

**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2025



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**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
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YEAR ENDED JUNE 30, 2025**

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Santos Manuel Student Union, a component unit of California State University, San Bernardino, which comprise the statement of financial position as of June 30, 2025, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Santos Manuel Student Union, as of June 30, 2025, and the changes in financial position, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Santos Manuel Student Union and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Santos Manuel Student Union's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Santos Manuel Student Union of CSUSB's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, schedule of changes in the net OPEB liability and related ratios, schedule of OPEB plan contributions, schedule of the employer's proportionate share of the plan's net pension liability and related ratios, and schedule of plan contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Santos Manuel Student Union's basic financial statements. The schedule of operating expenses by function, schedule of operating expenses by function – recreation and wellness, schedule of net position, and schedule of revenues, expenses and changes in net position (collectively, the supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the organizational data but does not include the basic financial statements and our auditors' report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Board of Directors
Santos Manuel Student Union, a Component Unit
of California State University, San Bernardino

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2025, on our consideration of the Santos Manuel Student Union's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Santos Manuel Student Union's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Santos Manuel Student Union's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Ontario, California
October 13, 2025

**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

The following section of the Santos Manuel Student Union of California State University, San Bernardino's annual financial report includes some of management's insights and analysis of the Student Union's financial performance for the year ended June 30, 2025.

INTRODUCTION TO THE BASIC FINANCIAL STATEMENTS

This annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board'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 at their book value, 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, capital and noncapital, financing 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.

**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

FINANCIAL ANALYSIS

Student Union's Summarized Statement of Net Position

	2025	2024
Current assets	\$ 13,114,034	\$ 11,397,835
Capital assets	466,686	912,114
Total Assets	13,580,720	12,309,949
Deferred outflows of resources	1,153,507	1,759,182
Current liabilities	488,604	643,835
Noncurrent liabilities	2,021,903	2,436,057
Total Liabilities	2,510,507	3,079,892
Deferred inflows of resources	1,156,855	1,502,752
Net position		
Net Investment in capital assets	244,876	421,511
Unrestricted*	10,821,989	9,064,976
Total Net Position	\$ 11,066,865	\$ 9,486,487

* See Note 1, Page 14 for breakdown of unrestricted net position.

Assets

Total assets increased by \$1.27 Million compared to prior year. This change can be attributed to the increase in short-term investments.

Liabilities

Total liabilities decreased by \$569.4 thousand compared to the prior year. This decrease is primarily due to the decrease in deferred revenues of \$261.8 thousand and a decrease in other accounts payable by \$55.8 thousand.

Net Position

The Student Union's assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$11.1 million at the close of the most recent fiscal year. Of this, \$394.8 thousand or 3.54% reflects its investment in capital assets (e.g., buildings, leasehold improvements, and machinery and equipment, net of accumulated depreciation).

**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

FINANCIAL ANALYSIS (continued)

Changes in Net Position

Revenues increased by \$2.4 million or 23.6%, which is attributed primarily to an increase in return of surplus revenue, income from operations and investment income.

Expenses increased by \$982.2 thousand or 9.7%, which is attributed primarily to an increase in activity at the student center and student union operations.

Student Union's Changes in Net Position

	<u>2025</u>	<u>2024</u>
<u>Revenues</u>		
Return of surplus	\$ 10,565,911	\$ 8,397,528
Income from operations	1,458,550	1,395,637
Program income	290,366	270,534
Investment income	288,919	135,204
Other nonoperating revenues	112,451	85,274
Total Revenues	<u>12,716,197</u>	<u>10,284,177</u>
<u>Expenses</u>		
Student services	4,828,128	4,710,067
Support services	6,307,691	5,443,544
Total Expenses	<u>11,135,819</u>	<u>10,153,611</u>
Change in net position	1,580,378	130,566
Net Position - Beginning of Year	9,486,487	9,355,921
Net Position - End of Year	<u>\$ 11,066,865</u>	<u>\$ 9,486,487</u>

Capital Assets and Long-Term Debt

As of June 30, 2025, the Student Union has \$244.9 thousand invested in capital assets, net of accumulated depreciation of \$1.2 million. Long-term debt is managed by the Chancellor's Office and is not included in the financial statements of the Student Union.

**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

Student Union's Capital Assets (Net of Depreciation)

	Capital Assets (Net of Depreciation)	
	2025	2024
Buildings and leasehold improvements	\$ 111,637	\$ 145,133
Equipment, furniture and fixtures	81,854	74,994
Works of art	51,385	201,385
Total	\$ 244,876	\$ 421,512

Factors Impacting Future Periods

Enrollment projections for the 2025-2026 academic year continue to be somewhat volatile with an anticipated slight increase of 15,500 compared with 15,338 in the prior year. The Student Union will be monitoring these enrollment predictions and will prioritize to ensure it can remain competitive and take care of its Human Capital.

Requests for Information

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

**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025**

ASSETS	2025
Current Assets:	
Cash and Cash Equivalents	\$ 392,217
Short-Term Investments	11,543,611
Accrued Interest Receivable	30,918
Accounts Receivable, Net	850,020
Due from Related Party	12,634
Lease Receivable	284,634
Total Current Assets	<u>13,114,034</u>
Noncurrent Assets:	
Lease Receivable	221,810
Capital Assets, Net	244,876
Total Noncurrent Assets	<u>466,686</u>
Total Assets	<u>13,580,720</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related Items	619,259
OPEB Related Items	534,248
Total Deferred Outflows of Resources	<u>1,153,507</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	152,707
Accrued Salaries	241,735
Accrued Compensated Absences	84,384
Unearned Revenue	2
Other Liabilities	9,776
Total Current Liabilities	<u>488,604</u>
Noncurrent Liabilities:	
Accrued Compensated Absences	84,384
Net OPEB Liability	275,377
Net Pension Liability	1,662,142
Total Noncurrent Liabilities	<u>2,021,903</u>
Total Liabilities	<u>2,510,507</u>
DEFERRED INFLOWS OF RESOURCES	
Pension Related Items	108,150
OPEB Related Items	552,052
Leases	496,653
Total Deferred Inflows of Resources	<u>1,156,855</u>
NET POSITION	
Investment in Capital Assets	244,876
Unrestricted	10,821,989
Total Net Position	<u>\$ 11,066,865</u>

See accompanying Notes to Basic Financial Statements.

**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2025**

OPERATING REVENUES

Return of Surplus Revenue Bond Funds (Student Union Fees)	\$ 10,565,911
Local Reserves	361,523
Program Revenues	290,366
Facility Lease and Rental	447,209
Personnel Services Reimbursement Revenues	361,936
Miscellaneous Reimbursement Revenues	287,882
Total Operating Revenues	<u>12,314,827</u>

OPERATING EXPENSES

Student Services:	
Program Board	96,606
Women's Resource Center	119,200
Student Centers	822,929
Cross Cultural Center	202,415
Adult Re-Entry Center	134,756
Recreation Center	3,052,504
Bowling	60,164
Esport Arena	56,790
Pride Center	82,391
Palm Desert Campus	200,373
Support Services:	
Administration and Personnel Services	592,444
Scheduling	276,121
Maintenance	545,570
Board of Directors	51,334
Graphics	269,120
Student Union Operations	4,202,191
Event Operations	255,015
Technology	115,896
Total Operating Expenses	<u>11,135,819</u>

Operating Income	<u>1,179,008</u>
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NONOPERATING REVENUES

Investment Income	288,919
Other Nonoperating Revenues	112,451
Total Nonoperating Revenues	<u>401,370</u>

CHANGE IN NET POSITION

1,580,378

Net Position - Beginning of Year	<u>9,486,487</u>
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NET POSITION - END OF YEAR

\$ 11,066,865

See accompanying Notes to Basic Financial Statements.

**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2025**

CASH FLOWS FROM OPERATING ACTIVITIES

Return of Surplus	\$ 10,565,911
Sales and Services	1,805,486
Payments to Suppliers	(4,944,328)
Payments to Employees	(6,047,817)
Net Cash Provided by Operating Activities	1,379,252

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Capital Assets Purchased	(25,735)
Other Grant Revenue	112,451
Net Cash Provided by Capital and Related Financing Activities	86,716

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of investments	(12,791,979)
Sales of investments	11,070,794
Investment Income	276,887
Net Cash Used in Investing Activities	(1,444,298)

NET INCREASE IN CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents - Beginning of Year

CASH AND CASH EQUIVALENTS - END OF YEAR

RECONCILIATION OF OPERATING LOSS TO

NET CASH USED BY OPERATING ACTIVITIES

Operating Income	\$ 1,179,008
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation	52,370
Loss on abandonment of work of art	90,000
(Increase) Decrease in Assets:	
Accounts Receivable, Net	(175,495)
Due from Related Parties	233,519
Lease Receivable	249,457
Deferred Outflows of Resources	605,675
Increase (Decrease) in Liabilities:	
Accounts Payable	(55,392)
Unearned Revenues	(261,850)
Other Liabilities	9,655
Accrued Compensated Absences	(19,524)
Accrued Salaries	51,914
Net OPEB Liability	(177,872)
Net Pension Liability	(56,316)
Deferred Inflows of Resources	(345,897)
Net Cash Provided by Operating Activities	\$ 1,379,252

Noncash capital and related financing activity

Write off of work of art	\$ 150,000
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See accompanying Notes to Basic Financial Statements.

**SANTOS MANUEL STUDENT UNION OF CSUSB, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

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.

**SANTOS MANUEL STUDENT UNION OF CSUSB, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

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.

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 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, 2025, the organization estimated \$1,859 to be uncollectible.

**SANTOS MANUEL STUDENT UNION OF CSUSB, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Lease Receivable

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 in excess of \$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 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.

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 2013.

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.

Leases

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 government-wide and fund 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.

**SANTOS MANUEL STUDENT UNION OF CSUSB, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subscription-Based IT Agreements

During the fiscal year ended June 30, 2024, the Student Union evaluated the applicability of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs). Based on this evaluation, it was determined that GASB Statement No. 96 is not applicable to the entity's financial statements as of June 30, 2025 as the entity does not engage in subscription-based information technology arrangements as defined by the statement.

Adoption of New Accounting Pronouncements:

In the fiscal year ended June 30, 2025, the Student Union adopted GASB Statement No. 101, *Compensated Absences*, which addresses the recognition and reporting of compensated absences to provide greater consistency and clarity in financial statements. Accordingly, there is no cumulative effect of the accounting change as of the beginning of the year.

The Student Union also implemented GASB Statement No. 102, *Certain Risk Disclosures*, which enhances the transparency of financial reporting by requiring additional disclosures about certain risks and uncertainties that could affect the entity's financial position or results of operations.

Unrestricted Net Position

The Unrestricted Net Position of \$10,821,989 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.

Administrative Working Capital	\$ 829,245
Administrative Equip/Furnishings	25,000
Administrative Special Projects	22,514
Administrative OPEB Liability Reserve	243,556
Central Local Reserves	50,000
Maintenance Repairs	116,600
Programs	344,000
Unrestricted	9,191,074
Total	<u>\$ 10,821,989</u>

The statement defines net position as the residual of all other elements presented in a statement of net position. It is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

When an expense is incurred that can be paid for either restricted or unrestricted resources, the Student Union's policy is to first fully expend all restricted resources and then use unrestricted resources.

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NOTE 2 CASH AND INVESTMENTS

Cash and investments as of June 30, 2025 are classified in the accompanying financial statements as follows:

Current Assets:

Cash and Cash Equivalents	\$ 392,217
Short-Term Investments	11,543,611
Total Cash and Investments	\$ 11,935,828

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 the 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 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.

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Investment in State Investment Pool (Continued)

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.

The following table presents the balances of the assets recorded at net asset value (NAV) as of June 30, 2025:

Type	NAV	Total
SWIFT Investments	\$ 10,357,385	\$ 10,357,385
LAIF	1,186,226	1,186,226
Total Investments	<u>\$ 11,543,611</u>	<u>\$ 11,543,611</u>

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.

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NOTE 2 CASH AND INVESTMENTS (CONTINUED)

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, 2025, the Student Union's cash balances exceeded federally insured limits by \$141,617.

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

Reserved balances as of June 30, 2025 held by the University on behalf of the Santos Manuel Student Union were Designated for Operations and Designated for Maintenance and Repairs for \$5,334,618 and \$3,482,006 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 completed in March 2022. Bonds outstanding at June 30, 2025 amounted to \$68,175,000.

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, 2025 amounted to \$16,995,000

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NOTE 4 CAPITAL ASSETS

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

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets, not being Depreciated:				
Works of Art	\$ 201,385	\$ -	\$ (150,000)	\$ 51,385
Total Capital Assets, not being Depreciated	<u>201,385</u>	<u>-</u>	<u>(150,000)</u>	<u>51,385</u>
Capital Assets, being Depreciated:				
Buildings	152,896	-	-	152,896
Leasehold Improvements	614,470	-	-	614,470
Equipment, Furniture, and Fixtures	627,014	25,735	-	652,749
Total Capital Assets, being Depreciated	<u>1,394,380</u>	<u>25,735</u>	<u>-</u>	<u>1,420,115</u>
Less: Accumulated Depreciation for:				
Buildings	(55,177)	(5,097)	-	(60,274)
Leasehold Improvements	(567,056)	(28,399)	-	(595,455)
Equipment, Furniture, and Fixtures	(552,021)	(18,874)	-	(570,895)
Total Accumulated Depreciation	<u>(1,174,254)</u>	<u>(52,370)</u>	<u>-</u>	<u>(1,226,624)</u>
Capital Assets, Net	<u>\$ 421,511</u>	<u>\$ (26,635)</u>	<u>\$ (150,000)</u>	<u>\$ 244,876</u>

Total depreciation expenses for the year ended June 30, 2025 was \$52,370.

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. 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. During the year ended June 30, 2025, the Student Union recognized \$270,668 and \$36,753 in lease revenue and interest revenue, respectively, pursuant to the contract.

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NOTE 5 LEASING ARRANGEMENTS (CONTINUED)

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 284,634	\$ 9,088	\$ 294,443
2027	189,769	3,992	193,761
2028	28,901	1,642	30,543
2029	3,140	127	2,545
Total	<u>\$ 506,444</u>	<u>\$ 14,849</u>	<u>\$ 521,292</u>

NOTE 6 LONG-TERM OBLIGATIONS

A schedule of net changes in long-term obligations during the fiscal year June 30, 2025 consist of the following:

	<u>Balance July 1, 2024</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2025</u>	<u>Due in One Year</u>
Compensated Absences	\$ 188,292	\$ -	\$ (19,524)	\$ 168,768	\$ 84,384
Net OPEB Liability (Asset)	453,249	-	(177,872)	275,377	-
Net Pension Liability	1,718,458	-	(56,316)	1,662,142	-
Total Long-Term Obligation	<u>\$ 2,359,999</u>	<u>\$ -</u>	<u>\$ (253,712)</u>	<u>\$ 2,106,287</u>	<u>\$ 84,384</u>

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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NOTE 7 RELATED PARTY AND ECONOMIC DEPENDENCY (CONTINUED)

Below is a summary showing the related party transactions at June 30, 2025:

	CSUSB	Associated Students Incorporated	Philanthropic Foundation	University Enterprises Corporation	Total
<u>Expenses</u>					
Payments to Univ/Aux for Salaries of Personnel Working on Contracts, Grants, and Other Programs	\$ 752,656	\$ -	\$ -	\$ -	\$ 752,656
Payments to Univ/Aux for Other than Salaries of Personnel	1,610,374	-	-	-	1,610,374
<u>Revenues</u>					
Payments Received from Univ/Aux for Services, Space, and Programs	11,563,020	27,456	27,734	61,649	11,679,859
<u>Due to</u>					
Accounts Payable Due to Univ/Aux as of June 30, 2025	-	-	-	-	-
<u>Due from</u>					
Accounts Receivable due from Univ/Aux as of June 30, 2025	-	-	-	12,634	12,634

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.

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NOTE 8 DEFINED BENEFIT PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Benefits Provided

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.

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, 2025 are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date	2% @ 55	2% @ 60
Benefit Formula	5 Years Service	5 Years Service
Benefit Vesting Schedule	Monthly for Life	Monthly for Life
Benefit Payments	50 - 63	50 - 63
Retirement Age	1.4% to 2.4%	1.1% to 2.4%
Monthly Benefits as a % of Eligible Compensation	7.00%	6.75%
Required Employee Contribution Rates	10.484%	7.732%
Required Employer Contribution Rates		

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.

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NOTE 8 DEFINED BENEFIT PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

Contributions (Continued)

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, 2025 were \$262,919. The actual employer payments of \$239,537 made to CalPERS by the Student Union during the measurement period ended June 30, 2024 differed from the Student Union's proportionate share of the employer's contributions of \$262,919 by \$23,382, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiemployer Plan.

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, 2024, using an annual actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 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

	<u>Miscellaneous</u>
Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
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 2.30% 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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NOTE 8 DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Net Pension Liability (Continued)

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.

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NOTE 8 DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Net Pension Liability (Continued)

Discount Rate (Continued)

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}
Global Equity - Cap-Weighted	30.00%	4.54%
Global Equity - Noncap-Weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grades Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Markets Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	(5.00%)	(0.59%)

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.

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NOTE 8 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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 Pension Liability (c) = (a) - (b)
Balance as of Measurement Date 6/30/2023 (MD)	\$ 8,401,064	\$ 6,682,606	\$ 1,718,458
Balance as of Measurement Date 6/30/2024 (MD)	9,414,453	7,752,311	1,662,142
Net Changes During Measurement Period 2023-2024	<u>\$ 1,013,389</u>	<u>\$ 1,069,705</u>	<u>\$ (56,316)</u>

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, 2024, 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, 2023 rolled forward to June 30, 2024 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, 2023 and 2024 was as follows:

Proportion Share of NPL - June 30, 2023 (MD)	0.03437%
Proportion Share of NPL - June 30, 2024 (MD)	<u>0.03437%</u>
Change - Increase (Decrease)	(0.00000%)

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	\$ 2,932,532	\$ 1,662,142	\$ 616,424

Subsequent Events

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

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NOTE 8 DEFINED BENEFIT PENSION PLAN (CONTINUED)

C. Proportionate Share of Net Pension Liability (Continued)

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.

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

As of the start of the measurement period (July 1, 2023), the Student Union's net pension liability was \$1,718,458. For the measurement period ending June 30, 2024 (the measurement date), Student Union incurred a pension expense/(income) of \$369,410.

**SANTOS MANUEL STUDENT UNION OF CSUSB, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 8 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

As of June 30, 2025, 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	\$ 42,720	\$ -
Differences Between Expected and Actual Experience	143,707	5,607
Differences Between Projected and Actual Investment Earnings	95,687	-
Differences Between Employer's Contributions and Proportionate Share of Contributions	-	102,543
Change in Employer's Proportion	74,226	-
Pension Contributions Made Subsequent to Measurement Date	262,919	-
Total	\$ 619,259	\$ 108,150

These amounts above are net of outflows and inflows recognized in the 2023-2024 measurement period expense. Contributions subsequent to the measurement date of \$262,919 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
2025	\$ 83,355
2026	201,839
2027	(4,212)
2028	(32,792)
2029	-
Thereafter	-

E. Payable to the Pension Plan

At June 30, 2025, Student Union reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2025.

**SANTOS MANUEL STUDENT UNION OF CSUSB, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

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, 2024 valuation, the following current and former employees were covered by the benefit terms under the plan:

Active plan members	35
Retirees and beneficiaries receiving benefits	5
	40
	40

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 \$85,609 to the plan during the year ended June 30, 2025. 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.

**SANTOS MANUEL STUDENT UNION OF CSUSB, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 9 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

B. Net OPEB Liability

The Student Union's net OPEB liability was measured as of June 30, 2024 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2023, based on the following actuarial methods and assumptions:

Discount Rate	6.30%	
Inflation	2.50%	
Salary Increases	3.00%	
Investment Rate of Return	6.25%	
Mortality	MacLeod Watts Scale 2022 applied generationally	
Pre-Retirement Turnover Healthcare Trend Rate	Actual	2025
	6.00%	2026
	5.50%	2027
	5.40%	2028
	5.30%	2029
	5.20%	2030
	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 2021 experience study of the California Public Employees Retirement System using data from 1997 to 2019.

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.

**SANTOS MANUEL STUDENT UNION OF CSUSB, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 9 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

D. Changes in Net OPEB Liability

The change in the net OPEB liability for the Plan are as follows as of June 30, 2025:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c)= (a) - (b)
Balance at June 30, 2024 (Measurement Date June 30, 2023)	\$ 2,954,046	\$ 2,500,797	\$ 453,249
Changes Recognized for the Measurement Period:			
Service Cost	230,772	-	230,772
Interest Cost	196,376	-	196,376
Changes of Assumptions	341,632	-	341,632
Expected Investment Income	-	171,552	(171,552)
Employer Contributions	-	585,609	(585,609)
Administrative Expenses	-	(11,918)	11,918
Benefit Payments	(85,609)	(85,609)	-
Investment Experience	-	174,979	(174,979)
Discount Rate	(26,430)	-	(26,430)
Net Changes	<u>656,741</u>	<u>834,613</u>	<u>(177,872)</u>
Balance at June 30, 2025 (Measurement Date June 30, 2024)	<u>\$ 3,610,787</u>	<u>\$ 3,335,410</u>	<u>\$ 275,377</u>

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, 2024:

	Discount Rate -1% 5.30%	Current Discount Rate 6.30%	Discount Rate +1% 7.30%
Net OPEB Liability (Asset)	<u>\$ 861,115</u>	<u>\$ 275,377</u>	<u>\$ (199,430)</u>

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, 2024:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability (Asset)	<u>\$ (290,752)</u>	<u>\$ 275,377</u>	<u>\$ 1,000,647</u>

**SANTOS MANUEL STUDENT UNION OF CSUSB, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 9 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

G. OPEB Plan Fiduciary Net Position

The change in the Fiduciary Net Position for the Plan are as follows as of June 30, 2025:

	Plan Fiduciary Net Position
Balance at June 30, 2024 (Measurement Date June 30, 2023)	\$ 2,500,797
Changes Recognized for the Measurement Period:	
Investment Income	346,531
Employer Contributions	585,609
Administrative Expenses	(11,918)
Benefit Payments	(85,609)
Investment Experience	-
Net Changes	834,613
Balance at June 30, 2025 (Measurement Date June 30, 2024)	\$ 3,335,410

H. 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:

Net difference between projected and actual earnings on OPEB plan investments	Five year straight-line amortization.
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.

**SANTOS MANUEL STUDENT UNION OF CSUSB, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 9 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

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

For the fiscal year ended June 30, 2025, the Student Union recognized OPEB expense of \$252,868. As of fiscal year ended June 30, 2025, the Student Union reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	\$ 122,083	\$ 197,935
Differences Between Expected and Actual Experience in the Measurement of the Total OPEB Liability	310,261	354,117
Net Difference Between Projected and Actual Earnings of OPEB Plan Investments	19,045	-
Contributions to OPEB Plan after the Measurement Date	82,859	-
Total	<u>\$ 534,248</u>	<u>\$ 552,052</u>

The \$82,859 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:

<u>Fiscal Year Ending June 30,</u>	Deferred Outflows/(Inflows) of Resources
2026	\$ (22,255)
2027	73,788
2028	(72,436)
2029	(59,976)
2030	(22,389)
Thereafter	2,605
Total	<u>\$ (100,663)</u>

**SANTOS MANUEL STUDENT UNION OF CSUSB, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 9 OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

J. 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.

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

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 no self-insurance claims liabilities recorded in the accompanying financial statement because any amounts at June 30, 2025, are expected to be minimal. Likewise, no amounts have been paid to CSURMA/AORMA by June 30, 2025, related to the Student Union's estimated future funding for claims liability.

**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, 2024**

REQUIRED SUPPLEMENTARY INFORMATION

Measurement Period	2018	2019	2020	2021	2022	2023	2024	2025
Total OPEB Liability:								
Service Cost	\$ 148,664	\$ 153,496	\$ 158,485	\$ 179,931	\$ 185,329	\$ 187,289	\$ 179,856	\$ 230,772
Interest	117,905	131,461	145,667	142,013	157,941	164,687	182,124	196,376
Differences Between Expected and Actual Experience	-	-	(404,392)	-	(94,640)	-	(136,403)	341,632
Changes of Sssumptions	-	-	257,087	-	(120,805)	(125,331)	9,418	(26,430)
Benefit Payments	(53,392)	(55,610)	(69,705)	(51,198)	(54,256)	(68,945)	(77,140)	(85,609)
Net Change in Total OPEB Liability	213,177	229,347	87,142	270,746	73,569	157,700	157,855	656,741
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
Total OPEB Liability - Ending (a)	<u>\$ 1,977,687</u>	<u>\$ 2,207,034</u>	<u>\$ 2,294,176</u>	<u>\$ 2,564,922</u>	<u>\$ 2,638,491</u>	<u>\$ 2,796,191</u>	<u>\$ 2,954,046</u>	<u>\$ 3,610,787</u>
Plan Fiduciary Net Position:								
Contributions – Employer	\$ 53,392	\$ 55,610	\$ 738,705	\$ 51,198	\$ 54,256	\$ 68,945	\$ 77,140	\$ 585,609
Net Investment Income	133,272	91,418	136,373	88,503	611,259	(548,159)	207,138	346,531
Benefit Payments	(53,392)	(55,610)	(69,705)	(51,198)	(54,256)	(68,945)	(77,140)	(85,609)
Administrative Expense	(7,655)	(9,279)	(9,162)	(10,365)	(11,591)	(12,334)	(10,730)	(11,918)
Net Change in Plan Fiduciary Net Position	125,617	82,139	796,211	78,138	599,668	(560,493)	196,408	834,613
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
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,308,726</u>	<u>\$ 1,390,865</u>	<u>\$ 2,187,076</u>	<u>\$ 2,265,214</u>	<u>\$ 2,864,882</u>	<u>\$ 2,304,389</u>	<u>\$ 2,500,797</u>	<u>\$ 3,335,410</u>
Net OPEB Liability - Ending (a) - (b)	<u>\$ 668,961</u>	<u>\$ 816,169</u>	<u>\$ 107,100</u>	<u>\$ 299,708</u>	<u>\$ (226,391)</u>	<u>\$ 491,802</u>	<u>\$ 453,249</u>	<u>\$ 275,377</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	66%	63%	95%	88%	109%	82%	85%	92%
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
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%

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.

**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, 2025**

Fiscal Year Ended June 30	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution (ADC)	\$ 206,027	\$ 212,877	\$ 226,316	\$ 245,863	\$ 146,241	\$ 157,789	\$ 163,564	\$ 262,529
Contributions in Relation to the ADC	55,610	738,705	51,198	54,256	68,945	77,140	585,609	82,859
Contribution Deficiency (Excess)	<u>\$ 150,417</u>	<u>\$ (525,828)</u>	<u>\$ 175,118</u>	<u>\$ 191,607</u>	<u>\$ 77,296</u>	<u>\$ 80,649</u>	<u>\$ (422,045)</u>	<u>\$ 179,670</u>
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
Contributions as a Percentage of Covered-Employee Payroll	3.62%	54.24%	2.99%	3.03%	3.62%	2.92%	21.89%	2.88%

NOTES TO SCHEDULE

Actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2025 were from the June 30, 2024 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 & 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.

**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, 2025**

Measurement Date	Employer's Portion of the Collective Net Pension Liability ¹	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
6/30/2015	0.03039%	\$ 833,871	\$ 893,752	93.30%	77.24%
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%

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.

**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
SCHEDULE OF PLAN CONTRIBUTIONS
LAST 10 YEARS*
YEAR ENDED JUNE 30, 2025**

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
6/30/2016	6/30/2015	\$ 151,401	\$ (151,401)	\$ -	\$ 1,107,257	13.67%
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	7/1/2019	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%

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

**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
ORGANIZATIONAL DATA
YEAR ENDED JUNE 30, 2025**

OFFICERS

Sophia Garcia – Controller
Jose Hernandez - Secretary
Jocelyn Paz – Chair
Angelica Agudo – Vice Chair

FACULTY REPRESENTATIVES

Dr. Bibiana Diaz-Rodriguez
Dr. John Reitzel

STUDENT REPRESENTATIVES

Isaias Mendoza-Placencia
Cintiantl Rangel-Canseco
Sukhpreet Kaur

ASI EXECUTIVE PRESIDENT

Carson Fajardo

ASI EXECUTIVE VICE PRESIDENT

Diego Rendon

UNIVERSITY ADMINISTRATIVE REPRESENTATIVE

Jessica Lu

PRESIDENT'S DESIGNEE

Dr. Paz M. Oliverrez

ALUMNI REPRESENTATIVE

Edgar Lopez

INTERIM EXECUTIVE DIRECTOR AND CFO

Vilayat Del Rossi

**SANTOS MANUEL STUDENT UNION
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
SCHEDULE OF OPERATING EXPENSES BY FUNCTION
YEAR ENDED JUNE 30, 2025**

		Student Services											Total
Program Board	Salaries, Wages, and Stipends	Women's Resource Center	Student Centers	Cross Cultural Center	Adult Re-Entry Center	Recreation Center	Bowling	E-Sports Arena	Pride Center	Palm Desert Campus	Total Student Services		
	\$ 28,010	\$ 106,448	\$ 671,887	\$ 162,572	\$ 108,787	\$ 1,588,195	\$ 46,361	\$ 40,983	\$ 65,940	\$ 101,696	\$ 2,920,879		
Employee Benefits and Taxes	-	-	3,042	-	-	418,310	-	-	-	6,425	427,777		
Pension/OPEB Adjustments	-	-	-	-	-	203,280	-	-	-	-	203,280		
Contract Svs-Contingency Reserve	-	-	-	-	-	5,460	-	-	-	19	5,479		
Communications	-	-	-	-	-	211,979	-	-	-	-	211,979		
Utilities	-	-	-	-	99	84,569	-	106	525	1,869	89,837		
Travel	123	680	194	1,672	-	-	-	-	-	3,374	3,374		
Equipment	-	-	-	-	-	-	-	-	-	-	-		
Postage	-	-	-	-	-	-	-	-	-	-	-		
Supplies and Services	2,351	3,797	17,729	709	2,427	318,693	1,952	8,652	2,681	30,264	389,255		
Duplicating	2,736	627	5,111	611	552	3,837	15	318	599	1,340	15,746		
Accounting Fees	-	-	-	-	-	21,767	-	-	-	-	21,767		
Audit Fees	-	-	-	-	-	-	-	-	-	-	-		
Professional Fees	-	-	-	-	-	1,761	-	-	-	-	1,761		
Hospitality	-	-	-	-	3,847	12,931	-	260	163	369	22,300		
Specialized Training	-	362	3,194	1,174	-	5,949	5,699	-	-	-	11,648		
Insurance	-	-	-	-	-	49,811	-	-	-	-	49,811		
Repairs and Maintenance	-	-	-	-	-	44,491	6,137	-	-	-	50,628		
Advertising	-	-	-	-	-	3,478	-	-	-	5,157	8,635		
Rental Expense	-	-	7	-	-	-	-	-	-	-	7		
Program Expenses	60,040	5,812	121,471	35,677	19,044	53,949	-	6,471	12,483	47,224	362,171		
Campus Services	3,346	-	-	-	-	17,711	-	-	-	2,636	23,693		
Resource Materials	-	1,474	294	-	-	-	-	-	-	-	1,768		
Bank Fees	-	-	-	-	-	-	-	-	-	-	-		
Depreciation	-	-	-	-	-	6,333	-	-	-	-	6,333		
Total	\$ 96,606	\$ 119,200	\$ 822,929	\$ 202,415	\$ 134,756	\$ 3,052,504	\$ 60,164	\$ 56,790	\$ 82,391	\$ 200,373	\$ 4,828,128		

**SANTOS MANUEL STUDENT UNION
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
SCHEDULE OF OPERATING EXPENSES BY FUNCTION (CONTINUED)
YEAR ENDED JUNE 30, 2025**

	Support Services										Grand Total
	Adminis- tration and Personnel Services	Student Union Operations	Maintenance	Board of Directors	Graphics	Scheduling	Audio Visual	Technology	Total Support Services		
Salaries, Wages, and Stipends	\$ 550,116	\$ -	\$ 446,655	\$ -	\$ 239,744	\$ 224,746	\$ 157,653	\$ 72,172	\$ 1,691,086	\$ 4,611,965	
Employee Benefits and Taxes	-	1,040,115	350	-	-	-	-	-	1,040,465	1,468,242	
Pension/OPEB Adjustments	-	276,501	-	-	-	-	-	-	276,501	276,501	
Contract Svs-Contingency Reserve	5,494	100,492	-	-	6,010	-	59,699	-	171,695	374,975	
Communications	-	10,279	-	-	-	140	-	-	10,419	15,898	
Utilities	-	1,003,918	-	-	-	-	-	-	1,003,918	1,215,897	
Travel	15,957	17,606	3,528	13,016	5,824	3,055	1,604	1,643	62,233	152,070	
Equipment	-	-	-	-	-	-	15,776	30,700	46,476	49,850	
Postage	-	641	-	-	-	-	-	-	641	641	
Supplies and Services	19,388	628,900	85,594	807	7,632	18,676	14,677	11,381	787,055	1,176,310	
Duplicating	170	-	15	218	1,234	-	-	-	1,637	17,383	
Accounting Fees	-	17,809	-	-	-	-	-	-	17,809	39,576	
Audit Fees	-	28,738	-	-	-	-	-	-	28,738	28,738	
Professional Fees	-	1,828	-	-	-	-	-	-	1,828	3,589	
Hospitality	1,169	2,455	18	1,805	-	-	118	-	5,565	27,865	
Specialized Training	-	4,602	249	3,306	-	-	-	-	8,157	19,805	
Insurance	-	788,877	-	-	-	-	-	-	788,877	838,688	
Repairs and Maintenance	-	96,360	9,161	-	-	-	-	-	105,521	156,149	
Advertising	-	-	-	-	8,557	-	-	-	8,557	17,192	
Rental Expense	-	-	-	-	-	-	-	-	-	7	
Program Expenses	-	114,811	-	29,800	119	-	2,914	-	147,644	509,815	
Campus Services	-	583	-	2,382	-	15,857	-	-	18,822	42,515	
Resource Materials	150	-	-	-	-	-	-	-	150	1,918	
Bad Debt Expense	-	37,860	-	-	-	-	-	-	37,860	37,860	
Depreciation	-	29,816	-	-	-	13,647	2,574	-	46,037	52,370	
Total	\$ 592,444	\$ 4,202,191	\$ 545,570	\$ 51,334	\$ 269,120	\$ 276,121	\$ 255,015	\$ 115,896	\$ 6,307,691	\$ 11,135,819	

**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, 2025**

	Recreation and Wellness Center													Grand Total		
	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
Salaries, Wages, and Stipends	\$ 142,856	\$ 52,065	\$ 152,212	\$ 48,571	\$ 466,965	\$ 102,930	\$ 108,996	\$ 21,249	\$ 107,712	\$ 51,349	\$ 29,301	\$ 133,676	\$ 33,230	\$ 33,206	\$ 104,177	\$ 1,588,195
Employee Benefits and Taxes	418,310	-	-	-	-	-	-	-	-	-	-	-	-	-	-	418,310
Pension/OPEB Adjustments	53,654	-	33,711	-	76,465	-	-	36,693	2,127	650	-	-	-	-	-	203,280
Contract Svs-Contingency Reserve	5,460	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,460
Communications	-	-	-	-	211,979	-	-	-	-	-	-	-	-	-	-	211,979
Utilities	-	-	1,152	555	1,795	70	1,701	-	2,356	61,142	-	1,052	-	6,038	942	84,569
Travel	7,766	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Postage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies and Services	208,894	7,265	1,523	4,173	36,957	5,245	6,413	10,123	3,048	19,466	1,257	5,620	706	6,632	1,371	318,693
Duplicating	21,767	-	-	1,143	-	18	63	-	-	1,267	-	272	-	468	606	3,837
Accounting Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21,767
Audit Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees	1,761	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,761
Hospitality	1,677	-	176	-	135	319	-	-	138	528	-	131	-	9,757	70	12,931
Specialized Training	1,771	-	-	1,318	-	-	-	-	-	2,836	-	-	-	-	24	5,949
Insurance	49,811	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49,811
Repairs and Maintenance	4,838	1,175	-	2,738	34,618	793	-	-	-	-	-	17	-	3,050	-	44,491
Advertising	-	-	-	-	-	-	-	-	-	-	-	375	-	365	-	3,478
Rental Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Program Expenses	-	-	-	-	-	-	-	2,459	-	816	-	2,400	3,390	41,651	3,233	53,949
Campus Services	4,160	-	-	-	13,551	-	-	-	-	-	-	-	-	-	-	17,711
Resource Materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	3,136	-	-	-	2,654	543	-	-	-	-	-	-	-	-	-	6,333
Total	\$ 925,961	\$ 60,505	\$ 188,774	\$ 57,180	\$ 846,437	\$ 109,918	\$ 116,773	\$ 70,524	\$ 115,387	\$ 138,034	\$ 30,558	\$ 143,543	\$ 37,326	\$ 101,167	\$ 110,423	\$ 3,052,504

**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, 2025**

Assets:

Current assets:

Cash and cash equivalents	392,217
Short-term investments	11,543,611
Accounts receivable, net	893,572
Lease receivable, current portion	284,634
P3 receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	-
Total current assets	<u>13,114,034</u>

Noncurrent assets:

Restricted cash and cash equivalents	-
Accounts receivable, net	-
Lease receivable, net of current portion	221,810
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	244,876
Other assets	-
Total noncurrent assets	<u>466,686</u>
Total assets	<u>13,580,720</u>

Deferred outflows of resources:

Unamortized loss on debt refunding	-
Net pension liability	619,259
Net OPEB liability	534,248
Leases	-
P3	-
Others	-
Total deferred outflows of resources	<u>1,153,507</u>

**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
SCHEDULE OF NET POSITION (CONTINUED)
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)
YEAR ENDED JUNE 30, 2025**

Liabilities:	
Current liabilities:	
Accounts payable	152,707
Accrued salaries and benefits	241,735
Accrued compensated absences, current portion	84,384
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	-
Other liabilities	9,776
Total current liabilities	<u>488,604</u>
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	84,384
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	1,937,519
Other liabilities	-
Total noncurrent liabilities	<u>2,021,903</u>
Total liabilities	<u>2,510,507</u>
Deferred inflows of resources:	
P3 service concession arrangements	-
Net pension liability	108,150
Net OPEB liability	552,052
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Lease	496,653
P3	-
Others	-
Total deferred inflows of resources	<u>1,156,855</u>
Net position:	
Net investment in capital assets	244,876
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	-
Unrestricted	10,821,989
Total net position	<u>11,066,865</u>

**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)
YEAR ENDED JUNE 30, 2025**

Revenues:	
Operating revenues:	
Student tuition and fees, gross	-
Scholarship allowances (enter as negative)	-
Grants and contracts, noncapital:	
Federal	-
State	-
Local	-
Nongovernmental	-
Sales and services of educational activities	-
Sales and services of auxiliary enterprises, gross	-
Scholarship allowances (enter as negative)	-
Other operating revenues	12,314,827
Total operating revenues	<u>12,314,827</u>
Expenses:	
Operating expenses:	
Instruction	-
Research	-
Public service	-
Academic support	-
Student services	11,083,449
Institutional support	-
Operation and maintenance of plant	-
Student grants and scholarships	-
Auxiliary enterprise expenses	-
Depreciation and amortization	52,370
Total operating expenses	<u>11,135,819</u>
Operating income (loss)	<u>1,179,008</u>

**SANTOS MANUEL STUDENT UNION, A COMPONENT UNIT
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (CONTINUED)
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)
YEAR ENDED JUNE 30, 2025**

Nonoperating revenues (expenses):	
State appropriations, noncapital	-
Federal financial aid grants, noncapital	-
State financial aid grants, noncapital	-
Local financial aid grants, noncapital	-
Nongovernmental and other financial aid grants, noncapital	-
Other federal nonoperating grants, noncapital	-
Gifts, noncapital	-
Investment income (loss), net	288,919
Endowment income (loss), net	-
Interest expense	-
Other nonoperating revenues (expenses)	112,451
Net nonoperating revenues (expenses)	<u>401,370</u>
Income (loss) before other revenues (expenses)	<u>1,580,378</u>
State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
Increase (decrease) in net position	<u>1,580,378</u>
Net position:	
Net position at beginning of year, as previously reported	9,486,487
Restatements	-
Net position at beginning of year, as restated	<u>9,486,487</u>
Net position at end of year	<u><u>11,066,865</u></u>

**SANTOS MANUEL STUDENT UNION
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
OTHER INFORMATION
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)
YEAR ENDED JUNE 30, 2025**

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	\$ -				
Repurchase agreements	-				
Certificates of deposit	-				
U.S. agency securities	-				
U.S. treasury securities	-				
Municipal bonds	-				
Corporate bonds	-				
Asset backed securities	-				
Mortgage backed securities	-				
Commercial paper	-				
Supranational	-				
Mutual funds	-				
Exchange traded funds	-				
Equity securities	-				
Alternative investments:					
Private equity (including limited partnerships)	-				
Hedge funds	-				
Managed futures	-				
Real estate investments (including REITs)	-				
Commodities	-				
Derivatives	-				
Other alternative investment types	-				
Other external investment pools	-				
CSU Consolidated Investment Pool (formerly SWIFT)	10,357,385	-	10,357,385	-	-
State of California Local Agency Investment Fund (LAIF)	1,186,226	-	-	-	1,186,226
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	
Other investments:	-				
	-				
	-				
	-				
	-				
	-				
Total other investments:	-	-	-	-	-
Total investments	\$ 11,543,611	—	10,357,385	—	1,186,226

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):	\$ 10,357,385	-	\$ 10,357,385

**SANTOS MANUEL STUDENT UNION
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
OTHER INFORMATION (CONTINUED)
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)
YEAR ENDED JUNE 30, 2025**

Capital Assets, Right of Use

Composition of capital assets - Lease ROU, net:	Balance June 30, 2024	Prior Period Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2024 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2025
Non-depreciable/Non-amortizable lease assets:	-	-	-	-	-	-	-	-	-
Land and land improvements	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable lease assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable lease assets:	-	-	-	-	-	-	-	-	-
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable lease assets	-	-	-	-	-	-	-	-	-

Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)

Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:	-	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - lease ROU, net	-	-	-	-	-	-	-	-	-

Composition of capital assets - SBITA ROU, net

Depreciable/Amortizable SBITA assets:	Balance June 30, 2024	Prior Period Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2024 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2025
Software	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable SBITA assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:	-	-	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - SBITA ROU, net	-	-	-	-	-	-	-	-	-

**SANTOS MANUEL STUDENT UNION
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
OTHER INFORMATION (CONTINUED)
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)
YEAR ENDED JUNE 30, 2025**

	Balance June 30, 2024	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2024 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2025
Composition of capital assets - P3 ROU, net:									
Non-depreciable/Non-amortizable P3 assets:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable P3 assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable P3 assets:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable P3 assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - P3 ROU, net	-	-	-	-	-	-	-	-	-

244,876

Total capital assets, net including ROU assets

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense related to capital assets	\$ 52,370
Amortization expense - Leases ROU	-
Amortization expense - SBITA ROU	-
Amortization expense - P3 ROU	-
Depreciation and Amortization expense - Others	-
Total depreciation and amortization	<u>\$ 52,370</u>

**SANTOS MANUEL STUDENT UNION
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
OTHER INFORMATION (CONTINUED)
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)
YEAR ENDED JUNE 30, 2025**

4 Long-term liabilities:	Balance June 30, 2024	Prior Period Adjustments/Reclas sifications	Balance June 30, 2024 (Restated)	Additions	Reductions	Balance June 30, 2025	Current Portion	Noncurrent Portion
1. Accrued compensated absences	188,292		188,292	-	(19,524)	168,768	84,384	84,384
2. Claims liability for losses and loss adjustment expenses	-		-			-		
3. Capital lease obligations:								
Gross balance	-		-			-		
Unamortized net premium/(discount)	-		-			-		
Total capital lease obligations	-		-			-		
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	-		-			-		
4.2 Commercial paper	-		-			-		
4.3 Notes payable (SRB related)	-		-			-		
4.4 Finance purchase of capital assets	-		-			-		
4.5 Others:	-		-			-		
Total others	-		-			-		
Sub-total long-term debt	-		-			-		
4.6 Unamortized net bond premium/(discount)	-		-			-		
Total long-term debt obligations	-		-			-		
5. Lease, SBITA, P3 liabilities:								
Lease liabilities	-		-			-		
SBITA liabilities	-		-			-		
P3 liabilities - SCA	-		-			-		
P3 liabilities - non-SCA	-		-			-		
Sub-total P3 liabilities	-		-			-		
Total Lease, SBITA, P3 liabilities	-		-			-		
Total long-term liabilities						\$ 168,768	\$ 84,384	\$ 84,384

**SANTOS MANUEL STUDENT UNION
OF CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
OTHER INFORMATION (CONTINUED)
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)
YEAR ENDED JUNE 30, 2025**

5 Future minimum payments schedule - leases, SBTA, P3:

Year ending June 30:	Lease Liabilities		SBTA liabilities		Public-Private or Public-Public Partnerships (P3)		Total Leases, SBTA, P3 liabilities	
	Principal Only	Interest Only	Principal Only	Interest Only	Principal Only	Interest Only	Principal Only	Interest Only
2026	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-
2031 - 2035	-	-	-	-	-	-	-	-
2036 - 2040	-	-	-	-	-	-	-	-
2041 - 2045	-	-	-	-	-	-	-	-
2046 - 2050	-	-	-	-	-	-	-	-
2051 - 2055	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-
Total minimum lease payments	\$ -	-	-	-	-	-	-	-
Less: amounts representing interest								
Present value of future minimum lease payments								
Total lease liabilities								
Less: current portion								
Lease liabilities, net of current portion								

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

Year ending June 30:	Auxiliary revenue, bank (non-SRB related)		All other long-term debt obligations		Total long-term debt obligations	
	Principal Only	Interest Only	Principal Only	Interest Only	Principal Only	Interest Only
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
2031 - 2035	-	-	-	-	-	-
2036 - 2040	-	-	-	-	-	-
2041 - 2045	-	-	-	-	-	-
2046 - 2050	-	-	-	-	-	-
2051 - 2055	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-
Total minimum payments	\$ -	-	-	-	-	-
Less: amounts representing interest						
Present value of future minimum payments						
Unamortized net premium (discount)						
Total long-term debt obligations						
Less: current portion						
Long-term debt obligations, net of current portion						

7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 752,656
Payments to University for other than salaries of University personnel	1,610,374
Payments received from University for services, space, and programs	11,563,020
Gift-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)	
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)	



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Santos Manuel Student Union, a Component Unit
of California State University, San Bernardino
San Bernardino, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Santos Manuel Student Union of CSU San Bernardino (Student Union), a component unit of California State University, San Bernardino, as of and for the year then ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Student Union's basic financial statements, and have issued our report thereon dated October 13, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Student Union's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Student Union's internal control. Accordingly, we do not express an opinion on the effectiveness of the Student Union's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Student Union's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Ontario, California
October 13, 2025



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