

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Statement of Net Position

June 30, 2016

Assets	Campus	Discretely presented component units	Total
Current assets:			
Cash and cash equivalents	\$ 21,000	3,911,000	3,932,000
Short-term investments	75,397,000	20,012,000	95,409,000
Accounts receivable, net	5,860,000	6,886,000	12,746,000
Capital lease receivable, current portion	—	—	—
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	10,570,000	10,570,000
Prepaid expenses and other current assets	2,207,000	118,000	2,325,000
Total current assets	<u>83,485,000</u>	<u>41,497,000</u>	<u>124,982,000</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	7,000	7,000
Accounts receivable, net	1,163,000	—	1,163,000
Capital lease receivable, net of current portion	—	—	—
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	1,125,000	—	1,125,000
Pledges receivable, net	—	406,000	406,000
Endowment investments	—	23,298,000	23,298,000
Other long-term investments	21,719,000	5,047,000	26,766,000
Capital assets, net	309,939,000	6,646,000	316,585,000
Other assets	162,000	—	162,000
Total noncurrent assets	<u>334,108,000</u>	<u>35,404,000</u>	<u>369,512,000</u>
Total assets	<u>417,593,000</u>	<u>76,901,000</u>	<u>494,494,000</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>30,631,000</u>	<u>895,000</u>	<u>31,526,000</u>
Liabilities			
Current liabilities:			
Accounts payable	7,699,000	1,593,000	9,292,000
Accrued salaries and benefits	11,387,000	567,000	11,954,000
Accrued compensated absences, current portion	5,499,000	217,000	5,716,000
Unearned revenue	6,174,000	5,178,000	11,352,000
Capitalized lease obligations, current portion	1,146,000	—	1,146,000
Long-term debt obligations, current portion	3,295,000	—	3,295,000
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	975,000	—	975,000
Other liabilities	4,875,000	1,762,000	6,637,000
Total current liabilities	<u>41,050,000</u>	<u>9,317,000</u>	<u>50,367,000</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	4,226,000	205,000	4,431,000
Unearned revenue	—	—	—
Grants refundable	1,219,000	—	1,219,000
Capitalized lease obligations, net of current portion	2,944,000	—	2,944,000
Long-term debt obligations, net of current portion	99,330,000	—	99,330,000
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Other postemployment benefits obligations	5,487,000	6,591,000	12,078,000
Net pension liability	254,251,000	2,217,000	256,468,000
Other liabilities	—	1,629,000	1,629,000
Total noncurrent liabilities	<u>367,457,000</u>	<u>10,642,000</u>	<u>378,099,000</u>
Total liabilities	<u>408,507,000</u>	<u>19,959,000</u>	<u>428,466,000</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>5,535,000</u>	<u>2,960,000</u>	<u>8,495,000</u>
Net Position			
Net position:			
Net investment in capital assets	207,826,000	6,646,000	214,472,000
Restricted for:			
Nonexpendable – endowments	—	29,503,000	29,503,000
Expendable:			
Scholarships and fellowships	—	1,639,000	1,639,000
Research	—	—	—
Loans	665,000	—	665,000
Capital projects	1,130,000	—	1,130,000
Debt service	785,000	—	785,000
Others	5,000	11,690,000	11,695,000
Unrestricted	<u>(176,229,000)</u>	<u>5,399,000</u>	<u>(170,830,000)</u>
Total net position	<u>34,182,000</u>	<u>54,877,000</u>	<u>89,059,000</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Statement of Revenue, Expenses, and Changes in Net Position

Year ended June 30, 2016

	<u>Campus</u>	<u>Discretely presented component units</u>	<u>Eliminations</u>	<u>Total</u>
Revenue:				
Operating revenue:				
Student tuition and fees (net of scholarship allowances of \$79,481,000)	\$ 67,461,000	1,750,000	—	69,211,000
Grants and contracts, noncapital:				
Federal	—	17,029,000	—	17,029,000
State	—	8,105,000	—	8,105,000
Local	—	—	—	—
Nongovernmental	—	256,000	—	256,000
Sales and services of educational activities	102,000	—	—	102,000
Sales and services of auxiliary enterprises (net of scholarship allowances of \$5,612,000)	11,155,000	5,277,000	—	16,432,000
Other operating revenue	8,042,000	2,748,000	—	10,790,000
Total operating revenue	<u>86,760,000</u>	<u>35,165,000</u>	<u>—</u>	<u>121,925,000</u>
Expenses:				
Operating expenses:				
Instruction	94,243,000	932,000	—	95,175,000
Research	1,094,000	11,204,000	—	12,298,000
Public service	1,220,000	4,752,000	—	5,972,000
Academic support	22,950,000	210,000	—	23,160,000
Student services	26,288,000	12,938,000	—	39,226,000
Institutional support	39,199,000	4,667,000	—	43,866,000
Operation and maintenance of plant	21,432,000	—	—	21,432,000
Student grants and scholarships	40,770,000	1,347,000	(956,000)	41,161,000
Auxiliary enterprise expenses	11,536,000	2,449,000	—	13,985,000
Depreciation and amortization	18,774,000	505,000	—	19,279,000
Total operating expenses	<u>277,506,000</u>	<u>39,004,000</u>	<u>(956,000)</u>	<u>315,554,000</u>
Operating income (loss)	<u>(190,746,000)</u>	<u>(3,839,000)</u>	<u>956,000</u>	<u>(193,629,000)</u>
Nonoperating revenue (expenses):				
State appropriations, noncapital	96,735,000	—	—	96,735,000
Federal financial aid grants, noncapital	53,838,000	—	—	53,838,000
State financial aid grants, noncapital	33,976,000	—	—	33,976,000
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	961,000	—	(956,000)	5,000
Other federal nonoperating grants, noncapital	87,000	—	—	87,000
Gifts, noncapital	3,000	3,481,000	—	3,484,000
Investment income (loss), net	1,163,000	(536,000)	—	627,000
Endowment income (loss)	—	—	—	—
Interest expense	(4,055,000)	—	—	(4,055,000)
Other nonoperating revenue (expenses)	10,680,000	(580,000)	—	10,100,000
Net nonoperating revenue (expenses)	<u>193,388,000</u>	<u>2,365,000</u>	<u>(956,000)</u>	<u>194,797,000</u>
Income (loss) before other revenue (expenses)	2,642,000	(1,474,000)	—	1,168,000
State appropriations, capital	1,200,000	—	—	1,200,000
Grants and gifts, capital	200,000	—	—	200,000
Additions (reductions) to permanent endowments	—	9,846,000	—	9,846,000
Increase (decrease) in net position	4,042,000	8,372,000	—	12,414,000
Net position:				
Net position at beginning of year	30,140,000	46,505,000	—	76,645,000
Net position at end of year	<u>\$ 34,182,000</u>	<u>54,877,000</u>	<u>—</u>	<u>89,059,000</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Statement of Cash Flows

Year ended June 30, 2016

	<u>Campus</u>
Cash flows from operating activities:	
Student tuition and fees	\$ 67,403,000
Federal grants and contracts	—
State grants and contracts	—
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(42,729,000)
Payments to employees	(176,009,000)
Payments to students	(39,192,000)
Collections of student loans	—
Sales and services of educational activities	102,000
Sales and services of auxiliary enterprises	11,420,000
Other receipts	7,432,000
	<u>(171,573,000)</u>
Net cash used in operating activities	
Cash flows from noncapital financing activities:	
State appropriations	96,734,000
Federal financial aid grants	53,757,000
State financial aid grants	33,685,000
Nongovernmental and other financial aid grants	961,000
Other federal nonoperating grants	87,000
Gifts and grants received for other than capital purposes	3,000
Federal loan program receipts	240,000
Federal loan program disbursements	(348,000)
Monies received on behalf of others	136,000
Monies disbursed on behalf of others	(105,000)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Issuance of capital leases receivable	—
Principal collections on capital leases	—
Interest collections on capital leases	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	10,664,000
	<u>195,814,000</u>
Net cash provided by noncapital financing activities	
Cash flows from capital and related financing activities:	
Proceeds from capital debt	33,257,000
State appropriations	163,000
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	—
Proceeds from sale of capital assets	48,000
Acquisition of capital assets	(9,536,000)
Transfers to escrow agent	(29,615,000)
Principal paid on capital debt and leases	(4,434,000)
Interest paid on capital debt and leases	(4,278,000)
Principal collection on capital leases	—
Interest collection on capital leases	—
	<u>(14,395,000)</u>
Net cash used in capital and related financing activities	

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Statement of Cash Flows

Year ended June 30, 2016

	<u>Campus</u>
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 342,199,000
Purchases of investments	(352,914,000)
Investment income proceeds	870,000
	<u>(9,845,000)</u>
Net cash used in investing activities	1,000
Net decrease in cash and cash equivalents	20,000
Cash and cash equivalents at beginning of year	<u>20,000</u>
Cash and cash equivalents at end of year	<u>\$ 21,000</u>
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 21,000
Restricted cash and cash equivalents	—
	<u>\$ 21,000</u>
Total cash and cash equivalents at end of year	<u>\$ 21,000</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (190,746,000)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:	
Depreciation and amortization	18,774,000
Change in assets and liabilities:	
Accounts receivable, net	(474,000)
Student loans receivable, net	(42,000)
Prepaid expenses and other current assets	(1,090,000)
Other assets	(71,000)
Deferred outflows of resources	(5,889,000)
Accounts payable	597,000
Accrued salaries and benefits	1,017,000
Accrued compensated absences	660,000
Unearned revenue	354,000
Other postemployment benefits obligations	1,307,000
Net pension liability	39,363,000
Other liabilities	1,491,000
Deferred inflows of resources	(36,824,000)
Net cash used in operating activities	<u>\$ (171,573,000)</u>
Supplemental schedules of noncash transactions:	
Reclassification of long-term debt to capitalized lease obligations	\$ 5,008,000
Change in accrued capital asset purchases	2,497,000
Amortization of loss on debt refundings	935,000
Amortization of net bond premium	786,000
Contributed capital assets	200,000
Capital assets paid by the Office of the Chancellor	15,000

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Transactions with Related Entities

Year ended June 30, 2016

	<u>Campus</u>
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 5,806,000
Payments from discretely presented component units for other than salaries	6,229,000
Payments to discretely presented component units for services, space, and programs	1,212,000
Gifts in kind from discretely presented component units	—
Gifts (cash or assets) from discretely presented component units	—
Accounts receivable from discretely presented component units	811,000
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	(56,000)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	121,000
Payments to the Office of the Chancellor for state pro rata charges	326,000
Accounts receivable from the Office of the Chancellor	918,000
Accounts payable to the Office of the Chancellor	(2,000)
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	(3,000)
State lottery allocation received	1,752,000

See accompanying independent auditors' report.