series 2021A (Tax Exempt) and 2021B (Taxable), a portion of Series 2021B proceeds was applied for advance refunding a portion of the SRB Series 2013A (Tax Exempt) and a portion of the SRB Series 2014A (Tax Exempt). Bonds outstanding as of June 30, 2026, amounted to $15,950,000.

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Note 4 – Capital Assets

Capital asset activity for the year ended June 30, 2026, was as follows:

	2026			
	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated/amortized				
Works of Art	$ 51,385	$ -	$ -	$ 51,385
Total capital assets, not being depreciated/amortized	51,385	-	-	51,385
Capital assets, being depreciated/amortized				
SBITAs	-	18,224	-	18,224
Furniture and Fixtures	-	39,395	-	39,395
Buildings	152,896	-	-	152,896
Leasehold improvements	614,470	-	-	614,470
Equipment	652,749	126,448	-	779,197
Total capital assets, being depreciated	1,420,115	184,067	-	1,604,182
Less accumulated depreciation/amortization for				
SBITAs	-	(1,898)	-	(1,898)
Furniture and Fixtures	-	(469)	-	(469)
Buildings	(60,274)	(5,097)	-	(65,371)
Leasehold improvements	(595,455)	(15,032)	-	(610,487)
Equipment	(570,895)	(39,340)	-	(610,235)
Total accumulated depreciation	(1,226,624)	(61,836)	-	(1,288,460)
Capital assets, net	$ 244,876	$ 122,231	$ -	$ 367,107

Total depreciation and amortization expense for the year ended June 30, 2026, was $61,836.

Note 5 – Leasing Arrangements

The Student Union, acting as lessor of the Student Union Facility and the Recreation Center, leases space under a long-term, noncancelable lease agreements. The leases expire at periodic dates through July 2029. During the year ended June 30, 2026, the Student Union recognized $306,107 and $8,543 in lease revenue and interest revenue, respectively, pursuant to the contract.

Total future minimum lease payments to be received under lease agreements are as follows:

Year Ending June 30,	Principal	Interest	Total
2027	$ 496,499	$ 7,207	$ 503,706
2028	28,901	1,642	30,543
2029	2,417	127	2,544
Total	$ 527,817	$ 8,976	$ 536,793

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Note 6 – Long-term Obligations

A schedule of net changes in long-term obligations during the fiscal year June 30, 2026, consist of the following:

	Balance July 1, 2025	Additions	Deductions	Balance June 30, 2026	Due in One Year
Compensated absences	$ 168,768	$ 3,546	$ -	$ 172,314	$ 86,157
Net OPEB liability (asset)	275,377	-	(608,778)	(333,401)	-
Net pension liability	1,662,142	-	(370,936)	1,291,206	-
Total long-term obligation	$ 2,106,287	$ 3,546	$ (979,714)	$ 1,130,119	$ 86,157

Note 7 – Related Party and Economic Dependency

The Student Union operates under an agreement with the Trustees of the California State University, San Bernardino (CSUSB) as an auxiliary organization of the University. The majority of the Student Union's revenues and assets are dependent on its relationship with the University and its operating agreement with the Trustees. The University provides accounting services, utilities, and various services for the Student Union. The Student Union leases space to Associated Student Incorporated (ASI), University Enterprises Corporation (UEC) and the Philanthropic Foundation (PHL) of California State University, all related parties.

A significant portion of the Student Union’s revenue is derived from services provided to the student population at California State University, San Bernardino (CSUSB). Accordingly, the Student Union’s financial performance is dependent on student enrollment. Fluctuations in the number of enrolled students could materially impact the revenue of the Student Union.

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Below is a summary showing the related party transactions as of and for the year ended June 30, 2026:

	2026				
	CSUSB	Associated Students Incorporated	Philanthropic Foundation	University Enterprises Corporation	Total
Expenses					
Payments to Univ/Aux for salaries of personnel working on contracts, grants, and other programs	$ 767,006	$ -	$ -	$ -	$ 767,006
Payments to Univ/Aux for other than salaries of personnel	2,061,427	14,250	5,000	1,197	2,081,874
Revenues					
Payments received from Univ/Aux for services, space, and programs	11,820,345	72,771	24,186	85,629	12,002,931
Due to					
Accounts payable due to Univ/Aux as of June 30, 2026	(29,584)	-	-	-	(29,584)
Due from					
Accounts receivable due from Univ/Aux as of June 30, 2026	-	-	6,397	243,999	250,396

Note 8 – Defined Benefit Pension Plan

A. General Information about the Pension Plan

Plan description – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The Student Union sponsors two miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and Student Union resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

Benefits – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for nonduty disability benefits after five years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

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The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plan's provisions and benefits in effect at June 30, 2026, are summarized as follows:

	Miscellaneous	
Hire Date	Prior to January 1, 2013	On or After January 1, 2013
Benefit Formula	2% @ 55	2% @ 60
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50 - 63	50 - 63
Monthly Benefits as a % of Eligible Compensation	1.4% to 2.4%	1.4% to 2.4%
Required Employee Contribution Rates	7.00%	6.75%
Required Employer Contribution Rates	10.484%	7.732%

Contributions – Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by Miscellaneous risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability.

The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer contributions to the Plan for the fiscal year ended June 30, 2026, were $247,460.

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B. Net Pension Liability

The Student Union's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2025, using an annual actuarial valuation as of June 30, 2024, rolled forward to June 30, 2025, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

	Miscellaneous
Valuation Date	June 30, 2024
Measurement Date	June 30, 2025
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Actuarial Assumptions	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases (1)	Varies by Entry Age and Service
Investment Rate of Return (2)	6.90%
Mortality Rate Table (3)	Derived using CALPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.00% until Purchasing Power Protection Allowance Floor on Purchasing Power Applies

(1) Annual increases vary by category, entry age, and duration of service

(2) Net of pension plan investment and administrative expenses; includes inflation

(3) The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

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Discount rate – The discount rate used to measure the total pension liability was 6.90%. To determine whether the municipal bond rate should be used in the calculation of the discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 6.90% discount rate is appropriate, and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 6.90% is applied to all plans in the Public Employees Retirement Fund (PERF). The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The following table reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Asset Class	Assumed Asset Allocation	Real Return Years 1-10[1,2]
Public Equity	37.00%	4.56%
Private Equity	17.00%	5.56%
Fixed Income	28.00%	2.53%
Real Assets	15.00%	3.03%
Private Debt	8.00%	4.93%
Strategic Leverage	-5.00%	1.40%

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Pension plan fiduciary net position – Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

The plan fiduciary net position disclosed in the GASB 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and Other Post-Employment Benefits (OPEB) expense included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation. In addition, differences may result from early Annual Comprehensive Financial Report closing and final reconciled reserves.

C. Proportionate Share of Net Pension Liability

The following table shows the Plan's proportion share of the net pension liability over the measurement period.

	Plan Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Plan Net Position Liability (c) = (a) - (b)
Balance as of Measurement Date 6/30/2024 (MD)	$ 9,414,453	$ 7,752,311	$ 1,662,142
Balance as of Measurement Date 6/30/2025 (MD)	10,169,702	8,878,796	1,290,906
Net Changes During Measurement Period 2024-2025	$ 755,249	$ 1,126,485	$ (371,236)

Student Union's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2025, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024, rolled forward to June 30, 2025, using standard update procedures. Student Union's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov. Student Union's proportionate share of the net pension liability for the Plan as of June 30, 2025 and 2024 measurement dates, was as follows:

Proportion Share of NPL - June 30, 2025 (MD)	0.03237%
Proportion Share of NPL - June 30, 2024 (MD)	0.03437%
Change - Increase (Decrease)	-0.00200%

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Sensitivity of the proportionate share of the net pension liability to changes in the discount rate – The following presents the Student Union's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Miscellaneous Plan's Net Pension Liability	$ 2,663,584	$ 1,291,206	$ 161,753

Subsequent events – There were no subsequent events that would materially affect the results presented in this disclosure.

Recognition of gains and losses – Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investment.	Five-year straight-line amortization.
All other amounts	Straight-line amortization over the expected average remaining service lifetime (EARSL) of all members that are provide with benefits (active, inactive and retired) as of the beginning of the measurement period.

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

The EARSL for PERF C for the measurement date ending June 30, 2024, is 3.8 years, which was obtained by dividing the total service years of 630,177 (the sum of remaining service lifetimes of the active employees) by 166,163 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to zero. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

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D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

As of the start of the measurement period (July 1, 2024), the Student Union's net pension liability was $1,662,142. For the measurement period ending June 30, 2025 (the measurement date), Student Union incurred a pension expense/(income) of $221,953.

As of June 30, 2026, the Student Union has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	$ -	$ -
Differences between expected and actual experience	154,717	-
Differences between projected and actual investment earnings	-	174,714
Differences between employer's contributions and proportionate share of contributions	-	98,957
Change in employer's proportion	37,175	-
Pension contributions made subsequent to measurement date	247,460	-
Total	$ 439,352	$ 273,671

These amounts above are net of outflows and inflows recognized in the 2024-2025 measurement period expense. Contributions subsequent to the measurement date of $247,460 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Measurement Period Ending June 30,	Deferred Outflows (Inflows) of Resources
2027	$ 133,822
2028	(60,084)
2029	(88,821)
2030	(66,696)

E. Payable to the Pension Plan

At June 30, 2026, Student Union reported a payable of $0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2026.

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Note 9 – Other Post-Employment Benefits

A. General Information about the Plan

Plan description – The Santos Manuel Student Union provides medical and dental plan coverage for retirees and their eligible surviving dependents in certain HMO or other plans available through the program. 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 employees' medical plan coverage. The plan is a single-employer post-employment plan.

Employees covered by benefit terms – As of the June 30, 2025 valuation, the following current and former employees were covered by the benefit terms under the plan:

Active plan members	41
Retirees and beneficiaries receiving benefits	5
Total participants	46

Benefits and contributions – For medical coverage, the Student Union currently pays up to $983 per month for retiree coverage, $1,890 per month for coverage with one dependent, and $2,366 for coverage with two or more dependents. For dental and vision coverage, the Student Union currently pays 100% of the cost of premiums for the retiree and his or her eligible dependents so long as they remain eligible for coverage under the contract. Coverage under the Plan 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 contribution requirements of the Student Union are established and may be amended by the board of directors. In fiscal year 2014-2015 the annual required contribution determination method changed from pay-as-you-go basis to prefunding policy. The Student Union contributed $27,799 to the plan during the year ended June 30, 2026. On March 1, 2020, SMSU modified the retiree medical benefits for employees hired on or after March 1, 2020. This change had no impact on the Total OPEB liability as of the current measurement date. However, as new employees are added, this change is expected to result in a reduction in plan costs that would have otherwise occurred.

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B. Net OPEB Liability

The Student Union's net OPEB liability was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2025, based on the following actuarial methods and assumptions:

Discount rate	6.30%	
Inflation	2.50%	
Salary increases	3.00%	
Investment rate of return	6.30%	
Mortality	MacLeod Watts Scale 2022 applied generationally	
Pre-retirement turnover healthcare trend rate	Actual	2026
	6.50%	2027
	6.30%	2028
	6.00%	2029
	5.80%	2030
	5.60%	2031
	Various	Thereafter

Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in the valuation. Demographic actuarial assumptions used in the valuation are based on the 2025 experience study of the California Public Employees Retirement System using data from 2000 to 2023.

C. Discount Rate

The discount rate used to measure the total OPEB liability was 6.30%. The Student Union has established an irrevocable OPEB trust with assets dedicated toward paying future retiree medical benefits. The Student Union expects the trust assets to yield 6.30% over the long-term, based on the current mix of assets.

The projection of cash flows used to determine the discount rate assumed that Student Union contributions will be made at rates equal to or in excess of the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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D. Changes in Net OPEB Liability and Fiduciary Net Position

The change in the net OPEB liability for the Plan are as follows as of June 30, 2026:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2025 (Measurement Date June 30, 2024)	$ 3,610,787	$ 3,335,410	$ 275,377
Changes Recognized for the Measurement Period			
Service Cost	252,103	-	252,103
Interest Cost	240,752	-	240,752
Changes of Assumptions	18,482	-	18,482
Expected Investment Income	-	411,291	(411,291)
Employer Contributions	-	82,859	(82,859)
Administrative Expenses	-	(15,161)	15,161
Benefit Payments	(82,859)	(82,859)	-
Investment Experience	(641,126)	-	(641,126)
Discount Rate	-	-	-
Net Changes	-	-	-
Balance at June 30, 2026	(212,648)	396,130	(608,778)
(Measurement Date June 30, 2025)	$ 3,398,139	$ 3,731,540	$ (333,401)

E. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability (asset) of the Student Union if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2026:

	Discount Rate - 1% (5.30%)	Current Discount Rate (6.30%)	Discount Rate + 1% (7.30%)
Net OPEB Liability (Asset)	$ 218,599	$ (333,401)	$ (780,826)

F. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

The following presents the net OPEB liability (asset) of the Student Union if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2025:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability (Asset)	$ (867,728)	$ (333,401)	$ 353,125

G. Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss:

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All other amounts	Straight-line amortization over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits, determined as of the beginning of the Measurement Period. In determining the EARSL, all active, retired and inactive (vested) members are counted, with the latter two groups having -0- remaining service years.

H. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2026, the Student Union recognized OPEB expense of $183,632 fiscal year ended June 30, 2026, the Student Union reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	$ 114,370	$ 174,824
Differences between expected and actual experience	278,890	883,659
Net difference between projected and actual earnings of OPEB Plan Investments	-	144,991
Contributions to OPEB Plan after the Measurement Date	110,658	-
Total	$ 503,918	$ 1,203,474

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The $110,658 reported as deferred outflows of resources related to contributions to the OPEB plan after the measurement date will be recognized as a reduction of the net OPEB liability during the subsequent fiscal year. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ending June 30,	Deferred Outflows (Inflows) of Resources
2027	$ (18,688)
2028	(164,912)
2029	(152,452)
2030	(114,863)
2031	(63,502)
Thereafter	(295,797)
Total	$ (810,214)

I. OPEB Trust

The long-term expected rate of return on OPEB plan investments was determined using historic 20 year real rates of return for each asset class along with assumed long-term inflation assumptions to set the discount rate. The expected investment return was offset by investment expenses of 25 basis points. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2023, (see the discussion of the Plan's investment policy) are summarized herein.

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
US Equities	45.00%	8.50%
International Equities	10.00%	7.40%
Fixed Income & Preferreds	39.00%	3.80%
REITs	6.00%	6.00%

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Note 10 – Self-Insurance

The Student Union is subject to risks of loss such as general liabilities, torts, and employee health expenses. The Student Union participates in the California State University risk management pool, California State University Risk Management Authority (CSURMA), for its insurance needs. CSURMA provides insurance and risk management services for California State University campuses and auxiliary organizations, including insurance and self-insurance. Auxiliary Organizations Risk Management Alliance (AORMA) operates within CSURMA to offer tailored coverage for California State University auxiliary organizations. CSURMA AORMA assumes charge of the control, negotiation, investigation, settlement, defense, or appeal of any claims made, or suits brought, or proceedings instituted against the Student Union for areas covered by the pool. For their services, the Student Union remits annual contribution payments computed in accordance with CSURMA AORMA's rules and rates.

There have been no settlements in the past year that have exceeded insurance limits. There are no self-insurance claims liabilities recorded in the accompanying financial statement because any amounts at June 30, 2026, are expected to be minimal. Likewise, no amounts have been paid to CSURMA/AORMA by June 30, 2026, related to the Student Union's estimated future funding for claims liability.

Required Supplementary Information

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Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Schedule of Changes in the Net OPEB Liability and Related Ratios
For the Measurement Period Ended June 30, 2026

	Measurement Period								
	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total OPEB Liability									
Service Cost	$ 148,664	$ 153,496	$ 158,485	$ 179,931	$ 185,329	$ 187,289	$ 179,856	$ 230,772	$ 252,103
Interest	117,905	131,461	145,667	142,013	157,941	164,687	182,124	196,376	240,752
Differences Between Expected and Actual Experience	-	-	(404,392)	-	(94,640)	-	(136,403)	341,632	(641,126)
Changes of Assumptions	-	-	257,087	-	(120,805)	(125,331)	9,418	(26,430)	18,482
Benefit Payments	(53,392)	(55,610)	(69,705)	(51,198)	(54,256)	(68,945)	(77,140)	(85,609)	(82,859)
Net Change in Total OPEB Liability	213,177	229,347	87,142	270,746	73,569	157,700	157,855	656,741	(212,648)
Total OPEB Liability - Beginning	1,764,510	1,977,687	2,207,034	2,294,176	2,564,922	2,638,491	2,796,191	2,954,046	3,610,787
Total OPEB Liability - Ending (a)	$ 1,977,687	$ 2,207,034	$ 2,294,176	$ 2,294,176	$ 2,638,491	$ 2,796,191	$ 2,954,046	$ 3,610,787	$ 3,398,139
Plan Fiduciary Net Position									
Contributions - Employer	$ 53,392	$ 55,610	$ 738,705	$ 51,198	$ 54,256	$ 68,945	$ 77,140	$ 585,609	$ 82,859
Net Investment Income	133,272	91,418	136,373	88,503	611,259	(548,159)	207,138	346,531	411,291
Benefit Payments	(53,392)	(55,610)	(69,705)	(51,198)	(54,256)	(68,945)	(77,140)	(85,609)	(82,859)
Administrative Expense	(7,655)	(9,279)	(9,162)	(10,365)	(11,591)	(12,334)	(10,730)	(11,918)	(15,161)
Net Change in Plan Fiduciary Net Position	125,617	82,139	796,211	78,138	599,668	(560,493)	196,408	834,613	396,130
Plan Fiduciary Net Position - Beginning	1,183,109	1,308,726	1,390,865	2,187,076	2,265,214	2,864,882	2,304,389	2,500,797	3,335,410
Plan Fiduciary Net Position - Ending (b)	$ 1,308,726	$ 1,390,865	$ 2,187,076	$ 2,265,214	$ 2,864,882	$ 2,304,389	$ 2,500,797	$ 3,335,410	$ 3,731,540
Net OPEB Liability (Asset) - Ending (a) - (b)	$ 668,961	$ 816,169	$ 107,100	$ 28,962	$ (226,391)	$ 491,802	$ 453,249	$ 275,377	$ (333,401)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	66%	63%	95%	88%	109%	82%	85%	92%	110%
Covered-Employee Payroll	$ 1,441,278	$ 1,534,505	$ 1,361,978	$ 1,714,631	$ 1,790,030	$ 1,902,376	$ 2,641,485	$ 2,675,499	$ 2,881,486
Net OPEB Liability as a Percentage of Covered Payroll	46.41%	53.19%	7.86%	17.48%	-12.65%	25.85%	17.16%	10.29%	-11.57%

Notes to Schedule – Changes in assumptions: Discount rate changed to 6.30% and the Investment rate of return changed to 6.30%. Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available. Fiscal Year 2017-18 was the first year of implementation.

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Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Schedule of OPEB Plan Contributions Last 10 Years
Year Ended June 30, 2026

	Fiscal Year Ended								
	2018	2019	2020	2021	2022	2023	2024	2025	2026
Actuarially Determined Contribution (ADC)	$ 206,027	$ 212,877	$ 226,316	$ 245,863	$ 146,241	$ 157,789	$ 163,564	$ 262,529	$ 270,106
Contributions in Relation to the ADC	55,610	738,705	51,198	54,256	68,945	77,140	585,609	82,859	110,658
Contribution Deficiency (Excess)	$ 150,417	$ (525,828)	$ 175,118	$ 191,607	$ 77,296	$ 80,649	$ (422,045)	$ 179,670	$ 159,448
Covered-Employee Payroll	$ 1,534,505	$ 1,361,978	$ 1,714,631	$ 1,790,030	$ 1,902,376	$ 2,641,485	$ 2,675,499	$ 2,881,486	$ 2,980,459
Contributions as a Percentage of Covered-Employee Payroll	3.62%	54.24%	2.99%	3.03%	3.62%	2.92%	21.89%	2.88%	3.71%

Notes to Schedule – Actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2026 were from the June 30, 2025 actuarial valuation.

Methods and assumptions used to determine contributions:

Actuarial Cost Method	Entry Age Normal
Amortization Methodology	Level percentage of pay; 30 years closed Asset Valuation Method Market value
Inflation	2.50%
Payroll Growth	3.00% per annum
Investment Rate of Return	6.25% per annum
Healthcare Trend Rates	6.5% in 2025, fluctuates until ultimate rate of 3.9% in 2075 and later
Retirement Age	From 50 to 75
Mortality	CalPERS 2021 Study

* Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

Fiscal Year 2017-18 was the first year of implementation.

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Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Schedule of the Employer's Proportionate Share of the Plan's Net Pension Liability and Related Ratios as of the Measurement Date – Last 10 Years
Year Ended June 30, 2026

Measurement Date	Employer's Portion of the Collective Net Pension Liability	Employer's Proportionate Share of the Collective Net Pension Liability	Employer's Covered Payroll	Employer's Proportionate Share of the Collective Net Pension Liability as a Percentage of the Employer's Covered Payroll	Pension Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2016	0.02954%	1,026,052	1,107,257	92.67%	75.02%
6/30/2017	0.02963%	1,167,982	1,108,239	105.39%	75.02%
6/30/2018	0.02937%	1,106,826	1,605,657	68.93%	78.23%
6/30/2019	0.02974%	1,191,023	1,479,993	80.47%	79.62%
6/30/2020	0.03055%	1,288,688	1,714,631	75.16%	79.57%
6/30/2021	0.02628%	498,978	1,782,458	27.99%	92.63%
6/30/2022	0.03233%	1,512,927	1,902,376	79.53%	79.71%
6/30/2023	0.03437%	1,718,458	2,641,485	65.06%	79.54%
6/30/2024	0.03437%	1,662,142	2,675,499	62.12%	82.34%
6/30/2025	0.03237%	1,291,206	2,881,486	44.81%	82.40%

[1] Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

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Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Schedule of Plan Contributions – Last 10 Years
Year Ended June 30, 2026

Fiscal Year	Measurement Date	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll[1]	Contributions as a Percentage of Covered Payroll
6/30/2017	6/30/2016	88,515	(88,515)	-	1,108,239	7.99%
6/30/2018	6/30/2017	122,585	(122,585)	-	1,605,657	7.63%
6/30/2019	6/30/2018	118,089	(118,089)	-	1,479,993	7.98%
6/30/2020	6/30/2019	140,361	(140,361)	-	1,714,631	8.19%
6/30/2021	6/30/2020	160,213	(160,213)	-	1,782,458	8.99%
6/30/2022	6/30/2021	164,740	(164,740)	-	1,902,736	8.66%
6/30/2023	6/30/2022	206,384	(206,384)	-	2,641,485	7.81%
6/30/2024	6/30/2023	239,537	(239,537)	-	2,675,499	8.95%
6/30/2025	6/30/2024	262,919	(262,919)	-	2,881,486	9.12%
6/30/2026	6/30/2025	247,460	(247,460)	-	2,980,456	8.30%

[1]Covered payroll is defined as the payroll on which contributions to a pension plan are based, in accordance with GASB 82.

Notes to Schedule

Change in Benefit Terms: None

Change in Assumptions: None

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Other Supplementary Information

Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Organizational Data
Year Ended June 30, 2026

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Officers

Sophia Garcia – Controller

Anjali - Secretary

Jose Harnandez – Chair

Jocelyn Paz – Vice Chair

Faculty Representatives

Vacant

Student Representatives

Robinpreet Waraich

Sukhpreet Kaur

Asi Executive President

Diego Rendon

Asi Executive Vice President

Kimberly Rosas

University Administrative Representative

Jessica Lu

President’s Designee

Dr. Matthew Smith

Alumni Representative

Edgar Lopez

Interim Executive Director and CFO

Vilayat Del Rossi

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Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Schedule of Operating Expenses by Function
Year Ended June 30, 2026

	Student Services										
	Program Board	Women's Resource Center	Student Centers	Cross Cultural Center	Adult Re-Entry Center	Recreation Center	Bowling	Esports Arena	Pride Center	Palm Desert Campus	Total Student Services
Salaries, Wages, and Stipends	$ 3,487	$ 113,163	$ 394,962	$ 158,151	$ 103,034	$ 1,589,636	$ 37,827	$ 35,586	$ 96,873	$ 103,850	$ 2,636,569
Employee Benefits and Taxes	-	-	2,046	-	-	448,070	-	-	-	5,197	455,313
Pension/OPES Adjustments	-	-	-	-	-	-	-	-	-	-	-
Contract Svs-Contingency Reserve	-	-	-	-	-	140,539	-	-	-	-	140,539
Communications	-	-	595	-	-	2,989	-	-	-	381	3,965
Utilities	-	-	-	-	-	138,814	-	-	-	-	138,814
Travel	575	1,396	11,039	2,652	59	88,821	-	-	2,914	3,277	110,732
Equipment	-	-	-	-	-	(30)	-	-	-	3,453	3,423
Postage	-	-	-	-	-	-	-	-	-	-	-
Supplies and Services	7,027	4,886	12,189	2,665	2,254	391,024	3,726	13,020	2,420	42,044	481,255
Duplicating	2,018	980	6,328	681	470	4,408	29	465	1,983	1,653	19,015
Accounting Fees	-	-	-	-	-	21,113	-	-	-	-	21,113
Audit Fees	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	-	-	-	-	-	-	-	-	-	-	-
Hospitality	-	-	3,488	2,382	114	3,136	65	4,078	165	695	14,123
Specialized Training	-	-	-	-	-	3,713	-	-	-	-	3,713
Insurance	-	-	-	-	-	32,000	-	-	-	-	32,000
Repairs and Maintenance	-	-	500	-	-	41,129	6,117	-	-	-	47,746
Advertising	-	-	-	180	-	3,515	-	-	-	3,391	7,086
Rental Expense	-	-	-	-	-	-	-	-	-	-	-
Program Expenses	61,086	19,650	141,189	59,686	9,715	43,663	-	5,864	31,414	44,230	416,497
Campus Services	9,035	-	480	-	-	20,553	-	-	-	-	30,068
Resource Materials	-	-	162	-	-	-	-	-	-	-	162
Bank Fees	-	-	-	-	-	6,838	-	-	-	-	6,838
Depreciation	-	-	-	-	-	18,422	-	-	-	-	18,422
Total	$ 83,227	$ 140,075	$ 572,979	$ 226,398	$ 115,646	$ 2,998,353	$ 47,765	$ 59,013	$ 135,769	$ 208,170	$ 4,587,394

Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Schedule of Operating Expenses by Function
Year Ended June 30, 2026

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	Support Services										
	Administration and Personnel Services	Student Union Operations	Concierge Services	Maintenance	Board of Directors	Graphics	Scheduling	Audio Visual	Technology	Total Support Services	Grand Total
Salaries, Wages, and Stipends	$ 438,915	$ -	$ 213,740	$ 456,523	$ -	$ 274,643	$ 265,530	$ 192,948	$ 76,660	$ 1,918,960	$ 4,555,529
Employee Benefits and Taxes	(16,077)	1,016,390	-	1,260	-	(2,760)	-	-	-	998,812	1,454,125
Pension/OPES Adjustments	-	47,466	-	-	-	-	-	-	-	47,466	47,466
Contract Svs-Contingency Reserve	355	205,915	-	-	3,219	-	-	-	3,066	212,554	353,093
Communications	645	8,597	-	-	-	-	-	-	-	9,242	13,207
Utilities	-	841,258	-	-	-	-	-	-	-	841,258	980,071
Travel	17,975	14,854	-	2,962	13,748	6,157	11,014	-	1,694	68,404	179,136
Equipment	-	1,048	-	-	-	-	-	8,225	-	9,273	12,696
Postage	-	1,341	-	-	-	-	-	-	-	1,341	1,341
Supplies and Services	17,636	639,104	905	80,801	4,476	16,352	10,509	11,628	35,689	817,099	1,298,355
Duplicating	99	483	-	9	192	3,194	38	-	-	4,015	23,031
Accounting Fees	-	17,278	-	-	-	-	-	-	-	17,278	38,391
Audit Fees	-	17,108	-	-	-	-	-	-	-	17,108	17,108
Professional Fees	-	4,695	-	-	-	-	-	-	-	4,695	4,695
Hospitality	1,306	920	198	1,053	2,589	-	459	-	-	6,525	20,649
Specialized Training	265	288	-	-	2,207	-	-	-	-	2,760	6,473
Insurance	-	613,698	-	-	-	-	-	-	-	613,698	645,698
Repairs and Maintenance	-	93,381	-	4,757	-	-	-	-	-	98,138	145,884
Advertising	-	-	-	-	-	9,692	-	-	-	9,692	16,778
Rental Expense	-	-	-	-	-	-	-	-	-	-	-
Program Expenses	-	9,975	-	-	24,803	2,002	-	-	-	36,781	453,278
Campus Services	-	19,409	-	-	2,644	-	-	-	-	22,052	52,120
Resource Materials	-	-	-	-	-	-	-	-	-	-	162
Bank Fees	-	-	-	-	-	-	-	-	-	-	6,838
Depreciation	-	24,619	-	-	-	-	13,647	5,147	-	43,414	61,836
Total	$ 461,120	$ 3,577,827	$ 214,843	$ 547,366	$ 53,878	$ 309,281	$ 301,196	$ 217,948	$ 117,108	$ 5,800,567	$ 10,387,961

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Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Schedule of Operating Expenses by Function – Recreation and Wellness Center
Year Ended June 30, 2026

	Recreation and Wellness Center															
	Rec Sport Admin	Office	Membership Services	Marketing	Building Operations	Group Exercise	Fitness	Rec Classes	Climbing Wall	Outings	Aquatics	Intramural Sports	Sport Clubs	Special Events	Wellbeing	Grand Total
Salaries, Wages, and Stipends	$ 172,518	$ 46,203	$ 159,201	$ 57,956	$ 399,737	$ 73,216	$ 122,526	$ 23,802	$ 118,337	$ 59,497	$ 42,781	$ 142,311	$ 40,395	$ 21,973	$ 109,182	$ 1,589,636
Employee Benefits and Taxes	453,874	5	-	-	-	-	-	-	(5,810)	-	-	-	-	-	-	448,070
Pension/OPES Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contract Svs-Contingency Reserve	66,894	-	-	-	20,766	-	-	52,879	-	-	-	-	-	-	-	140,539
Communications	2,989	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,989
Utilities	-	-	-	-	138,814	-	-	-	-	-	-	-	-	-	-	138,814
Travel	5,591	-	980	110	1,229	826	1,729	-	1,180	69,808	-	-	-	3,608	3,760	88,821
Equipment	-	-	-	-	(30)	-	-	-	-	-	-	-	-	-	-	(30)
Postage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies and Services	302,954	6,253	2,460	2,993	29,504	5,983	8,496	(946)	2,298	16,466	1,631	5,259	(690)	5,879	2,486	391,025
Duplicating	-	177	-	375	-	201	-	-	-	2,262	-	27	-	354	1,011	4,408
Accounting Fees	21,113	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21,113
Audit Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hospitality	1,012	-	115	-	406	-	-	-	363	349	-	67	-	693	130	3,136
Specialized Training	216	-	-	-	975	-	-	-	-	2,183	-	-	-	-	339	3,713
Insurance	32,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32,000
Repairs and Maintenance	-	-	-	-	41,099	30	-	-	-	-	-	-	-	-	-	41,129
Advertising	-	-	-	2,456	-	-	-	-	-	1,059	-	-	-	-	-	3,515
Rental Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Program Expenses	577	-	-	-	188	-	-	-	-	3,478	-	-	596	34,399	4,425	43,663
Campus Services	763	-	-	-	19,790	-	-	-	-	-	-	-	-	-	-	20,553
Resource Materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	6,838	-	6,838
Depreciation	13,616	-	-	-	4,262	543	-	-	-	-	-	-	-	-	-	18,422
Total	$ 1,074,119	$ 52,639	$ 162,756	$ 63,890	$ 656,739	$ 80,799	$ 132,750	$ 75,735	$ 116,368	$ 155,103	$ 44,412	$ 147,664	$ 40,302	$ 73,744	$ 121,332	$ 2,998,353

Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Schedule of Net Position
(For Inclusion in the California State University)
Year Ended June 30, 2026

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Assets:	
Current assets:	
Cash and cash equivalents	374,540
Short-term investments	13,409,273
Accounts receivable, net	1,050,924
Lease receivable, current portion	496,497
P3 receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net, current portion	—
Prepaid expenses and other current assets	—
Total current assets	15,331,234
Noncurrent assets:	
Restricted cash and cash equivalents	—
Accounts receivable, net	—
Lease receivable, net of current portion	31,320
P3 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	367,107
Other assets	333,401
Total noncurrent assets	731,828
Total assets	16,063,062
Deferred outflows of resources:	
Unamortized loss on debt refunding	—
Net pension liability	439,352
Net OPEB liability	503,918
Leases	—
P3	—
Others	—
Total deferred outflows of resources	943,270

Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Schedule of Net Position
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Year Ended June 30, 2026

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Liabilities:	
Current liabilities:	
Accounts payable	217,140
Accrued salaries and benefits payable	202,681
Accrued compensated absences - current portion	86,157
Unearned revenues	2
Lease Liabilities - current portion	—
SBITA liabilities - current portion	—
P3 liabilities - current portion	—
Long-term debt obligations - current portion	—
Claims liability for losses and loss adjustment expenses, current portion	—
Depository accounts - current portion	—
Other liabilities, current	23,903
Total current liabilities	529,883
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	86,157
Unearned revenues	—
Grants refundable	—
Lease liabilities, net of current portion	—
SBITA liabilities, net of current portion	—
P3 liabilities, 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	—
Net pension liability	1,291,206
Other liabilities	—
Total noncurrent liabilities	1,377,363
Total liabilities	1,907,246
Deferred inflows of resources:	
Service concession arrangements	—
Net pension liability	273,671
Net OPEB liability	1,203,474
Unamortized gain on debt refunding(s)	—
Nonexchange transactions	—
Leases	520,172
P3	—
Others	—
Total deferred inflows of resources	1,997,317

Santos Manuel Student Union,
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Net position:	
Net investment in capital assets	353,451
Restricted for:	
Endowments	—
Expendable:	
Scholarships and fellowships	—
Research	—
Loans	—
Capital projects	—
Debt service	—
Others	333,401
Unrestricted	12,414,917
Total net position	13,101,769

Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Schedule of Revenues, Expenses, and Changes in Net Position
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Year Ended June 30, 2026

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Revenues:	
Operating revenues:	
Student Tuition & Fees, gross	—
Scholarship allowances, enter as negative	—
Student Financial Aid Grants:	
Federal Financial Aid Grants	—
State Financial Aid Grants	—
Local Financial Aid Grants	—
Nongovernmental and Other Financial Aid Grants	—
Grants and contracts, noncapital:	
Federal	—
State	—
Local	—
Nongovernmental	—
Sales and services of Educational Activities	—
Sales and services Auxiliary Enterprises, gross	—
Scholarship allowances for sales of auxiliary enterprises	—
Other operating revenues	12,114,468
Total operating revenues	12,114,468
Expenses:	
Operating expenses:	
Instruction	—
Research	—
Public service	—
Academic support	—
Student services	10,326,126
Institutional support	—
Operation and maintenance of plant	—
Student grants and scholarships	—
Auxiliary enterprise expenses	—
Depreciation and amortization	61,836
Total operating expenses	10,387,962

Santos Manuel Student Union,
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Schedule of Revenues, Expenses, and Changes in Net Position
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NonCapital Subsidies:	
State appropriations	—
Gifts	—
Other Noncapital Subsidies received/(provided)	—
Federal Noncapital Subsidies received/(provided)	—
Total NonCapital Subidies Provided:	—
Operating Income (Loss) and NonCapital Subsidies:	1,726,506
Nonoperating revenues (expenses):	
Federal Subsidies, capital received/(provided)	—
State appropriations, capital	—
Capital Subsidies received/(provided)	—
Grants and gifts, capital	—
Investment income (loss), net	308,398
Endowment income (loss), net	—
Interest Revenue	—
Interest Expense	—
Gains or losses on capital assets	—
Additions/reductions to permanent endowments	—
Total nonoperating revenues (expenses)	308,398
Increase (decrease) in net position	2,034,904
Net position:	
Net position at beginning of year, as previously reported	11,066,865
Restatements	—
Net position at beginning of year, as restated	11,066,865
Net position at end of year	13,101,769

Santos Manuel Student Union,
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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		**0**
Current cash and cash equivalents		374,540
Total	**$**	**374,540**

2.1 Composition of investments

Investment Type	Current	Noncurrent	Total
Money market funds			**0**
Repurchase agreements			**0**
Certificates of deposit			**0**
U.S. agency securities			**0**
U.S. treasury securities			**0**
Municipal bonds			**0**
Corporate bonds			**0**
Asset backed securities			**0**
Mortgage backed securities			**0**
Commercial paper			**0**
Supranational			**0**
Mutual funds			**0**
Exchange traded funds			**0**
Equity securities			**0**
Alternative investments:			
Private equity (including limited partnerships)			**0**
Hedge funds			**0**
Managed futures			**0**
Real estate investments (including REITs)			**0**
Commodities			**0**
Derivatives			**0**
Other alternative investment types			**0**
Other external investment pools			**0**
CSU Consolidated Investment Pool (formerly SWIFT)	12,172,126		**12,172,126**
State of California Local Agency Investment Fund (LAIF)	1,237,147		**1,237,147**
State of California Surplus Money Investment Fund (SMIF)			**0**
Other investments:			
			0
			0
			0
			0
			0
Total other investments:	0	0	**0**
Total investments	**13,409,273**	**0**	**13,409,273**
Less endowment investments (enter as negative number)	**0**	0	**0**
Total investments, net of endowments	**$ 13,409,273**	**0**	**13,409,273**

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2.2 Fair value hierarchy in investments

Investment Type	Total	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	0				
Repurchase agreements	0				
Certificates of deposit	0				
U.S. agency securities	0				
U.S. treasury securities	0				
Municipal bonds	0				
Corporate bonds	0				
Asset backed securities	0				
Mortgage backed securities	0				
Commercial paper	0				
Supranational	0				
Mutual funds	0				
Exchange traded funds	0				
Equity securities	0				
Alternative investments:					
Private equity (including limited partnerships)	0				
Hedge funds	0				
Managed futures	0				
Real estate investments (including REITs)	0				
Commodities	0				
Derivatives	0				
Other alternative investment types	0				
Other external investment pools	0				
CSU Consolidated Investment Pool (formerly SWIFT)	12,172,126	0	0	0	12,172,126
State of California Local Agency Investment Fund (LAIF)	1,237,147	0	0	0	1,237,147
State of California Surplus Money Investment Fund (SMIF)	0	0	0	0	
Other investments:					
	0				
	0				
	0				
	0				
	0				
Total other investments:	0	0	0	0	0
Total investments	$ 13,409,273	0	0	0	13,409,273

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):	12,172,126		$ 12,172,126

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3.1 Capital Assets

Composition of capital assets, excluding ROU assets:

	Balance June 30, 2025	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2025 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2026
Non-depreciable/Non-amortizable capital assets:									
Land and land improvements	0				0				0
Works of art and historical treasures	51,385				51,385				51,385
Construction work in progress (CWIP)	0				0				0
Intangible assets:									
Rights and easements	0				0				0
Patents, copyrights and trademarks	0				0				0
Intangible assets in progress (PWIP)	0				0				0
Licenses and permits	0				0				0
Other intangible assets:									
	0				0				0
	0				0				0
	0				0				0
	0				0				0
	0				0				0
Total Other intangible assets	0	0	0	0	0	0	0	0	0
Total intangible assets	0	0	0	0	0	0	0	0	0
Total non-depreciable/non-amortizable capital assets	51,385	0	0	0	51,385	0	0	0	51,385
Depreciable/Amortizable capital assets:									
Buildings and building improvements	152,896				152,896				152,896
Improvements, other than buildings	0				0				0
Infrastructure	0				0				0
Leasehold improvements	614,470				614,470				614,470
Personal property:									
Equipment	652,749		1		652,750	165,843			818,593
Library books and materials	0				0				0
Intangible assets:									
Software and websites	0				0				0
Rights and easements	0				0				0
Patents, copyrights and trademarks	0				0				0
Licenses and permits	0				0				0
Other intangible assets:									
	0				0				0
	0				0				0
	0				0				0
	0				0				0
	0				0				0
Total Other intangible assets	0	0	0	0	0	0	0	0	0
Total intangible assets	0	0	0	0	0	0	0	0	0
Total depreciable/amortizable capital assets	1,420,115	0	1	0	1,420,116	165,843	0	0	1,585,959
Total capital assets	1,471,500	0	1	0	1,471,501	165,843	0	0	1,637,344

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Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)									
Buildings and building improvements	**(60,274)**				**(60,274)**	(5,097)			**(65,371)**
Improvements, other than buildings	**0**				**0**				**0**
Infrastructure	**0**				**0**				**0**
Leasehold improvements	**(595,455)**				**(595,455)**	(15,032)			**(610,487)**
Personal property:									
Equipment	**(570,895)**				**(570,895)**	(39,810)			**(610,705)**
Library books and materials	**0**				**0**				**0**
Intangible assets:									
Software and websites	**0**				**0**				**0**
Rights and easements	**0**				**0**				**0**
Patents, copyrights and trademarks	**0**				**0**				**0**
Licenses and permits	**0**				**0**				**0**
Other intangible assets:									
	0				**0**				**0**
	0				**0**				**0**
	0				**0**				**0**
	0				**0**				**0**
	0				**0**				**0**
Total Other intangible assets	0	0	0	0	0	0	0	0	0
Total intangible assets	0	0	**0**	0	0	0	0	0	**0**
Total accumulated depreciation/amortization	**(1,226,624)**	**0**	**0**	**0**	**(1,226,624)**	**(59,939)**	**0**	**0**	**(1,286,563)**
Total capital assets, net excluding ROU assets	**244,876**	**0**	**1**	**0**	**244,877**	**105,904**	**0**	**0**	**350,781**

Does the component unit have any capital assets held for sale? **No**

Date sale approved:	Item	Asset Category	Asset Cost (+)	Accumulated Depreciation (-)	NBV	Is asset pleadged as collateral?	Debt Outstanding Balance	Sale probable within one year?
					$ 0.00			
					$ 0.00			
					$ 0.00			
					$ 0.00			

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Capital Assets - Right of Use, net

Composition of capital assets - Lease ROU, net:	Balance June 30, 2025	Prior Period Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2025 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2026
Non-depreciable/Non-amortizable lease assets:									
Land and land improvements	0				0				0
Total non-depreciable/non-amortizable lease assets	0	0	0	0	0	0	0	0	0
Depreciable/Amortizable lease assets:									
Land and land improvements	0				0				0
Buildings and building improvements	0				0				0
Improvements, other than buildings	0				0				0
Infrastructure	0				0				0
Personal property:									
Equipment	0				0				0
Total depreciable/amortizable lease assets	0	0	0	0	0	0	0	0	0
Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)									
Land and land improvements	0				0				0
Buildings and building improvements	0				0				0
Improvements, other than buildings	0				0				0
Infrastructure	0				0				0
Personal property:									
Equipment	0				0				0
Total accumulated depreciation/amortization	0	0	0	0	0	0	0	0	0
Total capital assets - lease ROU, net	0	0	0	0	0	0	0	0	0

Composition of capital assets - SBITA ROU, net	Balance June 30, 2025	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2025 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2026
Depreciable/Amortizable SBITA assets:									
Software	0				0	18,224			18,224
Total depreciable/amortizable SBITA assets	0	0	0	0	0	18,224	0	0	18,224
Less accumulated depreciation/amortization:									
Software	0				0	(1,898)			(1,898)
Total accumulated depreciation/amortization	0	0	0	0	0	(1,898)	0	0	(1,898)
Total capital assets - SBITA ROU, net	0	0	0	0	0	16,326	0	0	16,326

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Composition of capital assets - P3 ROU, net:	Balance June 30, 2025	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2025 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2026
Non-depreciable/Non-amortizable P3 assets:									
Land and land improvements	0				0				0
Total non-depreciable/non-amortizable P3 assets	0	0	0	0	0	0	0	0	0
Depreciable/Amortizable P3 assets:									
Land and land improvements	0				0				0
Buildings and building improvements	0				0				0
Improvements, other than buildings	0				0				0
Infrastructure	0				0				0
Personal property:									
Equipment	0				0				0
Total depreciable/amortizable P3 assets	0	0	0	0	0	0	0	0	0
Less accumulated depreciation/amortization:									
Land and land improvements	0				0				0
Buildings and building improvements	0				0				0
Improvements, other than buildings	0				0				0
Infrastructure	0				0				0
Personal property:									
Equipment	0				0				0
Total accumulated depreciation/amortization	0	0	0	0	0	0	0	0	0
Total capital assets - P3 ROU, net	0	0	0	0	0	0	0	0	0
Total capital assets, net including ROU assets									367,107

3.2 Detail of depreciation and amortization expense

Depreciation and amortization expense related to capital assets	$	59,939		
Amortization expense - Leases ROU	$	0		
Amortization expense - SBITA ROU	$	1,898		
Amortization expense - P3 ROU	$	0		
Depreciation and Amortization expense - Others	$	(1)	Provide explanation for others:	Rounding
Total depreciation and amortization	**$**	**61,836**		

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4. Long-term liabilities

	Balance June 30, 2025	Prior Period Adjustments/Reclassifications	Balance June 30, 2025 (Restated)	Additions	Reductions	Balance June 30, 2026	Current Portion	Noncurrent Portion
1. Accrued compensated absences	**168,768**	1	**168,769**	3,545	0	**172,314**	86,157	86,157
2. Claims liability for losses and loss adjustment expenses	**0**		**0**			**0**		0
3. Capital lease obligations (pre-ASC 842):								
Gross balance	**0**		**0**			**0**		0
Unamortized net premium/(discount)	**0**		**0**			**0**	0	0
Total capital lease obligations (pre ASC 842)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	**0**		**0**			**0**	0	0
4.2 Commercial paper	**0**		**0**			**0**		0
4.3 Notes payable (SRB related)	**0**		**0**			**0**		0
4.4 Finance purchase of capital assets	**0**		**0**			**0**		0
4.5 Others:								
	0		0			0		0
	0		0			0		0
	0		0			0		0
	0		0			0		0
Total others	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Sub-total long-term debt	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
4.6 Unamortized net bond premium/(discount)	**0**		**0**			**0**	0	0
Total long-term debt obligations	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

5. Lease, SBITA, P3 liabilities:	Balance June 30, 2025	Prior Period Adjustments/Reclassifications	Additions	Remeasurements	Reductions	Balance June 30, 2026	Current Portion	Noncurrent Portion
Lease liabilities	0					0		0
SBITA liabilities	0					0		0
P3 liabilities - SCA	0					0		0
P3 liabilities - non-SCA	0					0		0
Sub-total P3 liabilities	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Lease, SBITA, P3 liabilities	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Total long-term liabilities						**$ 172,314**	**$ 86,157**	**$ 86,157**

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5. Future minimum payments schedule - leases, SBITA, P3

	Lease Liabilities			SBITA liabilities			Public-Private or Public-Public Partnerships (P3)			Total Leases, SBITA, P3 liabilities		
	Principal Only	**Interest Only**	**Principal and Interest**	**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:												
2027			0			0			0	0	0	0
2028			0			0			0	0	0	0
2029			0			0			0	0	0	0
2030			0			0			0	0	0	0
2031			0			0			0	0	0	0
2032 - 2036			0			0			0	0	0	0
2037 - 2041			0			0			0	0	0	0
2042 - 2046			0			0			0	0	0	0
2047 - 2051			0			0			0	0	0	0
2052 - 2056			0			0			0	0	0	0
Thereafter			0			0			0	0	0	0
Total minimum lease payments	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	0
Less: amounts representing interest												0
Present value of future minimum lease payments												0
Total Leases, SBITA, P3 liabilities												0
Less: current portion												0
Leases, SBITA, P3 liabilities, net of current portion												**$ 0**

6. Future minimum payments schedule - Long-term debt obligations

	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal Only	**Interest Only**	**Interest**	**Principal Only**	**Interest Only**	**Interest**	**Principal Only**	**Interest Only**	**Interest**
Year ending June 30:									
2027.00			0			0	0	0	0
2028.00			0			0	0	0	0
2029.00			0			0	0	0	0
2030.00			0			0	0	0	0
2031.00			0			0	0	0	0
2032 - 2036			0			0	0	0	0
2037 - 2041			0			0	0	0	0
2042 - 2046			0			0	0	0	0
2047 - 2051			0			0	0	0	0
2052 - 2056			0			0	0	0	0
Thereafter			0			0	0	0	0
Total minimum payments	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**0**
Less: amounts representing interest									0
Present value of future minimum payments									0
Unamortized net premium/(discount)									0
Total long-term debt obligations									0
Less: current portion									0
Long-term debt obligations, net of current portion									**$ 0**

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7. Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	767,006
Payments to University for other than salaries of University personnel	2,061,427
Payments received from University for services, space, and programs	11,820,345
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)	(29,584)
Other amounts (payable to) University (enter as negative number)	
Accounts receivable from University (enter as positive number)	
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:

Note: Additional account details can be found in the Table of Object Codes and CSU Fund Definitions

		Debit/(Credit)
Restatement #1	Enter transaction description	
		$ 0
Restatement #2	Enter transaction description	
		$ 0

Santos Manuel Student Union,
A Component Unit of California State University, San Bernardino
Other Information
(For Inclusion in the California State University)
Year Ended June 30, 2026

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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	0	0	0	0		0		**0**
Research	0	0	0	0		0		**0**
Public service	0	0	0	0		0		**0**
Academic support	0	0	0	0		0		**0**
Student services	4,536,691	456,573	1,016,390	47,466		4,269,006		**10,326,126**
Institutional support	0	0	0	0		0		**0**
Operation and maintenance of plant	0	0	0	0		0		**0**
Student grants and scholarships					0			**0**
Auxiliary enterprise expenses	0	0	0	0		0		**0**
Depreciation and amortization							61,836	**61,836**
Total operating expenses	**$ 4,536,691**	**$ 456,573**	**$ 1,016,390**	**$ 47,466**	**$ 0**	**$ 4,269,006**	**$ 61,836**	**$ 10,387,962**

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10. Deferred outflows/inflows of resources:

1. Deferred Outflows of Resources		
Deferred outflows - unamortized loss on refunding(s)		
Deferred outflows - net pension liability		439,352
Deferred outflows - net OPEB liability		503,918
Deferred outflows - leases		
Deferred outflows - P3		
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		**0**
Total deferred outflows of resources	**$**	**943,270**
2. Deferred Inflows of Resources		
Deferred inflows - service concession arrangements		
Deferred inflows - net pension liability		273,671
Deferred inflows - net OPEB liability		1,203,474
Deferred inflows - unamortized gain on debt refunding(s)		
Deferred inflows - nonexchange transactions		
Deferred inflows - leases		520,172
Deferred inflows - P3		
Deferred inflows - others:		
Sales/intra-entity transfers of future revenues		
Gain/loss on sale leaseback		
Loan origination fees and costs		
Change in fair value of hedging derivative instrument		
Irrevocable split-interest agreements		
Total deferred inflows - others		**0**
Total deferred inflows of resources	**$**	**1,997,317**

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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Placeholder

California State University, San Bernardino
Santos Manuel Student Union Board of Directors
Audit Committee
2026 - 2027 Tasks and Assignments

BY-LAWS. ARTICLE IX. STANDING COMMITTEES, SECTION 3.

Committee Charge

The Audit Committee provides oversight of the independent audit process, confers with the independent auditor regarding the financial affairs of the Santos Manuel Student Union, reviews the annual audit and any management letter, and makes recommendations to the Board of Directors regarding acceptance of the audit. The Committee also participates in the selection and compensation of the independent certified public accountant, as applicable, and reviews non-audit services to help preserve auditor independence.

Membership

Consistent with the committee structure reflected in the prior Audit Committee task sheet, the Committee does not include staff members, the Chair of the Board of Directors, or the Controller. Finance and Contracts Committee members may serve on the Audit Committee but may not comprise 50% or more of its membership, and the Audit Committee Chair may not serve on the Finance and Contracts Committee.

2026 - 2027 Major Priorities

- Annual audit oversight, including review of the 2025 - 2026 financial audit, findings, management letter, and related recommendations.
- Clear communication and follow-up among the independent auditor, SMSU management, university accounting, and the Board regarding audit timelines, responsibilities, and outstanding items.
- Ongoing attention to auditor independence, audit-firm engagement, and selection matters when needed.

Fall Semester - First Meeting (September 10, 2026)

1. Election of Committee Chair.
2. Review of the Audit Committee charge and 2026 - 2027 Tasks and Assignments.
3. Meet with the independent auditing firm to review the 2025 - 2026 annual financial audit, findings, and management letter.
4. Review management responses, recommendations, and corrective actions, if applicable.
5. Consider a recommendation to the Board of Directors regarding acceptance of the annual audit, when the audit is ready for formal action.

Fall/Spring Follow-Up - As Needed

1. Monitor follow-up related to prior-year audit findings, management recommendations, or corrective actions.
2. Review significant audit-related, internal-control, financial reporting, or compliance matters referred to the Committee.
3. Meet with the independent auditor or management when additional clarification or Committee direction is needed.

Spring Semester - Audit Planning / Entrance Meeting

1. Meet with the independent auditing firm to review the planned 2026 - 2027 audit process.
2. Review the anticipated audit scope, timeline, document requirements, responsibilities, and communication expectations.
3. Discuss significant changes, risks, or areas of emphasis that may affect the upcoming audit.
4. Confirm auditor independence and review any proposed non-audit services, if applicable.

As Needed

- Audit-firm selection, request for proposals, engagement, or compensation matters within the Committee's authority.
- Special meetings to address significant audit findings, independence concerns, compliance matters, or other time-sensitive audit issues.

Recommend

The Committee will report to the Board of Directors any recommendations concerning acceptance of the annual audit, external auditor selection or engagement, non-audit services, and other audit-related matters within the Committee's charge. Formal action items will be brought forward when the applicable review is complete and the item is properly agendized.