

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**

**FINANCIAL REPORT  
(Audited)**

**JUNE 30, 2013**

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Private Companies Practice Section

NANCY C. BELTON

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
**Associated Students, Inc.**  
**California State University, Bakersfield**  
Bakersfield, California

### Report on the Financial Statements

We have audited the accompanying financial statements of **Associated Students, Inc., California State University, Bakersfield**, which comprise the statements of financial position as of June 30, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

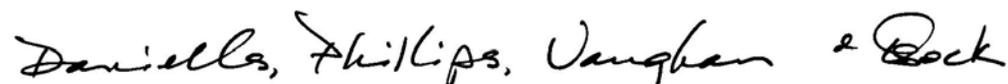
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Associated Students, Inc., California State University, Bakersfield** as of June 30, 2013 and 2012, 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.

### ***Other Matters***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of expenses by natural classifications, statements of activities by fund and schedules of other information for inclusion in the California State University, 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 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.



Bakersfield, California  
September 19, 2013

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**

**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2013 and 2012**

	2013	2012
<b>ASSETS</b>		
Current Assets		
Cash (Note 2)	\$ 73,941	\$ -
Investments (Notes 3 and 4)	1,352,507	812,055
Student fees receivable	34,552	95,733
Due from related parties (Note 6)	5,079	-
Other receivables	2,093	3,257
<b>Total current assets</b>	<b>1,468,172</b>	<b>911,045</b>
Property and Equipment		
Office equipment and furniture	56,162	56,162
Improvements	254,852	254,852
	<b>311,014</b>	<b>311,014</b>
Less: accumulated depreciation	135,854	107,908
	<b>175,160</b>	<b>203,106</b>
	<b>\$ 1,643,332</b>	<b>\$ 1,114,151</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Outstanding checks in excess of bank balance	\$ -	\$ 47,149
Accounts payable and accrued expenses	37,681	41,447
Due to related parties (Note 6)	223,192	28,953
Deferred revenue	13,931	108,712
Deposits in excess of withdrawals for agency accounts	122,259	100,561
<b>Total current liabilities</b>	<b>397,063</b>	<b>326,822</b>
Net Assets		
Unrestricted	1,246,269	787,329
	<b>\$ 1,643,332</b>	<b>\$ 1,114,151</b>

See Notes to Financial Statements.

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**

**STATEMENTS OF ACTIVITIES  
Years Ended June 30, 2013 and 2012**

	2013	2012
Changes in Unrestricted Net Assets:		
Revenues		
Student activity fees	\$ 2,837,543	\$ 2,661,669
Miscellaneous	3,905	20,616
Interest	8,199	9,424
<b>Total revenues</b>	<b>2,849,647</b>	<b>2,691,709</b>
Expenses of auxiliary enterprises		
Program services	2,070,674	2,541,838
General and administrative	320,033	326,153
<b>Total expenses of auxiliary enterprises</b>	<b>2,390,707</b>	<b>2,867,991</b>
Increase (decrease) in net assets	458,940	(176,282)
Net assets, beginning of year	787,329	963,611
Net assets, end of year	<b>\$ 1,246,269</b>	<b>\$ 787,329</b>

See Notes to Financial Statements.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**

**STATEMENTS OF CASH FLOWS**  
**Years Ended June 30, 2013 and 2012**

	2013	2012
Cash Flows from Operating Activities		
Increase (decrease) in net assets	\$ 458,940	\$ (176,282)
Adjustments to reconcile change in unrestricted net assets to net cash provided by (used in) operating activities:		
Depreciation	27,946	29,692
(Increase) decrease in:		
Receivables	62,345	(3,756)
Due from related parties	(5,079)	-
Increase (decrease) in:		
Accounts payable and accrued liabilities	(3,766)	(41,076)
Due to related parties	194,239	(382,582)
Deferred revenue	(94,781)	(21,120)
Deposits in excess of withdrawals for agency accounts	21,698	100,561
<b>Net cash provided by (used in) operating activities</b>	<b>661,542</b>	<b>(494,563)</b>
Cash Flows from Investing Activities		
Purchase of investments	(2,752,499)	-
Proceeds from sale of investments	2,212,047	447,414
<b>Net cash provided by (used in) investing activities</b>	<b>(540,452)</b>	<b>447,414</b>
Cash Flows from Financing Activities		
Increase (decrease) in outstanding checks in excess of bank balance -		
<b>Net cash provided by (used in) financing activities</b>	<b>(47,149)</b>	<b>47,149</b>
<b>Net change in cash</b>	<b>73,941</b>	<b>-</b>
Cash:		
Beginning	-	-
Ending	<b>\$ 73,941</b>	<b>\$ -</b>

See Notes to Financial Statements.

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY BAKERSFIELD**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 1. Nature of Activities and Significant Accounting Policies**

*Nature of activities:* The Associated Students, Inc., California State University, Bakersfield, ("the Associated Students"), functions to benefit the student body of the California State University, Bakersfield by providing financial, cultural, educational, recreational and motivational support. Though in operation since 1976, it became a viable fiscal entity with the introduction of mandatory student fees by an election in October 1977.

A summary of the Associated Students' significant accounting policies follows:

*Accounting policies:* The Associated Students accounts for its financial transactions in accordance with the policies and procedures of the California State University Auxiliary Organization's Accounting and Reporting System. The accounting policies of the Associated Students conform to accounting policies generally accepted in the United States of America.

*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 amount 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.

*Cash:* The Associated Students maintains its cash in one bank deposit account which, at times, may exceed federally insured limits. The Associated Students has not experienced any losses in such account. The Associated Students believes it is not exposed to any significant credit risk on cash.

*Property and equipment:* Property and equipment is stated at cost. Depreciation of property and equipment is computed on the straight-line method over estimated useful lives of three to ten years. All acquisitions of property and equipment in excess of \$5,000 and all expenses for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized.

*Deferred revenue:* Deferred revenue represents the portion of student activity fees collected for the summer session applicable to the next fiscal year.

*Deposits in excess of withdrawals for agency accounts:* The Associated Students holds funds for on-campus Clubs to fund Club activities. The monies can be drawn upon at any time.

*Income taxes:* The Associated Students is generally exempt from federal and state income taxes under Section 501 (c)(3) of the Internal Revenue Code and related state code sections. As a non-profit organization the Associated Students is subject to unrelated business income tax (UBIT), if applicable. For the tax years ended June 30, 2013 and 2012, the Associated Students did not owe any UBIT.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY BAKERSFIELD**

**NOTES TO FINANCIAL STATEMENTS**

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The Associated Students adopted the accounting standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Associated Students may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods.

Management evaluated the Associated Students' tax positions and concluded that they had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. With few exceptions, the Associated Students is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2009.

*Student activity fees:* Student activity fees of \$117 and \$111 per student, per quarter, for each of the years ended June 30, 2013 and 2012, respectively, were collected from student tuition and recognized as revenue when the students enrolled.

*Investments Valuation and Income Recognition:* Financial statement presentation follows the guidance in FASB Accounting Standards Codification Not-for-Profit Entities. Accordingly, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Fair value is 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. See Note 4 for further discussion of fair value measurements.

*Compensated Absences:* Employees of the Associated Students are entitled to paid vacation, paid sick days, and personal days off, depending on job classification, length of service, and other factors. Accrued vacation of \$7,821 and \$8,123 for the years ended June 30, 2013 and 2012, respectively, have been recorded in accrued expenses. Paid sick days and personal days off have not been accrued, as employees are not entitled to sick days or personal days off pay upon termination of employment.

*Advertising:* The Associated Students expenses advertising costs as they are incurred. Advertising expenses totaled \$2,055 and \$229 for the years ended June 30, 2013 and 2012, respectively.

*Subsequent Events:* The Associated Students has evaluated subsequent events through September 19, 2013, the date on which the financial statements were available to be issued. There are no subsequent events considered material by management that would require disclosure in the financial statements.

*Reclassifications:* Certain items in the 2012 financial statements have been reclassified to conform to the 2013 presentation, with no effect on change in net assets.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY BAKERSFIELD**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 2. Cash**

At June 30, 2012 the Associated Students' cash was pooled with the California State University, US Bank SWIFT account that resulted in share pooled cash of \$0 at June 30, 2012. Refer to Note 3 below for Investments. At June 30, 2013 the Associated Students' had cash held at a financial institution in addition to its pooled cash with the California State University, US Bank SWIFT account.

**Note 3. Investments**

The Associated Students' investments are pooled and invested with the California University, Bakersfield's US Bank SWIFT account to take advantage of an effective investment program. The Associated Students' share of pooled investments was \$1,352,507 and \$812,055 at June 30, 2013 and 2012, respectively. The SWIFT account consists of a variety of investments such as U.S. agency securities, corporate and fixed income securities, commercial paper and repurchase agreements.

Generally, credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. See Note 4 for information regarding investment valuation.

**Note 4. Fair value Measurements**

The FASB Accounting Standards Codification Fair Value Measurements topic establishes a framework for measuring fair value. That framework provides 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 unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1                      Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Associated Students has the ability to access.

Level 2                      Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY BAKERSFIELD**

**NOTES TO FINANCIAL STATEMENTS**

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If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3                      Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The fair value of the investments held by the pooled SWIFT account explained in Note 3 reflect the Associated Students' pro rata share of the market value of the underlying assets in the account.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Associated Students believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

All investments held by the Associated Students at June 30, 2013 are considered to be Level 2 investments.

**Note 5.    Operating Leases**

The Associated Students leases office space at the Antelope Valley Center from the Trustees of the California State University, and at California State University, Bakersfield from California State University, Bakersfield Student Union, Inc., under non-cancellable agreements expiring through June 2014. The total minimum rental commitment as of June 30, 2013 is \$23,131. Rental expense was \$23,964 and \$32,966 for the years ended June 30, 2013 and 2012, respectively.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY BAKERSFIELD**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 6. Transactions With Related Parties**

The Associated Students salaries are paid by California State University, Bakersfield (the University) and billed to the Associated Students. The University provides accounting services and leases office space to the Associated Students. See Note 5 regarding the leases.

California State University, Bakersfield, Foundation (the Foundation) functions to benefit the student body of California State University, Bakersfield by operating various campus programs. The Foundation provides program services for student services for the Children's Center. The Associated Students pays the California State University Bakersfield and/or the Foundation for these services as approved by the Student Body.

California State University, Bakersfield, Student Union (Student Union) functions to benefit the student body of California State University, Bakersfield by operating various campus programs. The Student Union provides facilities for the Associated Student to conduct its operations. The Associated Students pays the Student Union for the use of these facilities.

Related party transactions as of and for the years ended June 30, 2013 and 2012 are as follows:

	2013	2012
Expenses:		
Program fees		
Student services	\$ 1,923,520	\$ 1,108,808
Due from:		
University (CSU)	2,616	-
Foundation	2,460	-
Student Union	3	-
Due to:		
University (CSU)	222,612	28,953
Student Union	580	-

**SUPPLEMENTARY INFORMATION**

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**

**EXPENSES BY NATURAL CLASSIFICATION  
Years Ended June 30, 2013 and 2012**

	<b>2013</b>		
	<b>Program Services</b>	<b>General and Administrative</b>	<b>Total</b>
Scholarships	\$ 1,755,375	\$ 30,225	\$ 1,785,600
Supplies	177,426	23,859	201,285
Services from other agencies	104,121	28,705	132,826
Salaries	11,500	94,155	105,655
Benefits	4,465	45,525	49,990
Depreciation	-	27,946	27,946
Rent	1,362	22,602	23,964
Professional fees	6,080	10,869	16,949
Travel	530	16,187	16,717
Insurance	2,279	6,930	9,209
Conference and meetings	6,099	510	6,609
Dues and subscriptions	-	4,029	4,029
Stipends	-	3,050	3,050
Telephone	399	2,392	2,791
Advertising	-	2,055	2,055
Printing and publications	1,038	941	1,979
Repairs and maintenance	-	53	53
Expendable equipment	-	-	-
	<b>\$ 2,070,674</b>	<b>\$ 320,033</b>	<b>\$ 2,390,707</b>

## 2012

Program Services	General and Administrative	Total
\$ 1,769,015	\$ -	\$ 1,769,015
171,292	55,184	226,476
44,299	10,372	54,671
47,598	82,841	130,439
26,513	41,538	68,051
-	29,692	29,692
11,528	21,438	32,966
-	13,715	13,715
453,573	18,632	472,205
2,320	7,936	10,256
14,015	1,906	15,921
180	4,818	4,998
-	29,507	29,507
463	2,401	2,864
60	169	229
982	1,017	1,999
-	2,720	2,720
-	2,267	2,267
<u>\$ 2,541,838</u>	<u>\$ 326,153</u>	<u>\$ 2,867,991</u>

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**

**STATEMENT OF ACTIVITIES BY FUND**  
**Year Ended June 30, 2013**

	ASI Administration	Athletic Referendum	Children's Center Referendum	NCAA Referendum	Club Referendum	AVC Referendum	Total
Changes in Unrestricted Net Assets:							
Revenues							
Student activity fees	\$ 338,385	\$ 335,739	\$ 120,215	\$ 1,921,974	\$ 72,844	\$ 48,386	\$ 2,837,543
Miscellaneous	3,390	-	-	-	30	485	3,905
Interest	4,215	906	119	2,533	312	114	8,199
<b>Total revenues</b>	<b>345,990</b>	<b>336,645</b>	<b>120,334</b>	<b>1,924,507</b>	<b>73,186</b>	<b>48,985</b>	<b>2,849,647</b>
Expenses of auxiliary enterprises							
Program services	54,813	204,598	110,658	1,645,183	33,318	22,104	2,070,674
General and administrative	289,583	1,230	1,878	7,272	811	19,259	320,033
<b>Total expenses of auxiliary enterprises</b>	<b>344,396</b>	<b>205,828</b>	<b>112,536</b>	<b>1,652,455</b>	<b>34,129</b>	<b>41,363</b>	<b>2,390,707</b>
Increase in net assets	1,594	130,817	7,798	272,052	39,057	7,622	458,940
Net assets, beginning of year	568,907	8,788	7,448	28,021	18,049	156,116	787,329
Net assets, end of year	<b>\$ 570,501</b>	<b>\$ 139,605</b>	<b>\$ 15,246</b>	<b>\$ 300,073</b>	<b>\$ 57,106</b>	<b>\$ 163,738</b>	<b>\$ 1,246,269</b>

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**

**STATEMENT OF ACTIVITIES BY FUND**  
**Year Ended June 30, 2012**

	ASI	Athletic	Children's	NCAA	Club	AVC	Total
	Administration	Referendum	Center Referendum	Referendum	Referendum	Referendum	
Changes in Unrestricted Net Assets:							
Revenues							
Student activity fees	\$ 339,903	\$ 316,538	\$ 101,238	\$ 1,779,675	\$ 73,713	\$ 50,602	\$ 2,661,669
Miscellaneous	6,275	-	-	93	-	14,248	20,616
Interest	7,574	1,163	267	-	289	131	9,424
<b>Total revenues</b>	<b>353,752</b>	<b>317,701</b>	<b>101,505</b>	<b>1,779,768</b>	<b>74,002</b>	<b>64,981</b>	<b>2,691,709</b>
Expenses of auxiliary enterprises							
Program services	40,125	322,654	98,404	1,937,889	82,668	60,098	2,541,838
General and administrative	303,164	-	1,500	454	578	20,457	326,153
<b>Total expenses of auxiliary enterprises</b>	<b>343,289</b>	<b>322,654</b>	<b>99,904</b>	<b>1,938,343</b>	<b>83,246</b>	<b>80,555</b>	<b>2,867,991</b>
Increase (decrease) in net assets	10,463	(4,953)	1,601	(158,575)	(9,244)	(15,574)	(176,282)
Net assets, beginning of year	558,444	13,741	5,847	186,596	27,293	171,690	963,611
Net assets, end of year	\$ 568,907	\$ 8,788	\$ 7,448	\$ 28,021	\$ 18,049	\$ 156,116	\$ 787,329

**ASSOCIATED STUDENTS, INC. CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**

Schedule of Net Position

June 30, 2013 (for inclusion in the California State University)

Assets:		
Current assets:		
Cash and cash equivalents	\$	73,941
Short-term investments		1,352,507
Accounts receivable, net		41,724
Leases receivable, current portion		—
Notes receivable, current portion		—
Pledges receivable, net		—
Prepaid expenses and other assets		—
<b>Total current assets</b>		<b>1,468,172</b>
Noncurrent assets:		
Restricted cash and cash equivalents		—
Accounts receivable, net		—
Leases 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		175,160
Other assets		—
Total noncurrent assets		175,160
<b>Total assets</b>		<b>1,643,332</b>
Deferred outflows of resources:		
Unamortized loss on refunding(s)		—
<b>Total deferred outflows of resources</b>		<b>—</b>
Liabilities:		
Current liabilities:		
Accounts payable		37,681
Accrued salaries and benefits payable		—
Accrued compensated absences— current portion		7,821
Unearned revenue		13,931
Capitalized lease obligations – current portion		—
Long-term debt obligations – current portion		—
Self-insurance claims liability - current portion		—
Depository accounts		—
Other liabilities		337,630
<b>Total current liabilities</b>		<b>397,063</b>
Noncurrent liabilities:		
Accrued compensated absences, net of current portion		—
Unearned revenue		—
Grants refundable		—
Capitalized lease obligations, net of current portion		—
Long-term debt obligations, net of current portion		—
Self-insurance claims liabilities, net of current portion		—
Depository accounts		—
Other postemployment benefits obligation		—
Other liabilities		—
Total noncurrent liabilities		—
<b>Total liabilities</b>		<b>397,063</b>
Deferred inflows of resources:		
Deferred service concession arrangement receipts		—
<b>Total deferred inflows of resources</b>		<b>—</b>
Net Position:		
Net investment in capital assets		175,160
Restricted for:		
Nonexpendable – endowments		—
Expendable:		
Scholarships and fellowships		—
Research		—
Loans		—
Capital projects		—
Debt service		—
Other		—
Unrestricted		1,071,109
<b>Total net position</b>	\$	<b>1,246,269</b>

**ASSOCIATED STUDENTS, INC. CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**

Schedule of Revenues, Expenses, and Changes in Net Position

Year Ended June 30, 2013

(for inclusion in the California State University)

Revenues:	
Operating revenues:	
Student tuition and fees (net of scholarship allowances of \$0)	\$ 2,837,543
Grants and contracts, noncapital:	
Federal	—
State	—
Local	—
Nongovernmental	—
Sales and services of educational activities	—
Sales and services of auxiliary enterprises (net of scholarship allowances of \$0)	—
Other operating revenues	3,905
Total operating revenues	<u>2,841,448</u>
Expenses:	
Operating expenses:	
Instruction	—
Research	—
Public service	—
Academic support	—
Student services	577,161
Institutional support	—
Operation and maintenance of plant	—
Student grants and scholarships	1,785,600
Auxiliary enterprise expenses	—
Depreciation and amortization	27,946
Total operating expenses	<u>2,390,707</u>
Operating income (loss)	<u>450,741</u>
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	8,199
Endowment income (loss), net	—
Interest Expenses	—
Other nonoperating revenues (expenses)	—
Net nonoperating revenues (expenses)	<u>8,199</u>
Income (loss) before other additions	458,940
State appropriations, capital	—
Grants and gifts, capital	—
Additions (reductions) to permanent endowments	—
Increase (decrease) in net position	<u>458,940</u>
Net position:	
Net position at beginning of year, as previously reported	787,329
Restatements	—
Net position at beginning of year, as restated	<u>787,329</u>
Net position at end of year	\$ <u><u>1,246,269</u></u>

**ASSOCIATED STUDENTS, INC. CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**

Other Information

June 30, 2013

(for inclusion in the California State University)

**1 Restricted cash and cash equivalents at June 30, 2013:**

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

**2.1 Composition of investments at June 30, 2013:**

	Current Current Unrestricted	Current Restricted	Total Current	Noncurrent Unrestricted	Noncurrent Restricted	Total Noncurrent	Total
State of California Surplus Money Investment Fund (SMIF)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-	-	-
Wachovia Short Term Fund	-	-	-	-	-	-	-
Wachovia Medium Term Fund	-	-	-	-	-	-	-
Wachovia Equity Fund	-	-	-	-	-	-	-
CSU Consolidated Investment Pool (includes SWIFT and 0948 SMIF)	1,352,507	-	1,352,507	-	-	-	1,352,507
Common Fund - Short Term Fund	-	-	-	-	-	-	-
Common Fund - Others	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-	-
Fixed income securities (Treasury notes, GNMA's)	-	-	-	-	-	-	-
Land and other real estate	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-
Mutual funds	-	-	-	-	-	-	-
Money Market funds	-	-	-	-	-	-	-
Collateralized mortgage obligations:							
Inverse floaters	-	-	-	-	-	-	-
Interest-only strips	-	-	-	-	-	-	-
Agency pass-through	-	-	-	-	-	-	-
Partnership interests (includes private pass-through)	-	-	-	-	-	-	-
Alternative investments	-	-	-	-	-	-	-
Hedge funds	-	-	-	-	-	-	-
Other major investments:							
Total investments	1,352,507	-	1,352,507	-	-	-	1,352,507
Less endowment investments (enter as negative number)	-	-	-	-	-	-	-
Total investments	\$ 1,352,507	\$ -	\$ 1,352,507	\$ -	\$ -	\$ -	\$ 1,352,507

**ASSOCIATED STUDENTS, INC. CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**

Other Information

June 30, 2013

(for inclusion in the California State University)

**2.2 Investments held by the University under contractual agreements at June 30, 2013:**

Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2013 :

- - - - -

**2.3 Restricted current investments at June 30, 2013 related to:**

**Total restricted current investments at June 30, 2013**

	<u>Amount</u>
\$	—

**2.4 Restricted noncurrent investments at June 30, 2013 related to:**

Endowment investment

**Total restricted noncurrent investments at June 30, 2013**

	<u>Amount</u>
\$	—
\$	—

**ASSOCIATED STUDENTS, INC. CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**  
**OTHER INFORMATION (Continued)**  
**JUNE 30, 2013**  
**(for inclusion in the California State University)**

**3.1 Composition of capital assets at June 30, 2013:**

	Balance June 30, 2012	Prior period Adjustments	Reclassi- fications	Balance June 30, 2012 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2013
Nondepreciable/nonamortizable 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	-	-	-	-	-	-	-	-
Internally generated intangible assets in progress	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Total intangible assets	-	-	-	-	-	-	-	-
Total nondepreciable/nonamortizable capital assets	-	-	-	-	-	-	-	-
Depreciable/amortizable capital assets:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	254,852	-	-	254,852	-	-	-	254,852
Personal property:								
Equipment	56,162	-	-	56,162	-	-	-	56,162
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Total intangible assets	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	311,014	-	-	311,014	-	-	-	311,014
Total capital assets	311,014	-	-	311,014	-	-	-	311,014
Less accumulated depreciation/amortization:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	(58,471)	-	-	(58,471)	(24,882)	-	-	(83,353)
Personal property:								
Equipment	(49,437)	-	-	(49,437)	(3,064)	-	-	(52,501)
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Total intangible assets	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	(107,908)	-	-	(107,908)	(27,946)	-	-	(135,854)
Total capital assets, net	\$ 203,106	\$ -	\$ -	\$ 203,106	\$ (27,946)	\$ -	\$ -	\$ 175,160

**3.2 Detail of depreciation and amortization expense for the year ended June 30, 2013:**

Depreciation and amortization expense related to capital asset:	\$ 27,946
Amortization expense related to other assets	-
Total depreciation and amortization	\$ 27,946

**ASSOCIATED STUDENTS, INC. CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**  
**OTHER INFORMATION (Continued)**  
**JUNE 30, 2013**  
**(for inclusion in the California State University)**

**4 Long-term liabilities activity schedule:**

	Balance June 30, 2012	Prior period Adjustments	Reclassifications	Balance June 30, 2012 (restated)	Additions	Reductions	Balance June 30, 2013	Current Portion	Long-Term Portion
Accrued compensated absences	\$ 8,123	\$ -	\$ -	\$ 8,123	\$ 6,668	\$ (6,970)	\$ 7,821	\$ 7,821	\$ -
Capitalized lease obligations:									
Gross balance	-	-	-	-	-	-	-	-	-
Unamortized premium / (discount) on capitalized lease obligations	-	-	-	-	-	-	-	-	-
Total capitalized lease obligations	-	-	-	-	-	-	-	-	-
Long-term debt obligations:									
Revenue bonds	-	-	-	-	-	-	-	-	-
Other bonds (Non-revenue bonds)	-	-	-	-	-	-	-	-	-
Commercial paper	-	-	-	-	-	-	-	-	-
Note Payable related to SRB	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total long-term debt obligations	-	-	-	-	-	-	-	-	-
Unamortized bond premium / (discount)	-	-	-	-	-	-	-	-	-
Unamortized loss on refunding	-	-	-	-	-	-	-	-	-
Total long-term debt obligations, net	-	-	-	-	-	-	-	-	-
Total long-term liabilities	\$ 8,123	\$ -	\$ -	\$ 8,123	\$ 6,668	\$ (6,970)	\$ 7,821	\$ 7,821	\$ -

**ASSOCIATED STUDENTS, INC. CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**  
**OTHER INFORMATION (Continued)**  
**JUNE 30, 2013**  
(for inclusion in the California State University)

**5 Future minimum lease payments - capital lease obligations:**

Year ending June 30:	Principal	Interest	Principal and Interest
2014	\$ -	\$ -	\$ -
2015	-	-	-
2016	-	-	-
2017	-	-	-
2018	-	-	-
2019 - 2023	-	-	-
2024 - 2028	-	-	-
2029 - 2033	-	-	-
2034 - 2038	-	-	-
2039 - 2043	-	-	-
2044 - 2048	-	-	-
2049 - 2053	-	-	-
2054 - 2058	-	-	-
2059 - 2063	-	-	-
Total minimum lease payments			-
Less amounts representing interest			-
Present value of future minimum lease payments			-
Less: current portion			-
<b>Capitalized lease obligations, net of current portion</b>			<b>\$ -</b>

**ASSOCIATED STUDENTS, INC. CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**  
**OTHER INFORMATION (Continued)**  
**JUNE 30, 2013**  
**(for inclusion in the California State University)**

**6 Long-term debt obligations schedule**

Year Ending June 30:	Revenue Bonds			All Other Long-Term Debt Obligations			Total		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-
2019 - 2023	-	-	-	-	-	-	-	-	-
2024 - 2028	-	-	-	-	-	-	-	-	-
2029 - 2033	-	-	-	-	-	-	-	-	-
2034 - 2038	-	-	-	-	-	-	-	-	-
2039 - 2043	-	-	-	-	-	-	-	-	-
2044 - 2048	-	-	-	-	-	-	-	-	-
2049 - 2053	-	-	-	-	-	-	-	-	-
2054 - 2058	-	-	-	-	-	-	-	-	-
2059 - 2063	-	-	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**ASSOCIATED STUDENTS, INC. CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**  
**OTHER INFORMATION (Continued)**  
**JUNE 30, 2013**  
(for inclusion in the California State University)

**7 Calculation of net position**

	Auxiliary Organizations		Total Auxiliaries
	GASB	FASB	
<b>7.1 Calculation of net position - Net investment in capital assets</b>			
Capital assets, net of accumulated depreciation	\$ -	\$ 175,160	\$ 175,160
Capitalized lease obligations - current portion	-	-	-
Capitalized lease obligations, net of current portion	-	-	-
Long-term debt obligations - current portion	-	-	-
Long-term debt obligations, net of current portion	-	-	-
Portion of outstanding debt that is unspent at year-end	-	-	-
Other adjustments: (please list)	-	-	-
Net position - net investment in capital asset	\$ -	\$ 175,160	\$ 175,160

**7.2 Calculation of net position - Restricted for nonexpendable - endowments**

Portion of restricted cash and cash equivalents related to endowments	\$ -	\$ -	\$ -
Endowment investments	-	-	-
Other adjustments: (please list)	-	-	-
<b>Net position - Restricted for nonexpendable endowments per SNP</b>	\$ -	\$ -	\$ -

**8 Transactions with Related Entities**

	Amount
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 147,434
Payments to University for other than salaries of University personnel	1,776,086
Payments received from University for services, space, and programs	-
Gifts-in-kind to the University from Auxiliary Organizations	-
Gifts (cash or assets) to the University from recognized Auxiliary Organizations	-
Accounts (payable to) University (enter as negative number)	-
Other amounts (payable to) University (enter as negative number)	(222,612)
Accounts receivable from University	2,616
Other amounts receivable from University	-

**ASSOCIATED STUDENTS, INC. CALIFORNIA STATE UNIVERSITY, BAKERSFIELD**  
**OTHER INFORMATION (Continued)**  
**JUNE 30, 2013**  
**(for inclusion in the California State University)**

**9 Other Postemployment Benefits Obligation (OPEB)**

Annual required contribution (ARC)	\$	-
Contributions during the year		-
		<hr/>
Increase (decrease) in net OPEB obligation (NOO)		-
NOO - beginning of year		-
NOO - end of year	\$	-
		<hr/> <hr/>

**10 Pollution remediation liabilities under GASB Statement No. 49:**

Description	Amount
	\$ -
Total pollution remediation liabilities	-
Less: current portion	-
	<hr/>
Pollution remediation liabilities, net of current portion	\$ -
	<hr/> <hr/>

**11 The nature and amount of the prior period adjustment(s) recorded to beginning net assets**

	Net Asset Class	Amount Dr. (Cr.)
Net assets as of June 30, 2012 as previously reported	\$	787,329
Prior period adjustments:		-
Net assets as of June 30, 2012, as restated	\$	787,329
		<hr/> <hr/>

**Provide a detailed breakdown of the journal entries (at the financial statement line item level) booked to record each prior period adjustment:**

	Debit	Credit
N/A - No restatements -		