

**ASSOCIATED STUDENTS, INCORPORATED
CALIFORNIA STATE UNIVERSITY,
SAN BERNARDINO**

**FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2007

ASSOCIATED STUDENTS, INCORPORATED
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

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JUNE 30, 2007

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ASSOCIATED STUDENTS, INCORPORATED
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

ORGANIZATION DATA

JUNE 30, 2007

Date of Organization:

Organized on January 25, 1966 as an unincorporated association under the Education Code, State of California, Section 23801. The Association was incorporated in January of 1988.

Nature and Purpose:

The Association was formed to provide essential activities closely related to, but not normally included as, a regular part of the University instructional program, such as ticket office, art exhibits, student paper, intramural sports, and civic relations, to strengthen the bond between the faculty, administrators, and the students of the University.

Officers - 2006-2007:

Anthony Conley	President
Angelica Jones	Executive Vice President
Mario Valenzuela	Vice President of Finance
Teddie Rodriguez	Vice President of University Affairs

Faculty Advisors:

Helga Kray	ASI Advisor
Dr. Terry Smith	Faculty Representative
Dr. Frank Rincón	President's Representative

Executive Director:

Patrick Areffi

DEBORAH L. CROWLEY, C.P.A.
TODD C. LANDRY, C.P.A.
JOHN F. PRENTICE, C.P.A.



DAVID M. THAYER, C.P.A.
FRANK M. ZABALETA, C.P.A.

*Certified Public Accountants
and
Business Advisors*

INDEPENDENT AUDITORS' REPORT

Board of Directors
Associated Students, Incorporated
California State University, San Bernardino
San Bernardino, California

We have audited the statements of financial position of Associated Students, Incorporated, California State University, San Bernardino as of June 30, 2007 and 2006, and the related statements of activity and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and with specific standards prescribed by the Chancellor's Office and the Department of Finance. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and schedules. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement and schedule presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Associated Students, Incorporated, California State University, San Bernardino as of June 30, 2007 and 2006, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information on pages 12 through 22 is presented for purposes of additional analysis and is not a required part of the basic financial statements. However, the PERS information on page 21 is required supplementary information for compliance with Governmental Accounting Standards Statement No. 5. The PERS information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it. The other supplemental information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

August 31, 2007

Eadie and Payne, LLP

DEBORAH L. CROWLEY, C.P.A.
TODD C. LANDRY, C.P.A.
JOHN F. PRENTICE, C.P.A.



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EXECUTIVE SUMMARY

Associated Students, Incorporated
California State University, San Bernardino
San Bernardino, California

We have audited the statement of financial position of Associated Students, Incorporated, California State University, San Bernardino as of June 30, 2007, and the related statements of activity and cash flows for the year then ended. Based on the results of our annual examination, we are providing you with the following Executive Summary.

INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS

We issued an unqualified opinion dated August 31, 2007. It is our opinion that the financial statements of Associated Students, Incorporated, California State University, San Bernardino at June 30, 2007 are in conformity with generally accepted accounting principles and with specific standards prescribed by the Chancellor's Office.

August 31, 2007

Eadie and Payne, LLP

ASSOCIATED STUDENTS, INCORPORATED
 CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
STATEMENTS OF FINANCIAL POSITION
 JUNE 30, 2007 AND 2006

ASSETS

	<u>2007</u>	<u>2006</u>
ASSETS		
Cash and cash equivalents	\$ 185,727	\$ 588,344
Short-term investments	894,117	391,729
Receivables	8,038	5,491
Inventory	<u>51,117</u>	<u>59,191</u>
	<u>1,138,999</u>	<u>1,044,755</u>
 EQUIPMENT AND FURNITURE		
Equipment, furniture, and fixtures	55,581	46,468
Less: Accumulated depreciation	<u>34,891</u>	<u>41,328</u>
	<u>20,690</u>	<u>5,140</u>
 TOTAL ASSETS	 <u><u>\$ 1,159,689</u></u>	 <u><u>\$ 1,049,895</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES		
Accounts payable	\$ 140,955	\$ 73,565
Accrued expenses	7,048	4,643
Accrued compensated absences	22,218	23,186
Deferred revenue	<u>82,088</u>	<u>69,486</u>
Total Liabilities	<u>252,309</u>	<u>170,880</u>
 NET ASSETS - Unrestricted		
Undesignated	279,175	322,518
Designated	<u>628,205</u>	<u>556,497</u>
Total Net Assets	<u>907,380</u>	<u>879,015</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 1,159,689</u></u>	 <u><u>\$ 1,049,895</u></u>

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

ASSOCIATED STUDENTS, INCORPORATED
 CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
STATEMENTS OF ACTIVITY
 FOR THE YEARS ENDED JUNE 30, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
UNRESTRICTED REVENUE AND SUPPORT		
Student fees	\$ 842,209	\$ 824,253
Investment income	19,863	13,382
Sales and Service of Auxiliary Enterprises		
Ticket sales	289,330	215,512
Other	9,172	4,365
Total Revenue and Support	<u>1,160,574</u>	<u>1,057,512</u>
FUNCTIONAL EXPENSES		
Program services	965,487	835,193
Management and general	166,722	154,518
Total Expenses	<u>1,132,209</u>	<u>989,711</u>
CHANGE IN NET ASSETS	28,365	67,801
NET ASSETS, BEGINNING OF YEAR	<u>879,015</u>	<u>811,214</u>
NET ASSETS, END OF YEAR	<u>\$ 907,380</u>	<u>\$ 879,015</u>

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

ASSOCIATED STUDENTS, INCORPORATED
 CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
STATEMENTS OF CASH FLOWS
 FOR THE YEARS ENDED JUNE 30, 2007 AND 2006

	<u>2007</u>	<u>2006</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 28,365	\$ 67,801
Adjustments to Reconcile Change in Net Assets to Net Cash Provided By Operating Activities		
Depreciation	5,863	6,080
Unrealized loss on LAIF investment	339	
(Increase) Decrease in Operating Assets		
Receivables	(2,547)	555
Inventory	8,074	8,591
Increase (Decrease) in Operating Liabilities		
Accounts payable and accrued liabilities	68,827	1,905
Deferred revenue	<u>12,602</u>	<u>3,994</u>
Net Cash Provided By Operating Activities	<u>121,523</u>	<u>88,926</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(745,313)	-
Maturity of investments	242,586	
Purchase of equipment	<u>(21,413)</u>	<u>-</u>
Net Cash Provided By (Used in) Investing Activities	<u>(524,140)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(402,617)	88,926
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>588,344</u>	<u>499,418</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 185,727</u>	<u>\$ 588,344</u>

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

ASSOCIATED STUDENTS, INCORPORATED
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

1. **DESCRIPTION OF ACTIVITIES**

Associated Students, Incorporated, California State University, San Bernardino (ASI) was formed for the purpose of providing to students essential social and recreational activities related to, but not normally included in, the University instructional program. These activities are primarily funded by fees charged to students each quarter. Tickets to local events are offered to students at cost by the ASI box office.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. **Management Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

B. **Basis of Accounting**

ASI prepares its financial statements on the accrual basis of accounting.

C. **Cash and Cash Equivalents**

All highly liquid debt instruments purchased with a maturity of three months or less are considered to be cash equivalents. All certificates of deposit with a maturity in excess of three months are considered to be investments.

D. **Investments**

The pooled investments are with the State of California State Treasurer's Local Agency Investment Fund (LAIF). LAIF is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee, comprised of California State officials and various participants, provides oversight to the management of the fund. The daily operations and responsibilities of LAIF fall under the auspices of the State Treasurer's office. ASI is a voluntary participant in the investment pool.

ASI relied upon information provided by the ASI Treasurer in estimating the ASI's fair value position of its holdings in LAIF. The ASI had a contractual withdrawal value of \$745,313 whose prorata share of fair value was estimated by the State Treasurer to be \$744,974. LAIF is not subject to a credit quality rating.

NOTES TO FINANCIAL STATEMENTS (Continued)

E. **Accounts Receivable**

Accounts receivable are primarily from student fees. Receivables are recorded when the student registers for courses and are presented in the statement of financial position net of the allowance for doubtful accounts. Accounts receivable are written off when they are deemed to be uncollectible. Any allowance for doubtful accounts is based on historical loss experience. There was no allowance for doubtful accounts as of June 30, 2007.

F. **Inventory**

Inventory is valued at cost determined on the first-in, first-out basis.

G. **Equipment and Furniture**

It is the policy of ASI to capitalize equipment, furniture, and fixture additions over \$1,500. Equipment and furniture are stated at cost and depreciation is calculated using the straight-line method over the estimated useful lives.

H. **Designated Net Assets**

Designated net assets include amounts set aside for emergency, administrative, equipment, and operational reserves as required by the California State University Manual of Policies and Procedures for Auxiliary Organizations.

3. **EXEMPT STATUS**

ASI was incorporated as a nonprofit organization under the laws of California. It has been granted tax-exempt status by the Internal Revenue Service under Code Section 501(c)(3).

4. **DEFERRED REVENUE**

Student fees for the upcoming Summer and Fall terms collected in advance through June 30, 2007 are deferred and recognized during the terms for which they are assessed.

5. **LEASING ARRANGEMENTS**

ASI, as lessee, has a lease agreement with the Student Union for exclusive use of a suite of offices including rooms 108, A through P. The leased space consists of approximately 2,200 square feet. Provisions of the lease agreement include annual payments of \$1 through June 30, 2007. However, ASI has to bear the expense for janitorial/custodial costs. The lease may be terminated by either party giving thirty (30) days written notice to the other party.

The lease agreement was suspended for the year ended June 30, 2005 and a portion of the year ended June 30, 2006 due to construction on the Student Union building. During construction, ASI temporarily rented a modular facility from the Student Union for \$1,179 per month. Total rent expense inclusive of janitorial/custodial costs for the years ended June 30, 2007 and 2006 was \$5,850 and \$9,432, respectively.

NOTES TO FINANCIAL STATEMENTS (Continued)

6. RELATED-PARTY TRANSACTIONS

ASI is an auxiliary organization of California State University, San Bernardino (CSUSB). The University advances funds on behalf of ASI, all of which are considered current, and it provides accounting services to ASI. The fee for accounting services for the years ended June 30, 2007 and 2006 were \$55,000 and \$54,000, respectively, billed in ten monthly installments.

The CSUSB Foundation provides services for the benefit of ASI's employees. ASI leases its office space from the Student Union as described in Note 5. ASI also co-sponsors events and activities with the Student Union for which ASI reimburses some of the expenses incurred by the Student Union.

Included in the liabilities are the following amounts due to related and affiliated parties at June 30:

	<u>2007</u>	<u>2006</u>
CSUSB	\$ 2,145	\$ 1,412
CSUSB Foundation	<u>2,332</u>	<u>14,358</u>
TOTALS	<u>\$ 4,477</u>	<u>\$ 15,770</u>

7. DEFINED-BENEFIT PENSION PLAN

A. Plan Description

The Associated Students, Incorporated, California State University, San Bernardino contributes to the California Public Employees' Retirement System (CalPERS), an agent multiple-employer public employee defined-benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. A menu of benefit provisions, as well as other requirements, are established by State statutes within the Public Employees' Retirement Law. ASI selects optional benefit provisions from the benefit menu by contract with CalPERS. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office - 400 "P" Street, Sacramento, California 95814.

NOTES TO FINANCIAL STATEMENTS (Continued)

B. Funding Policy

Participants are required to contribute 5% of their annual covered salary. ASI is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rates for the fiscal years 2006-2007 and 2005-2006 were 14.929% and 12.938%, respectively. The contribution requirements of the plan members are established by State statute, and the employer contribution rate is established and may be amended by CalPERS.

C. Annual Pension Cost

For the year ended June 30, 2007, ASI's annual pension cost of \$17,678 for CalPERS was equal to ASI's required and actual contributions. The required contribution was determined as part of the June 30, 2004 actuarial valuation using the entry-age normal actuarial cost method with contributions determined as a percent of pay. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses) and (b) projected salary increases that vary by duration of service. Both (a) and (b) included an inflation component of 3.00%. The actuarial value of Plan assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a two- to five-year period depending on the size of investment gains and/or losses. The remaining amortization period at June 30, 2007 was 14 years for the initial unfunded liability.

THREE-YEAR TREND INFORMATION FOR CALPERS

<u>FISCAL YEAR</u>	<u>ANNUAL PENSION COST (APC)</u>	<u>PERCENTAGE OF APC CONTRIBUTED</u>	<u>NET PENSION OBLIGATION</u>
6-30-2005	\$ 9,867	100	-
6-30-2006	13,122	100	-
6-30-2007	17,678	100	-

ASSOCIATED STUDENTS, INCORPORATED
 CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
SCHEDULE OF NET ASSETS
 JUNE 30, 2007
 (FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)

Assets	<u>FASB Auxiliary Organizations</u>
Current assets:	
Cash and cash equivalents	\$ 185,727
Short-term investments	894,117
Accounts receivable, net	8,038
Leases receivable, current portion	
Pledges receivable, net	
Prepaid expenses and other assets	51,117
Total current assets	<u>1,138,999</u>
Noncurrent assets:	
Restricted cash and cash equivalents	
Accounts receivable, net	
Student loans receivable, net	
Pledges receivable, net	
Endowment investments	
Other long-term investments	
Capital assets, net	20,690
Other assets	
Total noncurrent assets	<u>20,690</u>
Total assets	<u>\$ 1,159,689</u>
Liabilities and Net Assets	
Current liabilities:	
Accounts payable	\$ 140,955
Accrued salaries and benefits payable	
Accrued compensated absences - current portion	22,218
Deferred revenue	82,088
Capitalized lease obligations - current portion	
Long-term debt obligations - current portion	
Self-insurance claims liability - current portion	
Other liabilities	7,048
Total current liabilities	<u>252,309</u>

SCHEDULE OF NET ASSETS (Continued)

**FASB
Auxiliary
Organizations**

Noncurrent liabilities:

Accrued compensated absences, net of current portion

Deferred revenue

Capitalized lease obligations, net of current portion

Long-term debt obligations, net of current portion

Self-insurance claims liability, net of current portion

Other liabilities

Total noncurrent liabilities

Total liabilities

-
\$ 252,309

Net assets:

Invested in capital assets, net of related debt

20,690

Restricted for:

Nonexpendable - endowments

Expendable:

Scholarships and fellowships

Research

Loans

Capital projects

Debt service

Other

Unrestricted

886,690

Total net assets

\$ 907,380

See accompanying independent auditors' report.

ASSOCIATED STUDENTS, INCORPORATED
 CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2007
 (FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)

	FASB Auxiliary Organizations
Revenues:	
Operating revenues:	
Student tuition and fees (net of scholarship allowances of \$0)	\$ 842,209
Grants and contracts, noncapital:	
Federal	
State and local	
Nongovernmental	
Sales and services of educational activities	
Sales and services of auxiliary enterprises (net of scholarship allowances of \$0)	289,330
Other operating revenues	9,172
Total operating revenues	<u>1,140,711</u>
Expenses:	
Operating expenses:	
Instruction	
Research	
Public service	
Academic support	
Student services	738,327
Institutional support	
Operation and maintenance of plant	
Student grants and scholarships	86,300
Auxiliary enterprise expenses	301,719
Depreciation and amortization	5,863
Total operating expenses	<u>1,132,209</u>
Operating income (loss)	<u>8,502</u>

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
(Continued)

	<u>FASB Auxiliary Organizations</u>
Nonoperating revenues (expenses):	
State appropriations, noncapital	
Gifts, noncapital	
Investment income, net	\$ 19,863
Endowment income	
Interest on capital-related debt	
Other nonoperating revenues (expenses)	
Net nonoperating revenues (expenses)	<u>19,863</u>
Income (loss) before other additions	28,365
State appropriations, capital	
Grants and gifts, capital	
Additions to permanent endowments	
Increase (decrease) in net assets	<u>28,365</u>
Net assets:	
Net assets at beginning of year	<u>879,015</u>
Net assets at end of year	<u><u>\$ 907,380</u></u>

See accompanying independent auditors' report.

ASSOCIATED STUDENTS, INCORPORATED
CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

OTHER INFORMATION

JUNE 30, 2007

(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)

Restricted cash and cash equivalents at June 30, 2007

Portion of restricted cash and cash equivalents related to endowments	-
All other restricted cash and cash equivalents	-

Total restricted cash and cash equivalents	\$ -
--	------

Composition of investments at June 30, 2007

	<u>Current</u>	<u>Noncurrent</u>	<u>Total</u>
State of California Surplus			
Money Investment Fund	-	-	-
State of California Local Agency			
Investment Fund	\$ 744,974	-	\$ 744,974
Met West Short-Term Fund	-	-	-
Met West Medium-Term Fund	-	-	-
Met West Equity Fund	-	-	-
Debt and equity securities	-	-	-
Fixed income securities	-	-	-
Real estate	-	-	-
Certificates of deposit	149,143	-	149,143
Money market funds	-	-	-
Notes receivable	-	-	-
Other investments	-	-	-
Other	-	-	-
	\$ 894,117	\$ -	\$ 894,117
Total investments			

Composition of capital assets at June 30, 2007

	<u>Balance</u>				<u>Balance</u>
	<u>6-30-2006</u>	<u>Additions</u>	<u>Reductions</u>	<u>Transfers</u>	<u>6-30-2007</u>
Nondepreciable capital assets					
Land and land improvements	-	-	-	-	-
Works of art and historical treasures	-	-	-	-	-
Construction Work in Progress	-	-	-	-	-
Total nondepreciable capital assets	-	-	-	-	-

OTHER INFORMATION (Continued)

	<u>Balance</u> <u>6-30-2006</u>	<u>Additions</u>	<u>Reductions</u>	<u>Transfers</u>	<u>Balance</u> <u>6-30-2007</u>
Depreciable capital assets:					
Buildings and building improvements	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-
Infrastructure	-	-	-	-	-
Leasehold improvements	-	-	-	-	-
Personal property:					
Equipment	\$ 46,468	\$ 21,413	\$ (12,300)	-	\$ 55,581
Library books and materials	-	-	-	-	-
Intangible assets	-	-	-	-	-
Total depreciable capital assets	<u>46,468</u>	<u>21,413</u>	<u>(12,300)</u>	<u>-</u>	<u>55,581</u>
Total cost	<u>46,468</u>	<u>21,413</u>	<u>(12,300)</u>	<u>-</u>	<u>55,581</u>
Less: Accumulated depreciation:					
Buildings and building improvements	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-
Infrastructure	-	-	-	-	-
Leasehold improvements	-	-	-	-	-
Personal property:					
Equipment	41,328	5,863	(12,300)	-	34,891
Library books and materials	-	-	-	-	-
Intangible assets	-	-	-	-	-
Total accumulated depreciation	<u>41,328</u>	<u>5,863</u>	<u>(12,300)</u>	<u>-</u>	<u>34,891</u>
Net capital assets	<u>\$ 5,140</u>	<u>\$ 15,550</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,690</u>

Detail of depreciation and amortization expense for the year ended June 30, 2007

Depreciation and amortization expense related to capital assets	\$ 5,863
Amortization expense related to other assets	<u>-</u>
Total depreciation and amortization	<u>\$ 5,863</u>

OTHER INFORMATION (Continued)

Long-term liabilities activity schedule:

	Balance <u>6-30-2006</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>6-30-2007</u>	Long-term <u>Portion</u>	Current <u>Portion</u>
Accrued compensated absences	\$ 23,186	\$ 8,822	\$ 9,790	\$ 22,218	-	\$ 22,218
Self-insurance claims liability	-	-	-	-	-	-
Capitalized lease obligations	-	-	-	-	-	-
Long-term debt obligations:						
Revenue bonds	-	-	-	-	-	-
Other bonds (nonrevenue bonds)	-	-	-	-	-	-
Commercial paper	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total long-term debt obligations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total long-term liabilities	<u>\$ 23,186</u>	<u>\$ 8,822</u>	<u>\$ 9,790</u>	<u>\$ 22,218</u>	<u>\$ -</u>	<u>\$ 22,218</u>

Interest rates

	<u>Low</u>	<u>High</u>
Range of interest rates on outstanding debt	-	-

Future minimum lease payments:

	<u>Capital leases</u>
Years ending June 30	
2008	-
2009	-
2010	-
2011	-
2012	-
2013-2017	-
2018-2022	<u>-</u>
Total minimum lease payments	-
Less: Amounts representing interest	-
Present value of future minimum lease payments	-
Less: current portion	<u>-</u>
Capitalized lease obligation, net of current portion	<u>\$ -</u>

OTHER INFORMATION (Continued)

Long-term debt obligation schedule

	<u>Revenue Bonds</u>		<u>All other long-term debt obligations</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
Years ending June 30:						
2008	-	-	-	-	-	-
2009	-	-	-	-	-	-
2010	-	-	-	-	-	-
2011	-	-	-	-	-	-
2012	-	-	-	-	-	-
2013-2017	-	-	-	-	-	-
2018-2022	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The nature and amount of the prior-period adjustment(s) recorded to beginning net assets - FASB Auxiliary Organizations:

	<u>Net Asset Class</u>	<u>Amount</u>
		<u>Dr. (Cr.)</u>
Net assets as of June 30, 2006, as previously reported		-
Prior-period adjustments		-
Net assets as of June 30, 2006, as restated		<u>\$ -</u>

Calculation of net assets - invested in capital assets, net of related debt

	<u>Auxiliary Organizations</u>	
	<u>GASB</u>	<u>FASB</u>
Capital assets, net of accumulated depreciation	-	\$ 20,690
Capital lease obligations, current portion	-	-
Capital lease obligations, net of current portion	-	-
Long-term debt obligations, current portion	-	-
Long-term debt obligations, net of current portion	-	-
Unspent bond proceeds	-	-
Other	-	-
Net assets - invested in capital assets, net of related debt	<u>\$ -</u>	<u>\$ 20,690</u>

See accompanying independent auditors' report.

ASSOCIATED STUDENTS, INCORPORATED
 CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED JUNE 30, 2007

	MANAGEMENT AND GENERAL	STUDENT GOVERNMENT	EXTERNAL AFFAIRS	ASI BOX OFFICE	LEGAL AID
Wages	\$ 58,461	\$ 118,694			
Employee benefits	12,230	24,832			
Payroll taxes	3,246	6,590			
Total Wages and Related Expenses	<u>73,937</u>	<u>150,116</u>			
Utilities and telephone	3,500	7,107			
Travel		4,745	\$ 13,212		
Grants and programs					
Scholarship/stipends		-			
Supplies and services	7,876	7,478	182	\$ 385	\$ 137
Building and equipment repairs	1,568	3,182			
Postage		1,702			
Accounting	55,000				
Audit	14,574				
AOA dues		355	9,859		
Hospitality	509				1,350
AS transition		9,184			
Orientation		16,184			
Insurance		15,470			
Advertising					
Legal consultant	-	-			7,346
Depreciation	1,935	3,928			
Rent	7,823				
Student Union custodian	-				
Box Office tickets				301,334	
Graduation reception					
Donations					
Emergency student loans					
Special events					
Speaker series					
TOTAL EXPENSES	<u>\$ 166,722</u>	<u>\$ 219,451</u>	<u>\$ 23,253</u>	<u>\$ 301,719</u>	<u>\$ 8,833</u>

PROGRAM SERVICES

GRANT AND SERVICE PROGRAM	CLUB ALLOCATION BUDGET	ACTIVITIES BOARD	COMMITTEES	PALM DESERT CAMPUS	TOTAL PROGRAM SERVICES	TOTAL EXPENSES	
						2007	2006
					\$ 118,694	\$ 177,155	\$ 153,362
					24,832	37,062	29,111
					6,590	9,836	8,588
					<u>150,116</u>	<u>224,053</u>	<u>191,061</u>
					7,107	10,607	5,677
				\$ 2,860	85,817	85,817	73,037
\$ 65,000				-	86,326	86,326	87,342
86,326				-	86,300	86,300	135,382
86,300				(242)	56,130	64,006	53,398
	\$ 46,833	\$ 933	\$ 424		3,182	4,750	18,508
					1,702	1,702	1,513
					-	55,000	54,000
					-	14,574	13,532
					10,214	10,214	10,031
				147	1,497	2,006	1,200
					9,184	9,184	1,628
					16,184	16,184	4,286
					15,470	15,470	12,926
			19,996	4,422	24,418	24,418	21,131
					7,346	7,346	8,767
					3,928	5,863	6,080
					-	7,823	9,432
					-	-	1,170
					301,334	301,334	221,995
				2,155	2,155	2,155	2,004
					14,225	14,225	28,509
14,225					-	-	5,500
-					68,469	68,469	21,602
		68,469			14,383	14,383	-
		<u>14,383</u>					
<u>\$ 251,851</u>	<u>\$ 46,833</u>	<u>\$ 83,785</u>	<u>\$ 20,420</u>	<u>\$ 9,342</u>	<u>\$ 965,487</u>	<u>\$ 1,132,209</u>	<u>\$ 989,711</u>

ASSOCIATED STUDENTS, INCORPORATED
 CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
PERS REQUIRED SUPPLEMENTARY INFORMATION
 JUNE 30, 2007

	(A)	(B)	(C)	(D)	(E)	(F)
			UNFUNDED ACTUARIAL ACCRUED LIABILITY (B)-(A)	FUNDED RATIO (A)/(B)		UNFUNDED ACTUARIAL LIABILITY AS PERCENTAGE OF COVERED PAYROLL (C)/(E)
ACTUARIAL VALUATION DATE	ACTUARIAL ASSET VALUE	ENTRY AGE ACTUARIAL ACCRUED LIABILITY			COVERED PAYROLL	
6-30-2002	\$ 247,914	\$ 257,317	\$ 9,403	96 %	\$ 97,552	9.6 %
6-30-2003	265,258	315,506	50,248	84	148,771	33.8
6-30-2004	265,914	326,315	60,401	81	162,309	37.2

ASSOCIATED STUDENTS, INCORPORATED
 CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO
 SCHEDULE OF INVESTMENTS AND SAVINGS
 JUNE 30, 2007

	<u>COST</u>	<u>MARKET VALUE 6-30-2007</u>	<u>DATE OF PURCHASE</u>	<u>MATURITY DATE</u>	<u>STATED RATE OF RETURN</u>
INVESTMENTS AND SAVINGS					
Certificates of Deposit					
Bank of America	\$ 49,044	\$ 49,044	01-10-2007	07-09-2007	2.62 %
Washington Mutual	50,028	50,028	01-21-2007	07-21-2007	2.96
Citibank	50,041	50,041	11-30-2006	08-30-2007	3.97
	<u>149,113</u>	<u>149,113</u>			
Local Agency Investment Fund	<u>745,313</u>	<u>744,974</u>			
TOTAL INVESTMENTS AND SAVINGS	<u>\$ 894,426</u>	<u>\$ 894,087</u>			