California State University, Fresno Association, Inc.

2023-24 Annual Report

Approved by the Board of Directors
October 24, 2024

Reports of Independent Auditors
and Financial Statements with
Supplementary Information

California State University, Fresno Association, Inc.

June 30, 2024

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California State University, Fresno Association, Inc.
Corporate Information
For Fiscal Year Ended June 30, 2024

BOARD OF DIRECTORS

Deborah S. Adishian-Astone	Vice President for Administration/CFO
Dr. Michael Botwin	Academic Senate
Dr. Kent Willis	Vice President for Student Affairs and Enrollment Management
Vacant	Associate Vice President of Student Affairs
Dr. Raymond Hall	Chair, Academic Senate
Dr. Xuanning Fu	Provost and Vice President of Academic Affairs
Vacant	Community Member
Vacant	Community Member
Karen Carrillo	President, Associated Students California State University, Fresno
Frederick Lisitsa	Executive Vice President, Associated Students California State University, Fresno
Nancy Campos	Chair, University Student Unions Board of Directors

OFFICERS

Deborah S. Adishian-Astone	Chair
Dr. Kent Willis	Vice Chair
Dr. Xuanning Fu	Secretary/Treasurer

AUDIT COMMITTEE

Dr. Michael Botwin	Acting Chair
Marshall Kelley	Vice-Chair, Community Member
Dr. Raymond Hall	By virtue of position

EXECUTIVE STAFF

Deborah S. Adishian-Astone	Executive Director (thru 2/6/24)
Nicole Lane	Associate Executive Director (thru 2/6/24) Executive Director (began 2/7/24)

CORPORATE DATA

Executive Offices	2771 East Shaw Avenue Fresno, California 93710-8205 Telephone: (559) 278-0800
Auditors	Moss Adams 255 East River Park Circle Suite 220 Fresno, California 93720 Telephone: (559) 389-5700 mossadams.com

Report of Independent Auditors

The Board of Directors
California State University, Fresno Association, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the California State University, Fresno Association, Inc. (Association), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the year 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 Association as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (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 Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association ability to continue as a going concern for one year after the date that the financial statements are 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 a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association'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 Association'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 audit was conducted for the purpose of forming an opinion on the financial as a whole. The schedule of net position, schedule of revenues, expenses, and changes in net position, and other information (collectively supplementary information) are 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 audit 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 GAAS. In our opinion, the supplementary 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 30, 2024, on our consideration of Association'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 Association'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 Association's internal control over financial reporting and compliance.

Moss Adams LLP

Fresno, California
September 30, 2024

Financial Statements

California State University, Fresno Association, Inc.
Statement of Financial Position
June 30, 2024

	2024 Total	Save Mart Center	Commercial Operations	Student Housing	Student Union/Rec Center
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents					
On-hand and in commercial accounts	$ 2,973,878	$ (2,388,423)	$ 2,328,552	$ 2,172,483	$ 861,266
Savings accounts	20,784,609	(16,692,830)	16,274,382	15,183,614	6,019,443
Total cash and cash equivalents	23,758,487	(19,081,253)	18,602,934	17,356,097	6,880,709
Pledges receivable - Save Mart Center	2,176,402	2,176,402	-	-	-
Accounts receivable	2,324,167	196,013	1,562,616	502,224	63,314
Inventories	162,935	-	155,618	770	6,547
Prepaid expenses	301,465	-	292,423	1,647	7,395
Total current assets	28,723,456	(16,708,838)	20,613,591	17,860,738	6,957,965
LONG-TERM ASSETS					
Operating leases - right-of-use assets	8,692	-	8,692	-	-
Pledges receivable - Save Mart Center	2,365,341	2,365,341	-	-	-
Investments	15,586,541	-	15,586,541	-	-
Other assets	81,748	81,748	-	-	-
Total long-term assets	18,042,322	2,447,089	15,595,233	-	-
FIXED ASSETS					
Buildings and improvements	114,065,021	100,178,782	2,012,451	11,873,788	-
Land development costs	715,706	715,706	-	-	-
Equipment, furniture and fixtures	29,296,364	7,031,410	8,679,878	9,751,045	3,834,031
Intangible assets	140,000	-	140,000	-	-
Construction in progress	4,420,647	245,999	494,645	3,669,751	10,252
Total fixed assets	148,637,738	108,171,897	11,326,974	25,294,584	3,844,283
Less accumulated depreciation	(86,608,136)	(59,395,565)	(7,192,464)	(17,723,849)	(2,296,258)
Total fixed assets, net	62,029,602	48,776,332	4,134,510	7,570,735	1,548,025
TOTAL ASSETS	$ 108,795,380	$ 34,514,583	$ 40,343,334	$ 25,431,473	$ 8,505,990

See accompanying notes.

California State University, Fresno Association, Inc.
Statement of Financial Position (Continued)
June 30, 2024

	2024 Total	Save Mart Center	Commercial Operations	Student Housing	Student Union/Rec Center
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable and other accrued liabilities	$ 5,025,244	$ 245,999	$ 3,320,648	$ 895,639	$ 562,958
Notes payable	560,000	-	-	560,000	-
Deferred revenue	369,452	211,992	15,157	142,303	-
Interest payable	1,586,760	1,574,936	-	11,824	-
Current operating lease liabilities	5,654	-	5,654	-	-
Finance lease obligations	5,085,000	5,085,000	-	-	-
Agency funds	49,667	30,005	-	19,662	-
Total current liabilities	12,681,777	7,147,932	3,341,459	1,629,428	562,958
LONG-TERM LIABILITIES					
Other post employment benefit obligation	5,739,919	-	4,689,665	126,427	923,827
Long-term operating lease liabilities	3,038	-	3,038	-	-
Finance lease obligations, net debt issuance costs	27,872,023	27,872,023	-	-	-
Total long-term liabilities	33,614,980	27,872,023	4,692,703	126,427	923,827
TOTAL LIABILITIES	46,296,757	35,019,955	8,034,162	1,755,855	1,486,785
NET ASSETS					
With donor restrictions	4,511,758	4,511,758	-	-	-
Without donor restrictions	57,986,865	(5,017,130)	32,309,172	23,675,618	7,019,205
Total net assets	62,498,623	(505,372)	32,309,172	23,675,618	7,019,205
TOTAL LIABILITIES AND NET ASSETS	$ 108,795,380	$ 34,514,583	$ 40,343,334	$ 25,431,473	$ 8,505,990

See accompanying notes.

California State University, Fresno Association, Inc.
Statement of Activities
For the Year Ended June 30, 2024

	2024 Total	Intrafund Eliminations	Save Mart Center	Commercial Operations: Campus Stores	Commercial Operations: Dining Services	Commercial Operations: Admin	Commercial Operations: Total	Student Housing	Student Fee Operations: Rec Center	Student Fee Operations: Student Unions	Student Fee Operations: Total
OPERATING ACTIVITIES											
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS											
REVENUES AND OTHER SUPPORT											
Gross sales	$ 29,073,268	$ (1,080,000)	$ 1,210,000	$ 641,397	$ 11,210,308	$ 1,858,342	$ 13,710,047	$ 7,763,738	$ 1,626,735	$ 5,842,748	$ 7,469,483
Contributions	1,246,349	-	533,724	-	-	-	-	556,342	-	156,283	156,283
Other income	934,344	-	896,981	-	-	9,584	9,584	15,267	1,065	11,447	12,512
Total revenues and other support without donor restrictions	31,253,961	(1,080,000)	2,640,705	641,397	11,210,308	1,867,926	13,719,631	8,335,347	1,627,800	6,010,478	7,638,278
Net assets released from restrictions	1,336,620	-	1,336,620	-	-	-	-	-	-	-	-
Total revenues and other support without donor restrictions	32,590,581	(1,080,000)	3,977,325	641,397	11,210,308	1,867,926	13,719,631	8,335,347	1,627,800	6,010,478	7,638,278
EXPENSES											
Cost of goods sold	3,959,422	-	-	-	3,933,040	10,454	3,943,494	-	15,928	-	15,928
Salaries/wages	7,956,164	-	-	-	3,435,188	1,185,887	4,621,075	1,007,171	556,022	1,771,896	2,327,918
Employee benefits	2,489,156	-	-	175,839	588,415	829,493	1,593,747	236,405	237,111	421,893	659,004
Administration-food services	814,285	(150,000)	-	-	964,285	-	964,285	-	-	-	-
Advances to SMG	1,409,460	-	1,409,460	-	-	-	-	-	-	-	-
Advertising/printing	82,240	-	1,964	-	30,951	-	30,951	48,939	80	306	386
Athletic corporation entitlements	250,855	-	250,855	-	-	-	-	-	-	-	-
Audit/legal expense	50,370	-	-	-	20	50,350	50,370	-	-	-	-
Bad debt expense	(19,046)	-	-	-	(10,027)	-	(10,027)	(9,019)	-	-	-
Bank charges	95,349	-	-	-	92,231	3,118	95,349	-	-	-	-
Chancellor's office fee	19,023	-	-	-	-	19,023	19,023	-	-	-	-
Computer supplies/expense	168,984	-	-	-	12,457	17,609	30,066	104,542	17,243	17,133	34,376
Contract services	1,280,350	-	-	-	82,200	-	82,200	1,123,290	74,860	-	74,860
Credit card fees	60,219	-	2,757	-	43,679	-	43,679	1,641	3,727	8,415	12,142
Depreciation/amortization	4,170,794	-	2,621,544	1,566	239,199	88,120	328,885	1,045,628	57,172	117,565	174,737
Dues/memberships/subscriptions	15,564	-	-	-	561	7,376	7,937	2,824	125	4,678	4,803
Employee awards/development	18,938	-	-	-	-	18,938	18,938	-	-	-	-
Employee recruitment	4,913	-	-	-	763	1,290	2,053	1,084	-	1,776	1,776
Equipment purchased	14,804	-	-	-	-	-	-	-	1,952	12,852	14,804
Housing incentives	1,630	-	-	-	-	-	-	1,630	-	-	-
Insurance	959,323	-	634,835	4,463	-	23,679	28,142	233,666	12,954	49,726	62,680
Janitorial/sanitation	158,448	-	-	-	117,309	-	117,309	21,228	19,911	-	19,911
Laundry	112,991	-	-	-	73,888	-	73,888	38,901	202	-	202

See accompanying notes.

California State University, Fresno Association, Inc.
Statement of Activities (Continued)
For the Year Ended June 30, 2024

				Commercial Operations					Student Fee Operations		
	2024 Total	Intrafund Eliminations	Save Mart Center	Campus Stores	Dining Services	Admin	Total	Student Housing	Rec Center	Student Unions	Total
Licenses/permits/fees	270,272	-	-	258	42,937	220,532	263,727	6,545	-	-	-
Management services fee	-	(630,000)	-	100,000	-	-	100,000	150,000	80,000	300,000	380,000
Miscellaneous	325,690	-	-	246	29,911	218,932	249,089	69,142	2,762	4,697	7,459
Non-student tax	11,073	-	-	-	11,073	-	11,073	-	-	-	-
Office supplies	126,816	-	-	-	12,527	32,822	45,349	67,219	776	13,472	14,248
Paper supplies	351,285	-	-	-	235,766	-	235,766	74,620	-	40,899	40,899
Possessory interest tax	252,647	-	252,647	-	-	-	-	-	-	-	-
Postage/freight	34,365	-	-	-	17,346	16,979	34,325	-	-	40	40
Rent/rental	1,008,262	-	-	-	55,127	7,794	62,921	944,318	314	709	1,023
Repairs/maintenance	1,368,134	-	20,887	53,644	244,951	39,530	338,125	540,635	61,778	406,709	468,487
Resident advisor meals	264,801	-	-	-	150,886	-	150,886	113,915	-	-	-
Royalties	179,880	-	-	-	179,880	-	179,880	-	-	-	-
Save mart seat licenses	-	(300,000)	-	-	-	-	-	-	-	300,000	300,000
Security services	76,409	-	-	-	-	76,409	76,409	-	-	-	-
Smallwares	97,400	-	-	-	40,934	-	40,934	56,466	-	-	-
Student programs	181,180	-	-	-	-	-	-	-	11,072	170,108	181,180
Telephone/communications	20,244	-	-	-	395	1,156	1,551	16,204	1,394	1,095	2,489
Travel/training	65,516	-	-	-	6,563	4,063	10,626	49,997	1,242	3,651	4,893
University donations	45,374	-	607	-	44,767	-	44,767	-	-	-	-
Utilities	2,316,676	-	-	143,129	275,489	25,541	444,159	710,115	636,287	526,115	1,162,402
Warehouse expense	58,064	-	-	-	58,064	-	58,064	-	-	-	-
Wilkinson group fee	180,000	-	180,000	-	-	-	-	-	-	-	-
Total expenses	31,308,324	(1,080,000)	5,375,556	479,145	11,010,775	2,899,095	14,389,015	6,657,106	1,792,912	4,173,735	5,966,647
CHANGE IN NET ASSETS FROM OPERATIONS	1,282,257	-	(1,398,231)	162,252	199,533	(1,031,169)	(669,384)	1,678,241	(165,112)	1,836,743	1,671,631

See accompanying notes.

California State University, Fresno Association, Inc.
Statement of Activities (Continued)
For the Year Ended June 30, 2024

				Commercial Operations					Student Fee Operations		
	2024 Total	Intrafund Eliminations	Save Mart Center	Campus Stores	Dining Services	Admin	Total	Student Housing	Rec Center	Student Unions	Total
NONOPERATING REVENUES (EXPENSES)											
Interest and dividend income	1,405,874	-	101,365	-	-	1,304,509	1,304,509	-	-	-	-
Investment return, net	1,034,357	-	92,869	-	-	941,488	941,488	-	-	-	-
Bond expenses	(18,842)	-	(11,394)	-	-	-	-	(7,448)	-	-	-
Finance lease expense	(384,376)	-	(384,376)	-	-	-	-	-	-	-	-
Interest expense	(26,960)	-	-	-	-	(10,541)	(10,541)	(16,419)	-	-	-
Total nonoperating activities	2,010,053	-	(201,536)	-	-	2,235,456	2,235,456	(23,867)	-	-	-
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	3,292,310	-	(1,599,767)	162,252	199,533	1,204,287	1,566,072	1,654,374	(165,112)	1,836,743	1,671,631
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS											
REVENUES AND OTHER SUPPORT											
Contributions	1,417,764	-	1,417,764	-	-	-	-	-	-	-	-
Net assets released from restrictions	(1,336,620)	-	(1,336,620)	-	-	-	-	-	-	-	-
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	81,144	-	81,144	-	-	-	-	-	-	-	-
Total increase (decrease) in net assets	3,373,454	-	(1,518,623)	162,252	199,533	1,204,287	1,566,072	1,654,374	(165,112)	1,836,743	1,671,631
NET ASSETS, beginning of year	59,125,169	-	1,013,251				30,743,100	22,021,244			5,347,574
NET ASSETS, end of year	$ 62,498,623	$ -	$ (505,372)				$ 32,309,172	$ 23,675,618			$ 7,019,205

See accompanying notes.

California State University, Fresno Association, Inc.
Statements of Cash Flows
Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	$ 3,373,454
Adjustments to reconcile increase in net assets to net cash provided by operating activities	
Realized and unrealized gain on investments	(1,071,518)
Depreciation	4,170,794
Changes in	
Accounts receivable	(409,320)
Pledges receivable - Save Mart Center	733,557
Inventories	(32,130)
Prepaid expenses and deferred charges	(207,504)
Accounts payable and other accrued liabilities	296,388
Deferred revenue	(77,860)
Other postemployment benefit obligation	(29,703)
Interest payable on finance lease obligations and bond obligations	(34,699)
Agency funds	4,325
Net cash provided by operating activities	6,715,784
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income reinvested	(470,303)
Acquisition of fixed assets	(5,814,008)
Sale of investments	37,161
Net cash used in investing activities	(6,247,150)
CASH FLOWS FROM FINANCING ACTIVITIES	
Principal payments on notes	(547,552)
Principal payments on finance lease obligations	(5,799,438)
Net cash used in financing activities	(6,346,990)
NET DECREASE IN CASH	(5,878,356)
CASH AND CASH EQUIVALENTS, beginning of year	29,636,843
CASH AND CASH EQUIVALENTS, end of year	$ 23,758,487
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION	
Cash paid during the year for interest	$ 1,332,787

See accompanying notes.

Note 1 – General Information

The California State University, Fresno Association, Inc. (the Association), administers and manages the commercial activities for California State University, Fresno including the Save Mart Center, Campus Stores, University Dining Services, Student Housing, Recreation Center and the Student Unions. The Association also provides accounting and managerial services to other university auxiliary corporations. The Association is supported primarily by sales from commercial activities and contributions.

The California State University, Fresno Association, Inc., was incorporated on June 12, 1961, as a non-profit corporation. The Association was formed and is operated exclusively to receive, hold, invest and administer property and to make expenditures to and for the benefit of California State University, Fresno (the University). The Association is a tax-exempt corporation under section 501(c)(3) of the Internal Revenue Code.

Note 2 – Summary of Significant Accounting Policies

Basis of accounting – The financial statements are prepared on the accrual basis of accounting.

Basis of presentation – Resources are classified for accounting and reporting purposes into two classes of net assets according to externally imposed restrictions:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Association. These net assets may be used at the discretion of the Association's management and the Board of Directors. There were no board designated net assets at June 30, 2024.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Association or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Association had net assets with donor restrictions of $4,511,758 for the year ended June 30, 2024.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Measure of operations – The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Association's ongoing commercial and management services and other miscellaneous income. Nonoperating activities are limited to resources that are considered to be of a more unusual or nonrecurring nature such as return on investments, interest/dividends and debt interest expense.

Fund accounting – The accounts of the Association are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Fund balances are classified on the statements of financial position as net assets with or without donor restrictions based on the absence or existence and type of donor-imposed restrictions.

Cash and cash equivalents – Cash and cash equivalents consist of demand deposit accounts and money market funds with financial institutions. The Association considers all highly liquid investments with maturities of three months or less, when purchased, to be cash equivalents.

Concentrations of credit risk – Financial instruments that potentially subject the Association to concentrations of credit risk consist principally of cash and cash equivalents. The Association maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Association's cash and cash equivalent accounts have been placed with high credit quality financial institutions. The Association has not experienced, nor does it anticipate, any losses with respect to such accounts.

Pledges receivable – Save Mart Center – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in gross sales and contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Management reviews the collectability of the receivables on an ongoing basis and does not have an allowance for losses recorded at June 30, 2024, as the receivables are deemed collectible.

Accounts receivable – Accounts receivable are recorded when invoices are issued and are presented in the Statement of Financial Position. Management reviews the collectability of the receivables on an ongoing basis. Balances that are still outstanding after management has used reasonable collection efforts are written off. Allowances for credit losses in the amount of $46,086 have been established as of June 30, 2024.

Inventories – The Association's inventory consists of goods held for resale in University Dining Services, Student Unions, and Student Housing, and are valued at the lower of cost or market determined by the first-in, first-out (FIFO) method.

Prepaid expenses – Prepaid expenses are comprised of information technology maintenance and other prepaid maintenance pertaining to future periods.

Investments – Investments in securities are carried at fair value and realized and unrealized gains or losses are included in "Nonoperating Activities" in the statement of activities.

Fair value of financial instruments – U.S. GAAP requires disclosure of an estimate of fair value of certain financial instruments. The Association's significant financial instruments are cash, accounts receivable, investments, and other short-term assets and liabilities. For these financial instruments, carrying values approximate fair value.

Fixed assets – Fixed assets are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the lesser of the estimated useful lives of the assets or the lease term. The useful lives range from 3 to 55 years. The Association's policy is to capitalize renewals and betterments acquired for greater than $5,000 and expense normal repairs and maintenance as incurred. Fully depreciated assets, which have economic value, are retained on the books although fully depreciated.

In connection with University Dining Services provided on campus, the Association has paid franchise fees to Subway, Starbucks, Taco Bell, and The Habit for the privilege of operating the quick service restaurants. The franchise fees are reported, net of amortization expense, in the fixed asset section of the Statements of Financial Position. These fees are amortized over the franchise period using the straight-line method.

Impairment of long-lived assets – The long-lived assets are reviewed by management for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable through the estimated undiscounted cash flows expected to result from the use and eventual disposition of that asset. Whenever any such impairment exists, an impairment loss will be recognized for the amount by which the carry value exceeds the fair value.

Defined benefit pension plan – As described in Note 12, the Association participates in a multi-employer public employee retirement system. The Public Agency Cost-Sharing multi-employer Defined Benefit Pension Plan (the Plan or PERF C) is administered by the California Public Employees' Retirement System (the System or CalPERS). The Plan consists of a miscellaneous risk pool and a safety risk pool, which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. Each individual employer rate plan generally has less than 100 active members. The Plan was established to provide retirement, death and disability benefits to public agency rate plans with generally less than 100 active members. The benefit provisions for PERF C members are established by statute. A full description regarding the number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information for the respective rate plan is listed in the respective rate plan's June 30, 2022, Annual Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the funding valuation report. This report and CalPERS' audited financial statements are publicly available reports that can be found on CalPERS' website at https://www.calpers.ca.gov/docs/forms-publications/acfr-2023.pdf.

Deferred revenue – Income from the University, Student Housing (rent and summer conferences), and Campus Pointe are deferred and recognized over the periods to which activities relate.

Revenue recognition – The Association recognizes revenue principally from commercial operations, including the operation of a bookstore, campus dining service, student housing program, student recreation center and student union. The Association also administers and manages the Save Mart Center, a multi-purpose sports and entertainment venue hosting events and performances. The Association's gross sales revenue is recognized based on consideration specified in a contract with a customer upon completion of performance obligations. The Association recognizes revenue from performance obligations when it satisfies the obligation by transferring control over products or services to a customer at a point in time when the product has been delivered or when the service has been fully performed. The payment terms vary depending on the nature of the performance obligations and can be recognized at the point of sale or over time.

Revenues from performance obligations satisfied at a point in time consist of revenue recognized from campus stores sales, Save Mart Center activities, dining services (excluding student dining hall), student recreation center sales and student union fees. Revenues from performance obligations satisfied over time consist of revenue recognized from management service fees, student housing and dining services and student body fees.

Campus stores sales – includes commissions earned on the sale of textbooks, student learning materials, merchandise and other items. Revenue is earned at the time such items are purchased.

Save Mart Center – includes premium seating, naming rights, sponsorship/advertising, and ground rent from Campus Pointe. Revenue for premium seating, naming rights, and sponsorship/advertising is earned when such services are rendered or items are purchased. Revenue for ground rents from Campus Pointe is recognized monthly over the term of the lease.

Dining services – includes housing resident meal plans, retail dining operations, and catering services to support the campus community. Revenue for housing resident meal plans is earned each month these services are used by the student. Revenue for retail dining operations and catering services is earned at the time such services are rendered or items are purchased.

Management service fees – the Association provides management and administrative services for other sister Fresno State auxiliary organizations. Revenue is earned as services are rendered throughout the year.

Student housing – includes housing contracts, summer contracts, summer conference, and summer arts. Summer conference and arts are earned when the services are rendered. Housing contracts are for the entire academic year and summer contracts are for the summer months. Revenue is earned each month these services are used by the student.

Student Unions (Student Body Center – Category II Mandatory Fee) – mandatory student fee to support the debt service and operations of both the Student Union and Student Recreation Center. Revenue is received from the University who collects the fee revenue from the students. The University transfers the approved annual amount of fees needed for operations twice each fiscal year. Both operations also have miscellaneous operating revenues generated by rental of facilities and retail sales that is earned at the time such services are rendered or items are purchased. Student Recreation Center includes a membership fee, which is earned monthly over the term of the contract.

Contributions – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed fixed assets are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Contributed nonfinancial assets – The Association recognizes contributed nonfinancial assets within revenue, including donated goods, land, assets space, and professional services. A number of volunteers have made significant contributions of their time to the Association's programs and supporting services. The value of this contributed time is not reflected in these financial statements since it does not require a specialized skill.

Advertising costs – Advertising costs are expensed as incurred and totaled $82,240 for the year ended June 30, 2024.

Functional expenses – The costs of providing various programs and other activities have been summarized on a functional basis in Note 16 – Expenses by Natural/Functional Classification. Accordingly, certain costs have been allocated among programs and supporting services benefited. Such allocations are determined by management on an equitable basis. The costs have been allocated among the program and general and administrative based upon management's estimate of time and effort recorded on functions related to specific activity, or in the case of shared expenses, using an allocation based on usage or other relevant bases.

Use of estimates – The preparation of financial statements in conformity with U.S. GAAP 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.

New accounting pronouncements – In June 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (ASU 2016-13), which introduced an expected credit loss methodology for the measurement and recognition of credit losses on most financial assets, including trade account receivables. The expected credit loss methodology under ASU 2016-13 is based on historical experience, current conditions, and reasonable and supportable forecasts, and replaces the probable/incurred loss model for measuring and recognizing expected losses under current U.S. GAAP. The Association adopted the standard effective July 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

Tax status – The Association is organized and operated exclusively for educational purposes and is thus allowed tax exempt status under provisions of section 501(c)(3) of the Internal Revenue Code and section 23701(d) of the California Revenue and Taxation Code. The Association does, however, pay income taxes on any unrelated business income.

Leases – The Association determines if an arrangement is or contains a lease at inception. Leases are included in right-of- use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect present value of the future minimum lease payments over the lease term if material. Operating lease expense is recognized on a straight-line basis over the lease term. The Association does not report ROU assets and lease liabilities for short-term leases (leases with a term of 12 months or less). Instead, the payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Note 3 – Liquidity and Availability

The following represents the Association's financial assets at June 30, 2024:

Financial assets at year end	
Cash and cash equivalents	$ 23,758,487
Accounts receivable, net	2,324,167
Pledges receivable	2,176,402
Investments	15,586,541
Total financial assets	43,845,597
Less amounts not available to be used within one year	
Net assets with donor restrictions	(4,511,758)
Financial assets available to meet general expenditures over the next 12 months	$ 39,333,839

The Association's reserve policy for commercial operations is generally to maintain financial assets to meet 20% of budgeted operating expenses for next fiscal year, net of depreciation or $4,000,000, whichever is greater. The minimum requirement is $4,000,000 for the year ended June 30, 2024.

The Association's reserve policy for student housing operations is generally to maintain financial assets to meet 20% of budgeted operating expenses for next fiscal year, net of depreciation, whichever is greater. The minimum requirement is $1,079,769 for the year ended June 30, 2024.

The Association's reserve policy for Student Unions and Student Recreation Center is to maintain financial assets to meet 35% of operating expenses for the current fiscal year, less capital equipment purchases, plus 100% of budgeted capital expenses. The minimum requirement for the Student Unions is $1,496,021 for the year ended June 30, 2024 and 2023. The minimum requirement for the Student Recreation Center is $649,679 for the year ended June 30, 2024. In addition, the Student Unions and Student Recreation Center also have reserves on deposit with the University in a state trust account.

As part of its liquidity plan, excess cash is invested in short-term investments including money market and State of California Local Agency Investment Fund (LAIF) accounts. The Association also has excess funds invested in long-term, highly liquid funds. The Association also has accounts receivable and pledges receivable that are available to meet funding requirements.

The Association's financial assets available to meet the general expenditures over the next 12 months is more than adequate to meet financial obligations.

Note 4 – Cash and Cash Equivalents

Cash and cash equivalents at June 30, 2024, consisted of the following:

Deposits	
Cash on hand and in banks	$ 7,137,296
Pooled funds	
Cash in State of California Local Agency Investment Fund	16,621,191
Total	$ 23,758,487

The Association maintains some cash in the State of California Local Agency Investment Fund (LAIF). The state pools these funds with those of other organizations and invests the cash. These pooled funds are carried at cost which approximates market value. Interest earned is remitted quarterly to the Association. Any investment losses are proportionately shared by all participants in the pool.

Note 5 – Pledges Receivable-Save Mart Center

Included in pledges receivable are unconditional promises to give, net of unamortized discount. The following are future payments due to the Association for pledges receivable at June 30, 2024:

Unconditional promises to give before unamortized discount	$ 5,019,219
Less unamortized discount	(477,476)
Net unconditional promises to give	$ 4,541,743
Amounts due in	
One year	$ 2,176,402
Two to five years	2,211,745
More than five years	153,596
Total	$ 4,541,743

The discount rate used to calculate the present value of promises to give is 7% for 2024.

Note 6 – Investments

Long-term investments at June 30, 2024, consist of the following:

Long-term investments, beginning of year	$ 14,081,881
Investment purchased	-
Investments sold	(11,161)
Return on investments (net of investment fees of $26,000)	
Dividends and interest	444,304
Net unrealized and realized gains (losses)	1,071,517
Total return on investments	1,515,821
Long-term investments, end of year	$ 15,586,541

Long-term investments at fair value consist of the following at June 30, 2024:

Corporate bonds	$ 5,285,875
Municipal Bonds	986,603
Multi strategy equity securities	5,198,831
Mutual funds	2,318,982
Money market funds	1,135,959
U.S. agency securities	15,173
U.S. treasury securities	645,118
Total long-term investments, at market	$ 15,586,541

Note 7 – Fair Value Measurements

Generally accepted accounting principles define fair value as 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. ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant observable input (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 – Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities. Valuations for assets and liabilities traded in active exchange markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Inputs other than quoted prices within Level 1 that are observable, either directly or indirectly. Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 – Inputs are unobservable. Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounts cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

The tables below present the balance of assets measured at fair value on a recurring basis at June 30, 2024:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 23,758,487	$ -	$ -	$ 23,758,487
Long-term investments				
Corporate bonds	5,285,875	-	-	5,285,875
Municipal bonds	986,603	-	-	986,603
Multi strategy equity fund	-	5,198,831	-	5,198,831
Mutual funds	2,318,982	-	-	2,318,982
Money Market funds	1,135,959	-	-	1,135,959
U.S. agency securities	-	15,173	-	15,173
U.S. treasury securities	645,118	-	-	645,118
Total long-term investments	10,372,537	5,214,004	-	15,586,541
Total	$ 34,131,024	$ 5,214,004	$ -	$ 39,345,028

Techniques and inputs – Level 1 assets include investments in long-term investments for which quoted prices for identical assets are readily available.

Level 2 assets include multi strategy equity funds for which valuations are obtained from third party pricing services for identical or similar assets or liabilities.

There were no changes in valuation techniques during the current year.

Note 8 – Notes Payable

CSU Systemwide Revenue Bonds (SRB) Series 2020B – In February 2020, the Association participated in the CSU Systemwide Revenue Bonds (SRB) Series 2020B program to refinance the Student Housing Refunding Revenue Bonds, Series 2011A – refinance of Series 2001. The effect of the refinancing was to incur a new note payable obligation payable to the Trustees of the California State University. Interest at 1.64% is payable semi-annually, with principal payments beginning in November 2020. The maturity schedule and interest rates of the outstanding note payable are as follows:

	Principal Amount	Coupon
November 1, 2024	$ 560,000	1.646%
	$ 560,000	

The California State University, Fresno Association, Inc. is obligated to pay principal and interest as follows:

	Principal	Interest	Total
Year Ending June, 30, 2025	$ 560,000	$ 4,609	$ 564,609

Note 9 – Leases

In August 2015, the Association participated in the CSU Systemwide Revenue Bonds (SRB) program to refinance the 2005 Save Mart Center bonds. The effect of the refinancing resulted in a capital lease obligation payable to the University. Interest at 4.4% is payable semiannually, with principal payments beginning in November 2015. The Association has amortized the net premium, underwriter's discount, and cost of issuance over the life of the SRB bonds, the unamortized portions are reported net of the long-term liability on the statements of financial position.

The Association has multiple operating lease agreements, all of which consist of leases for usage of copiers.

In fiscal year ended June 30, 2024, the Association evaluated current contracts to determine which met the criteria of a lease. The right-of-use (ROU) assets represent the Association's right to use underlying assets for the lease term, and the lease liabilities represent the Association's obligation to make lease payments arising from these leases. The Association made use of the Workiva programs provided by the CSU Chancellor's Office. Lease Accelerator applied a 3.583% discount rate on the Association's operating leases. The Association's leases consist of both operating leases and finance leases. For the year ended June 30, 2024, total operating lease cost was $3,499, while total finance lease cost was $6,232,787. The total operating right of use asset and lease liabilities at June 30, 2024, was $8,692. Finance lease right of use assets of $99,354,232, with accumulated depreciation of $52,654,368 are included in fixed assets in the statement of financial position for the year ended June 30, 2024.

Lease payments for years are set as follows:

	Finance Leases		Operating Leases	Total Leases
	Principal	Interest	Principal	(Principal Only)
Year Ending June 30,				
2025	$ 5,085,000	$ 1,101,475	$ 5,654	$ 5,090,654
2026	2,870,000	917,088	3,038	2,873,038
2027	3,200,000	771,275	-	3,200,000
2028	2,405,000	636,950	-	2,405,000
2029	2,450,000	542,813	-	2,450,000
Thereafter	14,108,300	2,351,197	-	14,108,300
Total	$ 30,118,300	$ 6,320,798	$ 8,692	$ 30,126,992

In addition to the above leases, of which the Association is the leesee, the Associaton also has multiple leases of which it is the lessor. The majority of these are ground leases, of which the Association receives periodic rent revenue.

Minimum lease revenue for future years at June 30, 2024, are as follows:

Year Ending June 30,	
2025	$ 1,013,623
2026	1,009,423
2027	925,573
2028	925,573
2029	881,694
Thereafter	29,698,581
Total	$ 34,454,467

Note 10 – Disaggregation of Revenue

In the following table, revenue is disaggregated by timing of satisfaction of performance obligations for the years ended June 30, 2024:

Performance obligations satisfied at a point in time	$ 7,890,576
Performance obligations satisfied over time	21,182,692
Total	$ 29,073,268

Note 11 – Contract Balances

Contract assets include accounts receivable mainly from Save Mart Center activities, campus stores sales, and student housing. Contract liabilities include deferred revenue balances originated from the receipt of customer funds prior to the completion of performance obligations. Contract assets and contract liabilities were as follows for the year ended June 30, 2024:

	June 30, 2024 Closing Balance
Contract assets	
Contract receivables	$ 2,370,253
Contract liabilities	
Deferred revenues	$ 369,452

The following table provides information about significant changes in the significant services paid in advance for the year ended June 30, 2024:

	2024
Deferred revenue, beginning of year	$ 447,312
Revenue recognition that was included during the period	(812,007)
Increase in deferred revenue due to cash received during the period	734,147
Deferred revenue, end of year	$ 369,452

Note 12 – Employee Defined Benefit Pension Plan

California public employees' retirement system plan description – The California State University, Fresno Association, Inc. (Federal Tax ID# 94-1512286), is a participating employer in two separate multi-employer defined benefit pension plans. The plans generally provide retirement to employees based on years of service to the Association, and also provide disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Miscellaneous Plan of the California State University-Fresno Association, Inc. and PEPRA Miscellaneous Plan of the California State University-Fresno Association, Inc. (CalPERS ID: 3956399313) are part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), a cost-sharing multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers 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. The Association selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance (other local methods). 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, CA 95814 or by visiting the CalPERS website at www.calpers.ca.gov.

Funding policy – Under the Public Employees' Pension Reform Act of 2013, employees (who are brought into CalPERS membership for the first time on or after January 1, 2013) are required to contribute at least 50% of the annual required contributions under a defined benefit formula of 2% Miscellaneous at age 62. The current employee rate is 7.75%. For employees hired prior to January 1, 2013 under the defined benefit formula of 2% Miscellaneous at age 55, plan members are required to contribute 7.00% of their annual covered salary and the Association currently pays the employee portion of the required contribution (the 7.00%) for employees with 5 or more years of service with the Association. California State University, Fresno Association, Inc., 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 rate for fiscal 2024 was 12.47% plus $911,973 towards the unfunded liability for the Miscellaneous Plan and 7.68% plus $1,122 towards the unfunded liability for the PEPRA Miscellaneous Plan. 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. Employers participating in multi-employer defined benefit pension plans are different from single-employer plans because: (a) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers, (b) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be required to be borne by the remaining participating employers, and (c) if the Association chooses to stop participating in one of its multiemployer plans, it may be required to pay a withdrawal liability to the plan.

Annual pension cost – For fiscal year 2024, California State University, Fresno Association, Inc.'s annual pension cost of $1,196,671 was equal to the Association's required and actual contributions. The total pension cost for both employee and employer contributions was $1,366,447. The required contribution for fiscal year 2024 was determined as part of the June 30, 2021, actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay.

The actuarial assumptions included (a) 6.80% investment rate of return (net of administrative expenses); (b) projected overall payroll growth factor of 2.8% compounded annually (c) inflation factor of 2.30% compounded annually and (d) discount rate of 6.80%.

The actuarial value of California State University, Fresno Association, Inc.'s assets was determined using a technique that smooths the effect of short-term volatility in the market value of investments over a five-year period depending on the size of investment gains and/or losses.

Miscellaneous Plan of the California State University, Fresno Association, Inc.'s unfunded actuarial excess assets are being amortized as a level percentage of projected payroll on a closed basis. The amortization period at June 30, 2021, was 20 years. Based upon the most recent valuation published for the period ending June 30, 2021, the Association did not contribute more than 5% of total contributions to the plan.

Three-Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/22	$ 1,064,318	100%	$ -
6/30/23	$ 1,178,048	100%	$ -
6/30/24	$ 1,193,266	100%	$ -

The Association is included in a pooled plan as required by California law. The Association has less than 100 active employees, therefore, the Association's portion of the pooled information is less than 1%. Beginning in fiscal year 2013, funding history for the miscellaneous risk pools are combined to include the PEPRA and other MISC risk pools.

Valuation Date	Pooled Accrued Liabilities	Pooled Actuarial Value of Assets	Pooled Unfunded Accrued Liabilities (UAL)	Funded Ratio	Pooled Annual Covered Payroll	UAL as a % of Payroll
6/30/20	$ 19,437,975,961	$ 14,709,505,985	$ 4,728,469,976	75.7%	$ 2,606,753,697	181.4%
6/30/21	$ 20,794,529,023	$ 18,063,262,515	$ 2,731,266,508	86.6%	$ 2,641,544,193	103.4%
6/30/22	$ 22,021,735,002	$ 16,768,718,642	$ 5,253,016,360	76.1%	$ 2,845,309,050	184.6%

Note 13 – Other Post Employment Benefit Obligation

The Association sponsors a defined benefit post-retirement plan that provides medical benefits to retirees. The plan is contributory, with retiree contributions adjusted annually. The plan covers each employee and spouse. Employees, other than new hires after January 16, 2003, are eligible to receive full benefits at the age of 50 with 5 years of service. Employees hired after January 16, 2003, are eligible to receive benefits after 10 years of service with a vesting schedule that begins with 50% coverage after 10 years of service and increases by 5% per year. After 20 years of service, the employee is eligible for 100% of benefits.

Government Code Section 22825.6 provides that a local agency contracting under the Meyers-Geddes State Employers' Medical and Hospital Care Act shall fix the amount of the employer's contribution at an amount not less than the amount required under Section 22825 of the Act, and the Association is a local agency contracting under the Act. The Board of Directors shall take action to adjust the basis of the employer's contribution for each employee or annuitant.

The Association changed its method of accounting for post-retirement benefits other than pensions, from the pay-as-you-go method to the accrual method, as required by ASC 810, on July 1, 1995.

The following is the information on the plan as of and for the year ended June 30, 2024, in accordance with ASC 715 “Employers’ Accounting for Defined Benefit Pension and Other Post-Retirement Plans”:

	Net Periodic Post-Retirement Benefit Cost	Post-Retirement Benefit Liability
July 1, 2023		$ 6,263,835
Recognition of components of net periodic post-retirement benefit cost		
Service cost (benefit)	$ 108,466	108,466
Interest cost	361,220	361,220
Actuarial (gain) or loss	-	-
Total	$ 469,686	
Benefit payments		(494,213)
Net change		(24,527)
June 30, 2024		$ 6,239,308

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedules of funding progress, presented as required supplementary information following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The post-retirement obligation is included in accounts payable and other liabilities as follows:

Current portion	$ 499,389
Long-term portion	5,739,919
	$ 6,239,308

The funded status of the plan is the following:

Accrued post-retirement benefit obligation	$ 6,239,308
Plan assets	-
Unfunded plan obligations	$ 6,239,308

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following weighted-average assumptions (pay-as-you-go, age adjusted) were used in accounting for the post-retirement benefit obligation at June 30:

Years Ending June 30,	
2025	$ 499,389
2026	493,124
2027	494,074
2028	502,689
2029	508,156
Thereafter	1,821,335
Total	$ 4,318,767

Note 14 – Commitments and Contingencies

Save Mart Center – Effective October 1, 2020, the Association amended its current contract with ASM Global (formerly SMG) to manage the Save Mart Center for a five-year term expiring June 30, 2025. The agreement provides for an initial annual fixed fee of $595,350 inclusive of food and beverage services. Annual incentive fees are subject to negotiation and limitations after fiscal year 2013. The fixed fee is adjusted every three years for CPI increases.

Advances to ASM Global for the management fee/operating expenses for the year ended June 30, 2024, was $1,409,460.

Campus stores – Effective April 10, 2019, the Association entered into a contract with Follett Higher Education Group (Follett) for the management of the Kennel Bookstore, expiring June 30, 2024. The agreement provides for commission to the Association of 7% of Immediate Access gross sales and 8.5% of all other commissionable sales up to $9 million plus 10.5% of commissionable sales in excess of $9 million, with the Kennel Marketplace earning 14.5% commission for all commissionable sales in excess of $1 million during the fiscal year.

Claims and litigation – The Association, during its normal course of business, may be subject from time to time to disputes and legal proceedings against it or may be indirectly impacted by litigation against the CSU or the University. Both management and legal counsel do not expect the ultimate outcome of any current claims or lawsuits to have a material adverse effect on the Association’s financial statements.

Note 15 – Related Parties

In addition to the University, the Association is related to The Agricultural Foundation of California State University, Fresno (the Agricultural Foundation), Associated Students California State University, Fresno (Associated Students), Fresno State Programs for Children, Inc. (Programs for Children) and the California State University, Fresno Foundation (the Foundation) due to common management of the five entities. The Association had the following transactions with these entities during the year ended June 30, 2024:

Pursuant to a management services agreement, the Foundation, The Agricultural Foundation, Programs for Children, and Associated Students pay administrative fees to the Association for management services. The Foundation's administrative fees for the year ended June 30, 2024, was $651,386, allocated on the basis of gross revenue and services rendered. The Agricultural Foundation's administrative fees for the year ended June 30, 2024, was $169,454, based on services rendered. Programs for Children's administrative fees for the year ended June 30, 2024, was $82,515, based on services rendered. Associated Students administrative fees for the year ended June 30, 2024, was $75,000, based on services rendered.

The Foundation also reimburses the Association twice a month for salaries and benefits of Foundation Financial Services staff in the amounts of $786,774 for the year ended June 30, 2024.

The amounts due to the Association from the Foundation for miscellaneous expenses were $30,715 for the year ended June 30, 2024. The amounts due to the Association from the Foundation for salaries and benefits were $30,482 for the year ended June 30, 2024. The amounts due to the Foundation from the Association for miscellaneous expenses were $720 for the year ended June 30, 2024. The amounts due to the Foundation from the Association for salaries and benefits were $245,696 for the year ended June 30, 2024.

The amounts due to the Association from The Agricultural Foundation for miscellaneous expenses were $11,034 for the year ended June 30, 2024 and 2023. The amounts due to The Agricultural Foundation for miscellaneous expenses were $2,600 for the year ended June 30, 2024.

The amounts receivable from the University were $714,998 for the year ended June 30, 2024. The amounts payable to the University were $545,162 for the year ended June 30, 2024.

The amounts due to the Association from Associated Students for miscellaneous expenses were $152 for the year ended June 30, 2024.

The amounts due to the Association from Programs for Children for miscellaneous expenses were $121 for the year ended June 30, 2024.

The amounts due from the Athletics Corporation were $174,227 for the year ended June 30, 2024. The amounts payable to the Athletics Corporation were $200 for the year ended June 30, 2024.

The Association has entered into several facility leases for which minimal consideration is required by the lessor as follows:

- Use of the Kennel Bookstore, between the Trustees of the CSU, expiring June 30, 2025.
- Use of the University Center, between the Trustees of the CSU, expiring June 30, 2025.

- Use of the University Student Union and Satellite Student Union, between the Trustees of the CSU, expiring June 30, 2028.
- Use of the University Dining Hall, between the Trustees of the CSU, expiring June 30, 2028.
- Use of the Warehouse, between the Trustees of the CSU, expiring June 30, 2029.
- Use of southeast corner of second floor of Henry Madden Library (Starbucks store), between the Trustees of the CSU, expiring June 30, 2028.
- Ground lease for Student Housing, between the Trustees of the CSU, expiring February 1, 2025.
- Ground lease for Save Mart Center with the Trustees of the CSU, expiring December 13, 2031.
- Use of SRC, between the Trustees of the CSU, expiring June 30, 2026.
- Ground lease for Campus Pointe with the Trustees of the CSU, expiring June 28, 2096.
- Use of the space at the North Gym for the Paws-N-Go Market, expiring June 30, 2028.
- Use of space at the Kremen Education Building and the Peters Business Building for the Paws-N-Go Market locations, expiring June 30, 2024.
- Use of the Resnick Student Union, between the Trustees of the CSU, expiring June 30, 2027.

Note 16 – Expenses by Natural/Functional Classification

The accompanying statement of activities reports certain categories of expenses that may be attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable and systematic basis that is consistently applied by management in the preparation of its annual financial statements. All of the Association’s expenses are directly allocated to the functional categories by cost center. Such methodologies are deemed by management to be reasonable and appropriate and reflective of the functional purpose of each cost incurred for the respective reporting period.

The following is a detailed list of expenses by natural/functional classification for the year ended June 30, 2024:

	Program	General/ Admin	Total
Cost of goods sold	$ 3,948,968	$ 10,454	$ 3,959,422
Salaries/wages	6,770,277	1,185,887	7,956,164
Employee benefits	1,659,663	829,493	2,489,156
Administration - food			
services	814,285	-	814,285
Advances to SMG	1,409,460	-	1,409,460
Advertising/printing	82,240	-	82,240
Athletic corporation			-
entitlements	250,855	-	250,855
Audit/legal expense	20	50,350	50,370
Bad debt expense	(19,046)	-	(19,046)
Bank charges	92,231	3,118	95,349
Bond expenses	18,842	-	18,842
Finance lease expense	384,376	-	384,376
Chancellor's office fee	-	19,023	19,023
Computer supplies/			-
expense	151,375	17,609	168,984
Consulting	-	-	-
Contract services	1,280,350	-	1,280,350
Credit card fees	60,219	-	60,219
Depreciation/amortization	4,082,674	88,120	4,170,794
Dues/memberships/			-
subscriptions	8,188	7,376	15,564
Employee			
awards/development	-	18,938	18,938
Employee recruitment	3,623	1,290	4,913
Equipment purchased	14,804	-	14,804
Housing incentives	1,630	-	1,630
Insurance	935,644	23,679	959,323
Interest expense	16,419	10,541	26,960
Janitorial/sanitation	158,448	-	158,448
Laundry	112,991	-	112,991
Licenses/permits/fees	49,740	220,532	270,272
Miscellaneous	106,758	218,932	325,690
Non-student tax	11,073	-	11,073
Office supplies	93,994	32,822	126,816
Paper supplies	351,285	-	351,285
Possessory interest tax	252,647	-	252,647
Postage/freight	17,386	16,979	34,365
Rent/rental	1,000,468	7,794	1,008,262
Repairs/maintenance	1,328,604	39,530	1,368,134
Resident advisors meals	264,801	-	264,801
Royalties	179,880	-	179,880
Security services	-	76,409	76,409
Smallwares	97,400	-	97,400
Student programs	181,180	-	181,180
Telephone/		-	
communications	19,088	1,156	20,244
Travel/training	61,453	4,063	65,516
University donations	45,374	-	45,374
USU co-sponsorships	-	-	-
Utilities	2,291,135	25,541	2,316,676
Warehouse expense	58,064	-	58,064
Wilkinson Group fee	180,000	-	180,000
Total	$ 28,828,866	$ 2,909,636	$ 31,738,502

Note 17 – Salaries/Wages and Employee Benefits

Salaries/Wages at June 30, 2024, are reflected on the statement of activities and consist of the following:

Salaries/wages	$ 5,801,576
Salaries reimbursed to the Foundation	2,096,628
Salaries reimbursed to the University	57,960
Total Salaries/wages	$ 7,956,164

Employee Benefits at June 30, 2024, are reflected on the statement of activities and consist of the following:

Employee benefits	$ 1,778,221
Employee benefits reimbursed to the Foundation	668,571
Employee benefits reimbursed to the University	42,364
Total employee benefits	$ 2,489,156

Note 18 – Net Assets with Donor Restrictions

The Association’s net assets with donor restrictions comprise of contributions related to pledges made that will be collected in future periods. The Association’s net assets with donor restrictions are all restricted due to time and totaled $4,511,758 for the year ended June 30, 2024.

At June 30, 2024, net assets released from restrictions totaled $1,336,620 due to passage of time.

Note 19 – Uncertain Tax Positions

Income taxes – The Association is exempt from Federal and State of California income tax under IRC section 501(c)(3) and California Revenue and Taxation Code Section 23701(d), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Association has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations jurisdictions for which is has nexus; and to identify and evaluate other matters that may be considered tax positions. The Association has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Generally accepted accounting principles provide accounting and disclosures guidance about positions taken by an entity in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Association returns are subject to examination by federal and state taxing authorities, generally for three years and four years, respectively, after they are filed.

Note 20 – Subsequent Events

Management has evaluated and concluded that there are no subsequent events that have occurred from June 30, 2024, through the date the financial statements were available to be issued at September 30, 2024, that would require disclosure or adjustment.

MOSSADAMS

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

To the Board of Directors of
California State University, Fresno Association, Inc.

We have audited, in accordance with the 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 California State University, Fresno Association, Inc. (Association), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Association'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 Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association'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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Association'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.

Moss Adams LLP

Fresno, California
September 30, 2024

Supplementary Information

California State University, Fresno Association, Inc.
Schedule of Net Position
(for inclusion in the California State University Financial Statements)
June 30, 2024

Assets:	
Current assets:	
Cash and cash equivalents	$ 2,973,878
Short-term investments	20,784,609
Accounts receivable, net	2,324,167
Pledges receivable, net	2,176,402
Prepaid expenses and other current assets	464,400
Total current assets	28,723,456
Noncurrent assets:	
Pledges receivable, net	2,365,341
Other long-term investments	15,586,541
Capital assets, net	62,038,294
Other assets	81,748
Total noncurrent assets	80,071,924
Total assets	108,795,380
Liabilities:	
Current liabilities:	
Accounts payable	3,771,684
Accrued salaries and benefits	387,954
Accrued compensated absences, current portion	25,000
Unearned revenues	369,452
Lease liabilities, current portion	5,090,654
Long-term debt obligations, current portion	560,000
Depository accounts	49,667
Other liabilities	1,586,760
Total current liabilities	11,841,171
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	341,217
Lease liabilities, net of current portion	25,036,338
Net other postemployment benefits liability	6,239,308
Other liabilities	2,838,723
Total noncurrent liabilities	34,455,586
Total liabilities	46,296,757
Net position:	
Net investment in capital assets	31,351,302
Unrestricted	31,147,321
Total net position	$ 62,498,623

California State University, Fresno Association, Inc.
Schedule of Revenues, Expenses, and Changes in Net Position
(for inclusion in the California State University Financial Statements)
Year Ended June 30, 2024

Revenues:	
Operating revenues:	
Sales and services of auxiliary enterprises, gross	$ 22,819,842
Other operating revenues	7,187,770
Total operating revenues	30,007,612
Expenses:	
Operating expenses:	
Auxiliary enterprise expenses	27,137,530
Depreciation and amortization	4,170,794
Total operating expenses	31,308,324
Operating income (loss)	(1,300,712)
Nonoperating revenues (expenses):	
Gifts, noncapital	2,664,113
Investment income (loss), net	2,440,231
Interest expense	(26,960)
Other nonoperating revenues (expenses)	(403,218)
Net nonoperating revenues (expenses)	4,674,166
Increase (decrease) in net position	3,373,454
Net position:	
Net position at beginning of year	59,125,169
Net position at end of year	$ 62,498,623

California State University, Fresno Association, Inc.
Other Information
(for inclusion in the California State University Financial Statements)
Year Ended June 30, 2024

1 Cash and cash equivalents

Current cash and cash equivalents	$ 2,973,878
Total	$ 2,973,878

2.1 Composition of investments

Investment Type	Current	Noncurrent	Total
Money market funds	$ 4,163,418	$ 1,135,959	$ 5,299,377
U.S. agency securities	-	15,173	15,173
U.S. treasury securities	-	645,118	645,118
Municipal bonds	-	986,603	986,603
Corporate bonds	-	5,285,875	5,285,875
Mutual funds	-	2,318,982	2,318,982
Equity securities	-	5,198,831	5,198,831
State of California Local Agency Investment Fund (LAIF)	16,621,191	-	16,621,191
Total investments	20,784,609	15,586,541	36,371,150
Total investments, net of endowments	$ 20,784,609	$ 15,586,541	$ 36,371,150

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	$ 5,299,377	$ 5,299,377	$ -	$ -	$ -
U.S. agency securities	-	-	15,173	-	-
U.S. treasury securities	-	645,118	-	-	-
Municipal bonds	-	986,603	-	-	-
Corporate bonds	-	5,285,875	-	-	-
Mutual funds	-	2,318,982	-	-	-
Equity securities	5,198,831	-	5,198,831	-	-
State of California Local Agency Investment Fund (LAIF)	16,621,191	-	-	-	16,621,191
Total investments	$ 27,119,399	$ 14,535,955	$ 5,214,004	$ -	$ 16,621,191

2.3 Investments held by the University under contractual agreements: Nothing to report

California State University, Fresno Association, Inc.
Other Information
(for inclusion in the California State University Financial Statements)
Year Ended June 30, 2024

Composition of Capital Assets, Excluding ROU Assets	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2023 (Restated)	Additions	Retirements	Transfers of Completed CWIP/PWIP	Balance June 30, 2024
Nondepreciable/Nonamortizable capital assets									
Construction work in progress (CWIP)	$ 3,271,802				$ 3,271,802	$ 1,148,845			$ 4,420,647
Total nondepreciable/nonamortizable capital assets	3,271,802	-	-	-	3,271,802	1,148,845	-	-	4,420,647
Depreciable/amortizable capital assets									
Buildings and building improvements	14,710,789				14,710,789				14,710,789
Improvements, other than buildings	715,706				715,706				715,706
Personal property									
Equipment	24,580,544				24,580,544	4,715,820			29,296,364
Other intangible assets									
Franchise fees	140,000				140,000				140,000
Total other intangible assets	140,000	-	-	-	140,000	-	-	-	140,000
Total intangible assets	140,000	-	-	-	140,000	-	-	-	140,000
Total capital assets	43,418,841	-	-	-	43,418,841	5,864,665	-	-	49,283,506
Less accumulated depreciation/amortization									
Buildings and building improvements	(12,712,274)				(12,712,274)	(550,879)			(13,263,153)
Improvements, other than buildings	(105,187)				(105,187)	(12,933)			(118,120)
Personal property									
Equipment	(19,280,037)				(19,280,037)	(1,221,875)			(20,501,912)
Other intangible assets									
Franchise fees	(60,583)				(60,583)	(10,000)			(70,583)
Total other intangible assets	(60,583)	-	-	-	(60,583)	(10,000)	-	-	(70,583)
Total intangible assets	(60,583)	-	-	-	(60,583)	(10,000)	-	-	(70,583)
Total accumulated depreciation/amortization	(32,158,081)	-	-	-	(32,158,081)	(1,795,687)	-	-	(33,953,768)
Total capital assets, net excluding ROU assets	$ 11,260,760	$ -	$ -	$ -	$ 11,260,760	$ 4,068,978	$ -	$ -	$ 15,329,738

California State University, Fresno Association, Inc.
Other Information
(for inclusion in the California State University Financial Statements)
Year Ended June 30, 2024

	Balance June 30, 2023	Prior Period Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
Depreciable/Amortizable lease assets									
Buildings and building improvements	$ 99,354,232		$ -		$ 99,354,232				$ 99,354,232
Equipment	9,557		-		9,557	(7,809)	6,944		8,692
Total depreciable/amortizable lease assets	99,363,789	-	-	-	99,363,789	(7,809)	6,944	-	99,362,924
Less accumulated depreciation/amortization									
Buildings and building improvements	(50,228,604)	-	(50,657)		(50,279,261)	(2,375,107)			(52,654,368)
Total accumulated depreciation/amortization	(50,228,604)	-	(50,657)	-	(50,279,261)	(2,375,107)	-	-	(52,654,368)
Total capital assets - lease ROU, net	$ 149,592,393	$ -	$ 50,657	$ -	$ 149,643,050	$ 2,367,298	$ 6,944	$ -	$ 46,708,556
Total capital assets, net including ROU assets									$ 62,038,294

3.2 Detail of depreciation and amortization expense: Nothing to report

Depreciation and amortization expense - capital assets, excluding ROU assets	$ 1,795,687
Amortization expense - Leases ROU	2,375,107
Total depreciation and amortization	$ 4,170,794

California State University, Fresno Association, Inc.
Other Information
(for inclusion in the California State University Financial Statements)
Year Ended June 30, 2024

4 Long-term liabilities

	Balance June 30, 2023	Prior Period Adjustments/ Reclassifications	Balance June 30, 2023 (Restated)	Additions	Reductions	Balance June 30, 2024	Current Portion	Noncurrent Portion
1 Accrued compensated absences	$ 329,210	$ -	$ 329,210	$ 37,007	$ -	$ 366,217	$ 25,000	$ 341,217
4 Long-term debt obligations								
4.3 Notes payable (SRB related)	1,115,000	-	1,115,000	-	(555,000)	560,000	560,000	-
Subtotal long-term debt	1,115,000	-	1,115,000	-	(555,000)	560,000	560,000	-
4.6 Unamortized net bond premium (discount)	(7,448)	-	(7,448)	-	7,448	-	-	-
Total long-term obligations	$ 1,107,552	$ -	$ 1,107,552	$ -	$ (547,552)	$ 560,000	$ 560,000	$ -

5 Leases SBITA, P3 liabilities

	Balance June 30, 2023	Prior Period Adjustments/ Reclassifications	Additions	Remeasurements	Reductions	Balance June 30, 2024	Current Portion	Noncurrent Portion
Lease liabilities	$ 35,027,857	$ -	$ 6,944	$ -	$ (4,907,809)	$ 30,126,992	$ 5,090,654	$ 25,036,338
Total lease, SBITA, P3 liabilities	$ 35,027,857	$ -	$ 6,944	$ -	$ (4,907,809)	$ 30,126,992	$ 5,090,654	$ 25,036,338
Total long-term liabilities						$ 31,053,209	$ 5,675,654	$ 25,377,555

5 Future minimum payments schedule - leases, SBITA, P3

	Lease Liabilities			SBITA Liabilities			Public-Private or Public-Public Partnerships (P3)			Total Leases, SBITA, P3 Liabilities		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Years Ending June 30,				0								
2025	$ 5,090,654	$ 1,101,475	$ 6,192,129	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,090,654	$ 1,101,475	$ 6,192,129
2026	2,873,038	917,088	3,790,126	-	-	-	-	-	-	2,873,038	917,088	3,790,126
2027	3,200,000	771,275	3,971,275	-	-	-	-	-	-	3,200,000	771,275	3,971,275
2028	2,405,000	636,950	3,041,950	-	-	-	-	-	-	2,405,000	636,950	3,041,950
2029	2,450,000	542,813	2,992,813	-	-	-	-	-	-	2,450,000	542,813	2,992,813
2030-2033	14,108,300	2,351,197	16,459,497	-	-	-	-	-	-	14,108,300	2,351,197	16,459,497
Total minimum payments	$ 30,126,992	$ 6,320,798	$ 36,447,790	$ -	$ -	$ -	$ -	$ -	$ -	$ 30,126,992	$ 6,320,798	$ 36,447,790
Less amounts representing interest												(6,320,798)
Present value of future minimum payments												30,126,992
Total leases, SBITA, P3 liabilities												30,126,992
Less current portion												(5,090,654)
Leases, SBITA, P3 liabilities, net of current portion												$ 25,036,338

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
Years Ending June 30,									
2025	$ -	$ -	$ -	$ 560,000	$ -	$ 560,000	$ 560,000	$ -	$ 560,000
Total minimum payments	$ -	$ -	$ -	$ 560,000	$ -	$ 560,000	$ 560,000	$ -	560,000
Less amounts representing interest									-
Present value of future minimum payments									560,000
Unamortized net premium (discount)									-
Total long-term debt obligations									560,000
Less current portion									(560,000)
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	$ 57,960
Payments to University for other than salaries of University personnel	$ 2,167,952
Payments received from University for services, space, and programs	$ 6,796,896
Gifts-in-kind to the University from discretely presented component units	$ 45,374
Gifts (cash or assets) to the University from discretely presented component units	$ -
Accounts payable to University	$ (545,162)
Other amounts payable to University	$ -
Accounts receivable from University	$ 714,998
Other amounts receivable from University	$ -

8 Restatements: Nothing to report

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
Auxiliary enterprise expenses	$ 5,801,576	$ 115,269	$ 1,193,266	$ 469,686	$ -	$ 19,557,733	$ -	$ 27,137,530
Depreciation and amortization	-	-	-	-	-	-	4,170,794	4,170,794
Total operating expenses	$ 5,801,576	$ 115,269	$ 1,193,266	$ 469,686	$ -	$ 19,557,733	$ 4,170,794	$ 31,308,324

Select type of pension plan >> Defined Benefit Plan Multi-employer benefit plan

10 Deferred outflows/inflows of resources: Nothing to report

11 Other nonoperating revenues (expenses)

Other nonoperating revenues	
Other nonoperating (expenses)	(403,218)
Total other nonoperating revenues (expenses)	$ (403,218)