

**University Student Union
California State University, Northridge**

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

June 30, 2023 and 2022

**University Student Union
California State University, Northridge**

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Independent Auditor's Report

The Board of Directors
University Student Union
California State University, Northridge
(A California State University Auxiliary Organization)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of University Student Union California State University, Northridge (a California State University Auxiliary Organization), (the "Union"), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Union as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Union and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the Union's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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 substantial likelihood that, individually or in the aggregate, they would influence the judgement 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 Union'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 Union'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 21 to 30 is presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2023 on our consideration of the 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 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 Union's internal control over financial reporting and compliance.

CohnReznick LLP

Los Angeles, California
September 12, 2023

**University Student Union
California State University, Northridge**

**Statements of Financial Position
June 30, 2023 and 2022**

<u>Assets</u>		
	2023	2022
Current assets		
Cash and cash equivalents	\$ 720,039	\$ 929,889
Short-term investments	9,944,002	9,539,805
Accounts receivable, net	97,407	17,809
Prepaid expenses and other	112,725	93,612
Total current assets	10,874,173	10,581,115
Property and equipment, net	344,305	400,766
Total assets	\$ 11,218,478	\$ 10,981,881
<u>Liabilities and Net Assets</u>		
Current liabilities		
Accounts payable	\$ 351,698	\$ 129,571
Accrued expenses	749,089	1,011,286
Deferred revenue	303,440	256,404
Current portion of postretirement benefit payable	30,879	26,760
Total current liabilities	1,435,106	1,424,021
Commitments and contingencies		
Postretirement benefit payable, net of current portion	1,559,973	2,230,081
Total liabilities	2,995,079	3,654,102
Net assets		
Without donor restrictions	8,223,399	7,327,779
Total liabilities and net assets	\$ 11,218,478	\$ 10,981,881

See Notes to Financial Statements.

**University Student Union
California State University, Northridge**

**Statements of Activities
Years Ended June 30, 2023 and 2022**

	2023	2022
Operating revenues		
Activity fees	\$ 14,915,548	\$ 14,205,060
Program revenue	472,503	300,095
Rental income	794,381	547,339
Recreation center income	505,673	302,154
Grant revenue	606,013	476,896
Other income	547,953	585,885
	<u>17,842,071</u>	<u>16,417,429</u>
Operating expenses		
Program services	13,208,226	11,069,384
General and administrative	4,342,136	4,321,152
	<u>17,550,362</u>	<u>15,390,536</u>
Change in net assets from operating activities	<u>291,709</u>	<u>1,026,893</u>
Nonoperating (expense) revenue		
Other components of net postretirement benefit cost	(97,256)	(86,625)
Postretirement changes other than net postretirement benefit cost	657,117	1,061,435
Investment income	44,050	59,309
	<u>603,911</u>	<u>1,034,119</u>
Change in net assets	<u>895,620</u>	<u>2,061,012</u>
Net assets, beginning	<u>7,327,779</u>	<u>5,266,767</u>
Net assets, end	<u>\$ 8,223,399</u>	<u>\$ 7,327,779</u>

See Notes to Financial Statements.

**University Student Union
California State University, Northridge**

**Statement of Functional Expenses
Year Ended June 30, 2023**

	Program services					Supporting services	
	Diversity and Inclusion	Fitness and Wellness	General Programs	Rental	Total	General and Administrative	Total
Salaries and wages	\$ 990,733	\$ 3,581,806	\$ 728,318	\$ 1,162,850	\$ 6,463,707	\$ 2,104,784	\$ 8,568,491
Staff benefits	294,126	913,920	216,411	346,322	1,770,779	832,166	2,602,945
	<u>1,284,859</u>	<u>4,495,726</u>	<u>944,729</u>	<u>1,509,172</u>	<u>8,234,486</u>	<u>2,936,950</u>	<u>11,171,436</u>
Other operating expenses							
Contributions to CSU Northridge Foundation	-	-	154,747	-	154,747	-	154,747
Cost of sales	-	12,773	-	-	12,773	-	12,773
Depreciation and amortization	1,172	61,026	15,452	22,408	100,058	29,133	129,191
Equipment	36,650	57,511	49,117	77,903	221,181	96,952	318,133
Fees and charges	19	20,781	233	40,991	62,024	12,654	74,678
General operating expenses	35,421	124,054	20,317	25,122	204,914	127,091	332,005
Grants and scholarships	-	-	58,453	-	58,453	-	58,453
Repairs and maintenance	24,656	880,865	286,980	453,484	1,645,985	177,503	1,823,488
Supplies and services	247,728	473,894	363,042	188,401	1,273,065	783,317	2,056,382
Travel	34,959	77,415	4,744	13,518	130,636	33,825	164,461
Utilities	26,732	550,119	217,893	315,160	1,109,904	144,711	1,254,615
	<u>407,337</u>	<u>2,258,438</u>	<u>1,170,978</u>	<u>1,136,987</u>	<u>4,973,740</u>	<u>1,405,186</u>	<u>6,378,926</u>
Total operating expenses	1,692,196	6,754,164	2,115,707	2,646,159	13,208,226	4,342,136	17,550,362
Other components of net postretirement benefit cost	10,990	34,147	8,086	12,940	66,163	31,093	97,256
Postretirement changes other than net postretirement benefit cost	<u>(78,971)</u>	<u>(190,973)</u>	<u>(41,937)</u>	<u>(105,625)</u>	<u>(417,506)</u>	<u>(239,611)</u>	<u>(657,117)</u>
Total functional expenses	<u>\$ 1,624,215</u>	<u>\$ 6,597,338</u>	<u>\$ 2,081,856</u>	<u>\$ 2,553,474</u>	<u>\$ 12,856,883</u>	<u>\$ 4,133,618</u>	<u>\$ 16,990,501</u>

See Notes to Financial Statements.

**University Student Union
California State University, Northridge**

**Statement of Functional Expenses
Year Ended June 30, 2022**

	Program services					Supporting services	
	Diversity and Inclusion	Fitness and Wellness	General Programs	Rental	Total	General and Administrative	Total
Salaries and wages	\$ 1,311,011	\$ 2,768,854	\$ 646,127	\$ 955,600	\$ 5,681,592	\$ 2,235,292	\$ 7,916,884
Staff benefits	394,497	690,411	213,412	314,157	1,612,476	871,399	2,483,875
	<u>1,705,508</u>	<u>3,459,265</u>	<u>859,539</u>	<u>1,269,757</u>	<u>7,294,068</u>	<u>3,106,691</u>	<u>10,400,759</u>
Other operating expenses							
Contributions to CSU Northridge Foundation	-	-	47,346	-	47,346	-	47,346
Cost of sales	-	12,209	-	-	12,209	-	12,209
Depreciation and amortization	1,312	57,220	18,786	29,491	106,809	31,101	137,910
Equipment	12,843	49,684	66,429	81,331	210,287	89,700	299,987
Fees and charges	11	17,826	138	23,666	41,641	12,925	54,566
General operating expenses	31,320	88,799	15,985	19,743	155,847	117,512	273,359
Grants and scholarships	-	-	61,968	-	61,968	-	61,968
Repairs and maintenance	16,926	584,230	204,548	334,086	1,139,790	132,759	1,272,549
Supplies and services	186,565	372,605	317,702	128,927	1,005,799	674,667	1,680,466
Travel	37,991	30,145	5,735	13,112	86,983	31,464	118,447
Utilities	22,155	439,661	191,930	252,891	906,637	124,333	1,030,970
	<u>309,123</u>	<u>1,652,379</u>	<u>930,567</u>	<u>883,247</u>	<u>3,775,316</u>	<u>1,214,461</u>	<u>4,989,777</u>
Total operating expenses	2,014,631	5,111,644	1,790,106	2,153,004	11,069,384	4,321,152	15,390,536
Other components of net postretirement benefit cost	13,458	24,329	6,415	11,241	55,444	31,181	86,625
Postretirement changes other than net postretirement benefit cost	<u>(200,023)</u>	<u>(269,524)</u>	<u>(75,573)</u>	<u>(149,276)</u>	<u>(694,396)</u>	<u>(367,039)</u>	<u>(1,061,435)</u>
Total functional expenses	<u>\$ 1,828,066</u>	<u>\$ 4,866,449</u>	<u>\$ 1,720,948</u>	<u>\$ 2,014,969</u>	<u>\$ 10,430,432</u>	<u>\$ 3,985,294</u>	<u>\$ 14,415,726</u>

See Notes to Financial Statements.

**University Student Union
California State University, Northridge**

**Statements of Cash Flows
Years Ended June 30, 2023 and 2022**

	2023	2022
Cash flows from operating activities		
Change in net assets	\$ 895,620	\$ 2,061,012
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	129,191	137,910
Postretirement benefits	(657,117)	(1,061,435)
Changes in operating assets and liabilities		
Accounts receivable	(79,598)	19,740
Prepaid expenses and other	(19,113)	6,735
Accounts payable	222,127	(213,981)
Accrued expenses	(262,197)	(60,065)
Postretirement benefit payable	(8,872)	133,131
Deferred revenue	47,036	163,704
	<u>267,077</u>	<u>1,186,751</u>
Net cash provided by operating activities		
Cash flows from investing activities		
Proceeds from sale of investments	3,056,087	500,000
Purchases of investments	(3,460,284)	(1,539,277)
Purchases of property and equipment	(72,730)	(14,560)
	<u>(476,927)</u>	<u>(1,053,837)</u>
Net cash used in investing activities		
Net change in cash and cash equivalents	(209,850)	132,914
Cash and cash equivalents, beginning	<u>929,889</u>	<u>796,975</u>
Cash and cash equivalents, end	<u>\$ 720,039</u>	<u>\$ 929,889</u>

See Notes to Financial Statements.

**University Student Union
California State University, Northridge**

**Notes to Financial Statements
June 30, 2023 and 2022**

Note 1 - Business activity and summary of significant accounting policies

Business activity

University Student Union California State University, Northridge (a California State University Auxiliary Organization) (the "Union") is a nonprofit auxiliary organization related to California State University, Northridge (the "University"). The Union was organized to provide a variety of unique and convenient programs and services on the University campus. The Union operates the Student Union building as well as sponsors various campus activities that complement the instructional program and initiatives of the University.

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial statement presentation

The Union is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions, which are described as follows:

Net assets without donor restrictions - Net assets for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board may designate, from net assets without donor restrictions, net assets for an operating reserve through a board-designated endowment.

Net assets with donor restrictions - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time, purpose, or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. At June 30, 2023 and 2022, the Union does not have any net assets with donor restrictions.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and all highly-liquid investments with an initial maturity at date of purchase of three months or less.

Accounts receivable

Accounts receivable are stated as unpaid balances less an allowance for doubtful accounts. The Union provides for losses on receivables using the allowance method, which is based on experience and other circumstances. The Union had \$12,655 and \$12,605 in allowance for doubtful accounts at June 30, 2023 and 2022, respectively.

Investments

Investments are reported at their fair values in the statements of financial position. Realized and unrealized gains or losses are included in the statement of activities as investment income. At June 30, 2023 and 2022, investments consist of pooled investment funds with the University in the amount of \$9,944,002 and \$9,539,805, respectively.

**University Student Union
California State University, Northridge**

**Notes to Financial Statements
June 30, 2023 and 2022**

Fair value measurements

The Union values its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.
- Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets, which range from three to five years. Leasehold improvements are stated at cost and are amortized using the straight-line method over the estimated useful life of 15 years. Repairs and maintenance are charged to expenses as incurred.

Revenue recognition

The Union's activity fees are mandatory student union fees collected by the University and allocated to the Union, which is recognized as revenue throughout the fiscal year. Mandatory student union fees are not refundable. Program revenue is recognized when the revenues have been earned which is when the program has taken place. Grant revenues are amounts allocated by the University for programs held during the fiscal year. The Union recognizes the revenues over the fiscal year, which is when the program or service has taken place. Deferred revenue consists primarily of amounts received for services which have not been earned.

Advertising costs

Advertising costs are charged to expense as incurred. Advertising expense was \$7,252 and \$21,546 for the years ended June 30, 2023 and 2022, respectively.

Functional allocation of expenses

The costs of providing programs and activities have been summarized on a functional basis in the statements of activities. The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Union. Those expenses include depreciation and amortization, the Executive Director's office, Maintenance, and the Technology Support Services department. Depreciation is allocated based on the nature of the assets and the department by which they are used. The Executive Director's office expenses are allocated based on the time and effort allocation of the Executive Director. The Maintenance department expenses are allocated based on square footage of each function, and the Technology Support Services department expenses are allocated based on the number of computers utilized by each function.

**University Student Union
California State University, Northridge**

**Notes to Financial Statements
June 30, 2023 and 2022**

Income taxes

The Union is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the Revenue Taxation Code of California. Accordingly, no provision for income taxes is included in the accompanying financial statements.

The Union has no unrecognized tax benefits at June 30, 2023 and 2022. The Union's federal and state income tax returns prior to fiscal years 2020 and 2019, respectively, are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. Management has analyzed the tax positions taken by the Union and has concluded that, as of June 30, 2023, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

If applicable, the Union recognizes interest and penalties associated with tax matters as part of income tax expense and includes accrued interest and penalties with accrued expenses in the statements of financial position.

Adoption of new accounting pronouncements

In February 2016, the FASB issued Accounting Standards Update ("ASU") 2016-02, *Leases* ("Topic 842"), which establishes the principles to report transparent and economical neutral information about the assets and liabilities that arise from leases. This guidance results in a more faithful representation of the rights and obligations arising from operating and capital leases in the statements of financial position and to disclose qualitative and quantitative information about lease transactions, such as information about variable lease payments and options to renew and terminate leases. The Union has elected to apply the deferrals provided by ASU 2020-05, and thereafter adopted Topic 842 for fiscal years beginning after December 15, 2021 on a modified retrospective basis with a cumulative effect transition adjustment as of the beginning of the period that includes initial adoption of the standard. The Union evaluated the potential impact of adoption, and due to the Union not having significant operating leases at June 30, 2023 and 2022, there was no impact on the financial statements.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, 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.

Subsequent events

The Union has evaluated subsequent events through September 12, 2023, which is the date these financial statements were available to be issued.

Note 2 - Liquidity

The Union regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Union has various sources of liquidity at its disposal, including cash and cash equivalents, short-term investments, and accounts receivable.

**University Student Union
California State University, Northridge**

**Notes to Financial Statements
June 30, 2023 and 2022**

At June 30, 2023 and 2022, the Union had the following assets and liquidity resources available over the next 12 months:

	2023	2022
Cash and cash equivalents	\$ 720,039	\$ 929,889
Short-term investments	9,944,002	9,539,805
Accounts receivable, net	97,407	17,809
	\$ 10,761,448	\$ 10,487,503

Note 3 - Concentrations

Financial instruments which potentially subject the Union to concentrations of credit risk consist primarily of cash and cash equivalents. The Union maintains its cash and cash equivalents with high-credit quality financial institutions. At times, such amounts may exceed federally insured limits.

Note 4 - Fair value measurements

At June 30, 2023 and 2022, investments are carried at fair value and are classified in one of the three categories as described in Note 1. The pooled investment funds are not traded on an active market and are therefore classified as Level 2 and are valued using quoted prices for similar assets in active exchange markets.

Note 5 - Related party transactions

The Union provides and receives services from the University, California State University, Northridge Foundation, Associated Students, Inc., and The University Corporation. At June 30, 2023 and 2022, accounts receivable and accounts payable included in the statements of financial position relating to these organizations are as follows:

	2023	2022
Receivables		
California State University, Northridge	\$ 11,828	\$ 10,874
California State University, Northridge Foundation	2,049	1,503
Associated Students, Inc.	-	9,566
The University Corporation	1,429	878
	\$ 15,306	\$ 22,821
Payables		
California State University, Northridge	\$ 173,213	\$ 4,455
Associated Students, Inc.	-	4,433
California State University, Northridge Foundation	1,700	-
	\$ 174,913	\$ 8,888

**University Student Union
California State University, Northridge**

**Notes to Financial Statements
June 30, 2023 and 2022**

During the years ended June 30, 2023 and 2022, amounts received from the University for rent and other services are included in operating revenues and are as follows:

	2023	2022
Amounts paid by the University	\$ 1,084,255	\$ 965,368
Work study	250,693	103,352
	\$ 1,334,948	\$ 1,068,720

During the years ended June 30, 2023 and 2022, amounts paid to the University for services such as student advising services, software maintenance, physical plant management and other services are included in operating expenses and are as follows:

	2023	2022
Services	\$ 1,086,096	\$ 990,153
Salaries	279,859	173,399
	\$ 1,365,955	\$ 1,163,552

For the years ended June 30, 2023 and 2022, there were no transfers to or from the University.

The Union entered into agreements with Associated Students, Inc., the International and Exchange Student Center, and Office of Student Involvement & Development for space. Associated Students, Inc. is a campus auxiliary and the International and Exchange Student Center and the Office of Student Involvement & Development are departments of the University. The Union received rental income of \$211,128, \$106,344, and \$162,727 from each entity, respectively, for the year ended June 30, 2023 in connection with these agreements. The Union received rental income of \$184,737, \$98,164, and \$150,209 from each entity, respectively, for the year ended June 30, 2022 in connection with these agreements.

Revenue bonds were issued by the Trustees of the California State University and Colleges ("Trustees") for the construction, repair and maintenance of the University's Student Union building. Legal title to the Student Union building is vested, along with related debt, with the Trustees. Accordingly, both the building and debt are carried on the books of the Trustees. Student Union fees are collected by the University and remitted to a trust fund administered by the University on behalf of the Union. The Union has entered into a 10-year revolving agreement with the Chancellor's Office, which will expire on June 30, 2027, and provides, among other things, that the excess of the student fees (after satisfying certain reserve requirements; servicing principal and interest payments on the revenue bonds; providing funds for major repairs and replacements; providing funds for projects under construction; and Chancellor's Office overhead expenses) is available, after approval by the University, for payment of expenses incurred in operation of the Union.

Pursuant to this agreement, the Union received and recorded to revenue \$14,915,548 and \$14,205,060 to fund its operation for the fiscal years ended June 30, 2023 and 2022, respectively. The amounts earned from this agreement represent 84% and 87% of total revenue for the years ended June 30, 2023 and 2022, respectively.

**University Student Union
California State University, Northridge**

**Notes to Financial Statements
June 30, 2023 and 2022**

Note 6 - Property and equipment

At June 30, 2023 and 2022, property and equipment consist of the following:

	2023	2022
Equipment and software	\$ 1,608,572	\$ 1,576,550
Leasehold improvements	879,002	879,002
Total	2,487,574	2,455,552
Less accumulated depreciation and amortization	2,143,269	2,054,786
Total	\$ 344,305	\$ 400,766

Depreciation and amortization expense for the years ended June 30, 2023 and 2022 was \$129,191 and \$137,910, respectively.

Note 7 - Retirement plans

The Union maintains a noncontributory defined contribution employer pension plan (the "Plan"). Employees are eligible to participate in the Plan once they have attained the age of 21 and have completed one year of service. Under the provisions of the Plan agreement, the Union makes employer pension contributions into the Plan for the benefit of eligible employees.

The Union maintains a 403(b) retirement plan and makes discretionary contributions for the benefit of eligible employees.

For the years ended June 30, 2023 and 2022, the Union paid or accrued total retirement plan contributions of \$388,119 and \$402,914, respectively.

**University Student Union
California State University, Northridge**

**Notes to Financial Statements
June 30, 2023 and 2022**

Note 8 - Postretirement benefit plan

In 2007, the Union implemented a postretirement benefit plan which provides postretirement benefits. Employees are eligible if they either retire after the age of 60 with 20 years of continuous service; or retire after the age of 65 with 10 years of continuous service, and were hired prior to July 1, 2008. The following tables provide further information about the Union's postretirement benefit plan:

	2023	2022
Benefit obligation at beginning of year	\$ 4,339,313	\$ 5,379,059
Service cost	348,872	459,506
Interest cost	194,778	152,374
Actuarial gains	(552,985)	(1,623,880)
Benefits paid	(22,052)	(27,746)
Benefit obligation at end of year	4,307,926	4,339,313
Fair value of plan assets at beginning of year	2,082,472	2,193,914
Actual return on plan assets	201,654	(496,696)
Employer contributions	455,000	413,000
Benefits paid	(22,052)	(27,746)
Fair value of assets at end of year	2,717,074	2,082,472
Net unfunded status	\$ 1,590,852	\$ 2,256,841

Amounts recognized in the statements of financial position consist of the following:

	2023	2022
Current liabilities	\$ (30,879)	\$ (26,760)
Noncurrent liabilities	(1,559,973)	(2,230,081)
Total recognized in statements of financial position	\$ (1,590,852)	\$ (2,256,841)

Cumulative amounts recognized in changes in net assets without donor restrictions are as follows:

	2023	2022
Unrecognized prior service cost	\$ 185,797	\$ 214,558
Net actuarial gain	(669,192)	(40,836)
Total cumulative amounts recognized in net assets without donor restrictions	\$ (483,395)	\$ 173,722

**University Student Union
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**Notes to Financial Statements
June 30, 2023 and 2022**

Amounts recognized in the statements of activities consist of the following:

	<u>2023</u>	<u>2022</u>
Service cost	\$ 348,872	\$ 459,506
Other components of net postretirement benefit cost		
Interest cost	194,778	152,374
Expected return on assets	(126,283)	(131,117)
Amortization of unrecognized prior service cost	28,761	28,761
Amortization of unrecognized loss	-	36,607
	<u>97,256</u>	<u>86,625</u>
Total net postretirement benefit cost ("NPBC")	<u>\$ 446,128</u>	<u>\$ 546,131</u>

Other changes recognized in change in net assets are as follows:

	<u>2023</u>	<u>2022</u>
Prior service cost for period	\$ -	\$ -
Net gain for period	(628,356)	(996,067)
Amortization of prior service cost	(28,761)	(28,761)
Amortization of net gain	-	(36,607)
	<u>(657,117)</u>	<u>(1,061,435)</u>
Total changes recognized in net assets without donor restrictions	<u>\$ (657,117)</u>	<u>\$ (1,061,435)</u>
Total changes recognized in NPBC and net assets without donor restrictions	<u>\$ (210,989)</u>	<u>\$ (515,304)</u>

Assumptions

Weighted average assumptions for net periodic benefit cost used in the accounting for the Union's postretirement benefit plan were as follows at June 30:

	<u>2023</u>	<u>2022</u>
Discount rate	4.50%	2.84%
Rate of return on plan assets	5.50%	5.50%
Rate of compensation increase	N/A	N/A
Medical trend		
Initial	4.50%	4.50%
Ultimate	4.50%	4.50%
Number of years to ultimate	N/A	N/A

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**Notes to Financial Statements
June 30, 2023 and 2022**

Weighted average assumptions for the projected benefit obligation used in the accounting for the Union's postretirement benefit plan were as follows at June 30:

	2023	2022
Discount rate	4.93%	4.50%
Rate of return on plan assets	5.25%	5.50%
Rate of compensation increase	N/A	N/A
Medical trend		
Initial	4.50%	4.50%
Ultimate	4.50%	4.50%
Number of years to ultimate	N/A	N/A

The Union's overall investment strategy is to diversify investments among equities, fixed income and possibly other securities, such as real estate, to provide a balance that will enhance total return while avoiding undue risk concentration in any single asset class or investment category.

The fair values of the Union's postretirement benefit plan assets at June 30, 2023 and 2022, by asset class are as follows:

	2023	2022
Equities	\$ 1,652,711	\$ 1,229,824
Fixed income	1,064,363	852,648
	\$ 2,717,074	\$ 2,082,472

The plan assets are classified as Level 1 in the fair value hierarchy and are valued using real-time quotes for transactions in active exchange markets involving identical assets.

Cash flows

The following benefit payments, subsequent to June 30, are expected to be paid as follows:

Year beginning July 1,	
2023	\$ 30,879
2024	58,538
2025	81,319
2026	103,288
2027	125,513
2028-2032	881,130
	\$ 1,280,667

The Union expects to fund the postretirement benefit plan in the amount of \$400,000 during the next fiscal year.

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**Notes to Financial Statements
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The following table includes the amounts in net assets without donor restrictions expected to be recognized as components of net periodic benefit cost over the 2023-24 fiscal year:

Net actuarial gain	\$	(18,074)
Net prior service cost		28,761

Note 9 - Commitments and contingencies

Operating leases

The Union leases office equipment under a noncancelable operating lease that expired in July 2022 which converted to a month-to-month contract thereafter for the amount of \$1,271 per month. For the years ended June 30, 2023 and 2022, total rent expense under the lease was \$16,700 and \$15,900, respectively.

Supplementary Information

**University Student Union
California State University, Northridge**

**Schedule of Net Position
June 30, 2023
(for inclusion in the California State University)**

Assets:	
Current assets:	
Cash and cash equivalents	\$ 720,039
Short-term investments	9,944,002
Accounts receivable, net	97,407
Lease receivable, current portion	-
P3 receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	112,725
Total current assets	10,874,173
Noncurrent assets:	
Restricted cash and cash equivalents	-
Accounts receivable, net	-
Lease receivable, net of current portion	-
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	344,305
Other assets	-
Total noncurrent assets	344,305
Total assets	11,218,478
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Leases	-
P3	-
Others	-
Total deferred outflows of resources	-
Liabilities:	
Current liabilities:	
Accounts payable	351,698
Accrued salaries and benefits	382,892
Accrued compensated absences, current portion	366,197
Unearned revenues	303,440
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	-
Total current liabilities	1,404,227
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	-
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	1,590,852
Net pension liability	-
Other liabilities	-
Total noncurrent liabilities	1,590,852
Total liabilities	2,995,079
Deferred inflows of resources:	
P3 service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Lease	-
P3	-
Others	-
Total deferred inflows of resources	-
Net position:	
Net investment in capital assets	344,305
Restricted for:	-
Nonexpendable – endowments	-
Expendable:	-
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	-
Unrestricted	7,879,094
Total net position	\$ 8,223,399

See Independent Auditor's Report.

**University Student Union
California State University, Northridge**

**Schedule of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2023
(for inclusion in the California State University)**

Revenues:	
Operating revenues:	
Student tuition and fees, gross	\$ -
Scholarship allowances (enter as negative)	-
Grants and contracts, noncapital:	
Federal	-
State	-
Local	-
Nongovernmental	606,013
Sales and services of educational activities	-
Sales and services of auxiliary enterprises, gross	1,772,557
Scholarship allowances (enter as negative)	-
Other operating revenues	15,463,501
Total operating revenues	17,842,071
Expenses:	
Operating expenses:	
Instruction	-
Research	-
Public service	-
Academic support	-
Student services	13,356,023
Institutional support	-
Operation and maintenance of plant	1,823,488
Student grants and scholarships	58,453
Auxiliary enterprise expenses	2,183,207
Depreciation and amortization	129,191
Total operating expenses	17,550,362
Operating income (loss)	291,709
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	44,050
Endowment income (loss), net	-
Interest expense	-
Other nonoperating revenues (expenses)	559,861
Net nonoperating revenues (expenses)	603,911
Income (loss) before other revenues (expenses)	895,620
State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
Increase (decrease) in net position	895,620
Net position:	
Net position at beginning of year, as previously reported	7,327,779
Restatements	-
Net position at beginning of year, as restated	7,327,779
Net position at end of year	\$ 8,223,399

See Independent Auditor's Report.

**University Student Union
California State University, Northridge**

**Other Information
Year Ended June 30, 2023
(for inclusion in the California State University)**

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments	\$	-
All other restricted cash and cash equivalents		-
Noncurrent restricted cash and cash equivalents		<u>-</u>
Current cash and cash equivalents		<u>720,039</u>
Total	\$	<u>720,039</u>

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
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 investments	-	-	-
Other external investment pools	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	9,944,002	-	9,944,002
State of California Local Agency Investment Fund (LAIF)	-	-	-
State of California Surplus Money Investment Fund (SMIF)	-	-	-
Other investments:			
Total other investments	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	<u>9,944,002</u>	<u>-</u>	<u>9,944,002</u>
Less endowment investments (enter as negative number)	<u>-</u>	<u>-</u>	<u>-</u>
Total investments, net of endowments	\$ <u>9,944,002</u>	\$ <u>-</u>	<u>9,944,002</u>

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**University Student Union
California State University, Northridge**

**Other Information
Year Ended June 30, 2023
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2.2 Fair value hierarchy in investments:

Investment Type	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds	\$ -	\$ -	\$ -	\$ -	\$ -
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 investments	-	-	-	-	-
Other external investment pools	-	-	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	9,944,002	-	-	-	9,944,002
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
Other investments:					
Total other investments	-	-	-	-	-
Total investments	\$ 9,944,002	\$ -	\$ -	\$ -	\$ 9,944,002

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):	\$ 9,944,002	\$ -	\$ 9,944,002

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**University Student Union
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**Other Information
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3.1 Capital Assets, excluding ROU assets:

Composition of capital assets, excluding ROU assets:

	Balance June 30, 2022	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2022 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2023
Non-depreciable/Non-amortizable capital assets:									
Land and land improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Works of art and historical treasures	-	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	-	-	-	-	-	-	-	-	-
Intangible assets:									
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Intangible assets in progress (PWIP)	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:									
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable capital assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable capital assets:									
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	879,002	-	-	-	879,002	-	-	-	879,002
Personal property:									
Equipment	1,576,550	-	-	-	1,576,550	72,730	(40,708)	-	1,608,572
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:									
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	2,455,552	-	-	-	2,455,552	72,730	(40,708)	-	2,487,574
Total capital assets	\$ 2,455,552	\$ -	\$ -	\$ -	\$ 2,455,552	\$ 72,730	\$ (40,708)	\$ -	\$ 2,487,574
Less accumulated depreciation/amortization:									
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	(637,751)	-	-	-	(637,751)	(45,955)	-	-	(683,706)
Personal property:									
Equipment	(1,417,035)	-	-	-	(1,417,035)	(83,236)	40,708	-	(1,459,563)
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:									
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	(2,054,786)	-	-	-	(2,054,786)	(129,191)	40,708	-	(2,143,269)
Total capital assets, net excluding ROU assets	\$ 400,766	\$ -	\$ -	\$ -	\$ 400,766	\$ (56,461)	\$ -	\$ -	\$ 344,305

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**Other Information
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Capital Assets, Right of Use

<u>Composition of capital assets - Lease ROU, net:</u>	Balance				Balance				Balance
	June 30, 2022	Prior Period Reclassifications	Prior Period Additions	Prior Period Reductions	June 30, 2022 (Restated)	Additions	Remeasurements	Reductions	June 30, 2023
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:									
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

<u>Composition of capital assets - SBITA ROU, net</u>	Balance				Balance				Balance
	June 30, 2022	Reclassifications	Prior Period Additions	Prior Period Reductions	June 30, 2022 (Restated)	Additions	Remeasurements	Reductions	June 30, 2023
Depreciable/Amortizable SBITA assets:									
Software	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable SBITA assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Software	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - SBITA ROU, net	-	-	-	-	-	-	-	-	-

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Composition of capital assets - P3 ROU, net:

	Balance June 30, 2022	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2022 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2023
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total capital assets, net including ROU assets									\$ 344,305

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense - capital assets, excluding ROU assets	\$ 129,191
Amortization expense - Leases ROU	-
Amortization expense - SBITA ROU	-
Amortization expense - P3 ROU	-
Depreciation and Amortization expense - Others	-
Total depreciation and amortization	\$ 129,191

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**University Student Union
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**Other Information
Year Ended June 30, 2023
(for inclusion in the California State University)**

4 Long-term liabilities:

	Balance		Prior Period		Balance		Additions	Reductions	Balance		Current Portion	Noncurrent Portion				
	June 30, 2022		Adjustments/Reclassifications		June 30, 2022 (Restated)				June 30, 2023							
1. Accrued compensated absences	\$	340,126	\$	-	\$	340,126	\$	374,060	\$	(347,989)	\$	366,197	\$	366,197	\$	-
2. Claims liability for losses and loss adjustment expenses		-		-		-		-		-		-		-		-
3. Capital lease obligations (pre-ASC 842):																
Gross balance		-		-		-		-		-		-		-		-
Unamortized net premium/(discount)		-		-		-		-		-		-		-		-
Total capital lease obligations (pre ASC 842)		-		-		-		-		-		-		-		-
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, SBTA, P3 liabilities:

	Balance		Prior Period		Additions	Remeasurements	Reductions	Balance		Current Portion	Noncurrent Portion		
	June 30, 2022		Adjustments/Reclassifications					June 30, 2023					
Lease liabilities		-		-		-		-		-	-		
SBTA liabilities		-		-		-		-		-	-		
P3 liabilities - SCA		-		-		-		-		-	-		
P3 liabilities - non-SCA		-		-		-		-		-	-		
Sub-total P3 liabilities		-		-		-		-		-	-		
Total Lease, SBTA, P3 liabilities		-		-		-		-		-	-		
Total long-term liabilities								\$	366,197	\$	366,197	\$	-

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

	Lease Liabilities			SBTA liabilities			Public-Private or Public-Public Partnerships (P3)			Total Leases, SBTA, P3 liabilities			
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal Only	Interest Only	Principal and Interest	
Year ending June 30:													
2024	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	
2025		-		-		-		-		-		-	
2026		-		-		-		-		-		-	
2027		-		-		-		-		-		-	
2028		-		-		-		-		-		-	
2029 - 2033		-		-		-		-		-		-	
2034 - 2038		-		-		-		-		-		-	
2039 - 2043		-		-		-		-		-		-	
2044 - 2048		-		-		-		-		-		-	
2049 - 2053		-		-		-		-		-		-	
Thereafter		-		-		-		-		-		-	
Total minimum payments													
Less: amounts representing interest													
Present value of future minimum payments													
Total Leases, SBTA, P3 liabilities													
Less: current portion													
Leases, SBTA, P3 liabilities, net of current portion												\$	-

See Independent Auditor's Report.

**University Student Union
California State University, Northridge**

**Other Information
Year Ended June 30, 2023
(for inclusion in the California State University)**

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

	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Year ending June 30:									
2024	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2025	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-
2029 - 2033	-	-	-	-	-	-	-	-	-
2034 - 2038	-	-	-	-	-	-	-	-	-
2039 - 2043	-	-	-	-	-	-	-	-	-
2044 - 2048	-	-	-	-	-	-	-	-	-
2049 - 2053	-	-	-	-	-	-	-	-	-
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	\$ 279,859
Payments to University for other than salaries of University personnel	1,086,096
Payments received from University for services, space, and programs	1,334,948
Gifts-in-kind to the University from discretely presented component units	-
Gifts (cash or assets) to the University from discretely presented component	-
Accounts payable to University	(173,213)
Other amounts payable to University	-
Accounts receivable from University	11,828
Other amounts receivable from University	-

8 Restatements

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

See Independent Auditor's Report.

**University Student Union
California State University, Northridge**

**Other Information
Year Ended June 30, 2023
(for inclusion in the California State University)**

9 Natural classifications of operating expenses:

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Research	-	-	-	-	-	-	-	-
Public service	-	-	-	-	-	-	-	-
Academic support	-	-	-	-	-	-	-	-
Student services	7,405,641	1,629,412	333,988	280,281	-	3,706,701	-	13,356,023
Institutional support	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	1,823,488	-	1,823,488
Student grants and scholarships	-	-	-	-	58,453	-	-	58,453
Auxiliary enterprise expenses	1,162,850	236,539	54,132	68,591	-	661,095	-	2,183,207
Depreciation and amortization	-	-	-	-	-	-	129,191	129,191
Total operating expenses	\$ 8,568,491	\$ 1,865,951	\$ 388,120	\$ 348,872	\$ 58,453	\$ 6,191,284	\$ 129,191	\$ 17,550,362

Select type of pension plan >>

Defined Benefit Plan

10 Deferred outflows/inflows of resources:

1. Deferred Outflows of Resources

Deferred outflows - unamortized loss on refunding(s)	\$ -
Deferred outflows - net pension liability	-
Deferred outflows - net OPEB liability	-
Deferred outflows - leases	-
Deferred outflows - P3	-
Deferred outflows - others:	-
Sales/intra-entity transfers of future revenues	-
Gain/loss on sale leaseback	-
Loan origination fees and costs	-
Change in fair value of hedging derivative instrument	-
Irrevocable split-interest agreements	-
Total deferred outflows - others	-
Total deferred outflows of resources	\$ -

2. Deferred Inflows of Resources

Deferred inflows - P3 service concession arrangements	\$ -
Deferred inflows - net pension liability	-
Deferred inflows - net OPEB liability	-
Deferred inflows - unamortized gain on debt refunding(s)	-
Deferred inflows - nonexchange transactions	-
Deferred inflows - leases	-
Deferred inflows - P3	-
Deferred inflows - others:	-
Sales/intra-entity transfers of future revenues	-
Gain/loss on sale leaseback	-
Loan origination fees and costs	-
Change in fair value of hedging derivative instrument	-
Irrevocable split-interest agreements	-
Total deferred inflows - others	-
Total deferred inflows of resources	\$ -

11 Other nonoperating revenues (expenses)

Other nonoperating revenues	\$ 657,117
Other nonoperating (expenses)	(97,256)
Total other nonoperating revenues (expenses)	\$ 559,861

See Independent Auditor's Report.

Independent Auditor's 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*

The Board of Directors
University Student Union
California State University, Northridge
(A California State University Auxiliary Organization)

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 University Student Union California State University, Northridge (the "Union"), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated September 12, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Union's internal control over financial reporting ("internal control") as a basis for designing 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 Union's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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.

CohnReznick LLP

Los Angeles, California
September 12, 2023



Independent Member of Nexia International

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