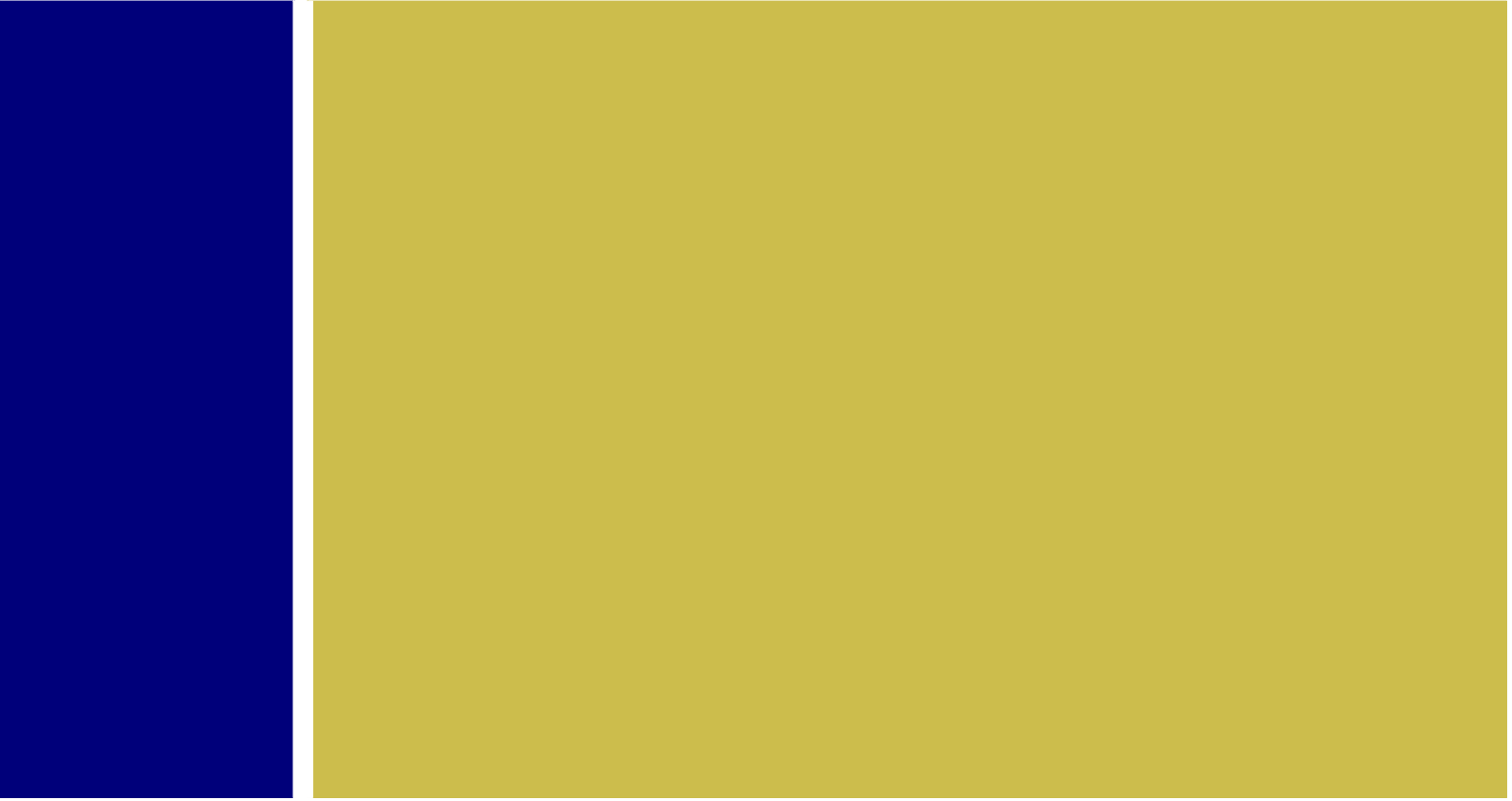




**ASSOCIATED STUDENTS,
CALIFORNIA STATE UNIVERSITY,
BAKERSFIELD, INC.**

Financial Statements and Supplemental Information

Years Ended June 30, 2014 and 2013



ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.
Financial Statements and Supplemental Information
Years Ended June 30, 2014 and 2013

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of Associated Students, California State University, Bakersfield, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 2014 financial statements referred to above present fairly, in all material respects, the financial position of Associated Students, California State University, Bakersfield, Inc. as of June 30, 2014, 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.

Prior Period Financial Statements

The financial statements of Associated Students, California State University, Bakersfield, Inc. as of June 30, 2013 were audited by other auditors whose report dated September 19, 2013 expressed an unmodified opinion on those statements.

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Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on pages 10-21 is presented for purposes of additional analysis and is 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 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.

AKT LLP

San Diego, California
September 18, 2014

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.
Statements of Financial Position
June 30, 2014 and 2013

ASSETS	2014	2013
Current Assets:		
Cash	\$ 12,883	\$ 73,941
Investments	811,502	1,352,507
Accounts receivable	59,577	34,552
Due from related parties	344,929	5,079
Other receivables	-	2,093
Prepaid expenses and other current assets	81	-
Total Current Assets	1,228,972	1,468,172
Property and Equipment, net of accumulated depreciation	155,581	175,160
Total Assets	\$ 1,384,553	\$ 1,643,332
 LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 80,029	\$ 37,681
Deferred revenue	97,217	13,931
Due to related parties	233,909	223,192
Deposits in excess of withdrawals for agency accounts	135,382	122,259
Total Current Liabilities	546,537	397,063
Net Assets - Unrestricted	838,016	1,246,269
Total Liabilities and Net Assets	\$ 1,384,553	\$ 1,643,332

See accompanying notes to financial statements.

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.**Statements of Activities**

Years Ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Unrestricted Revenue and Other Support:		
Fees	\$ 2,836,413	\$ 2,837,543
Miscellaneous	4,537	3,905
Interest	<u>4,873</u>	<u>8,199</u>
Total Unrestricted Revenue and Other Support	2,845,823	2,849,647
Expenses:		
Program services	2,893,422	2,070,674
General and administrative	<u>360,654</u>	<u>320,033</u>
Total Expenses	<u>3,254,076</u>	<u>2,390,707</u>
Change in Net Assets	(408,253)	458,940
Net Assets, beginning	<u>1,246,269</u>	<u>787,329</u>
Net Assets, ending	<u>\$ 838,016</u>	<u>\$ 1,246,269</u>

See accompanying notes to financial statements.

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.**Statements of Cash Flows**

Years Ended June 30, 2014 and 2013

	2014	2013
Cash Flows from Operating Activities:		
Change in net assets	\$ (408,253)	\$ 458,940
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	27,357	27,946
Changes in operating assets and liabilities:		
Accounts receivable	(22,932)	62,345
Due from related parties	(339,850)	(5,079)
Prepaid expenses and other assets	(81)	-
Accounts payable and accrued expenses	42,348	(3,766)
Deferred revenue	83,286	(94,781)
Due to related parties	10,717	194,239
Deposits in excess of withdrawals for agency accounts	13,123	21,698
Increase (decrease) in outstanding checks in excess of bank balance	-	(47,149)
Net Cash Provided (Used) by Operating Activities	(594,285)	614,393
Cash Flows from Investing Activities:		
Purchases of property and equipment	(7,778)	-
Net proceeds (purchases) from sale of investments	541,005	(540,452)
Net Cash Provided (Used) by Investing Activities	533,227	(540,452)
Net Increase (Decrease) in Cash	(61,058)	73,941
Cash, beginning	73,941	-
Cash, ending	\$ 12,883	\$ 73,941

See accompanying notes to financial statements.

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Notes to Financial Statements

Years Ended June 30, 2014 and 2013

Note 1 – Organization and Summary of Significant Accounting Policies

Nature of Activities

The Associated Students, California State University, Bakersfield, Inc. (Organization) was formed and operates as a non-profit auxiliary organization of California State University, Bakersfield (CSU Bakersfield or the University) located in Bakersfield, California. The Organization exists as an advocate for students and provides programs which encourage leadership development, educational interests, and cultural awareness both at the university and statewide. The Organization has been in operation since 1976 and became a viable fiscal entity with the introduction of mandatory student fees by an election in 1977. The Organization's primary source of revenue is student fees.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to the three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

- Unrestricted net assets represent expendable funds available for operations, which are not otherwise limited by donor restrictions.
- Temporarily restricted net assets consist of contributed funds subject to donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Organization may spend the funds.
- Permanently restricted net assets are subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity usually for the purpose of generating investment income to fund current operations.

The Organization had no temporarily restricted or permanently restricted net assets during the years ended June 30, 2014 and 2013.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Organization is a qualified nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. However, the Organization remains subject to taxes on any net income which is derived from a trade or business regularly carried on and unrelated to its exempt purpose.

The Organization follows accounting standards generally accepted in the United States of America related to the recognition of uncertain tax positions. The Organization recognizes accrued interest and penalties associated with uncertain tax positions as part of the statement of activities, when applicable. Management has determined that the Organization has no uncertain tax positions at June 30, 2014 and 2013 and therefore no amounts have been accrued.

The Organization files informational and income tax returns in the United States, California, and in local jurisdictions. With few exceptions, the Organization's federal income tax returns for the years prior to 2010 are closed. State and local jurisdictions have statutes of limitations that generally range from three to five years.

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Notes to Financial Statements

Years Ended June 30, 2014 and 2013

Note 1 – Organization and Summary of Significant Accounting Policies, continued

Accounts Receivable

The accounts receivable arise in the normal course of operations. It is the policy of management to review the outstanding accounts receivable at year end, as well as the bad debt write-offs experienced in the past, and establish an allowance for doubtful accounts for uncollectible amounts. A provision for doubtful accounts has not been established as management considers all accounts to be collectible based upon a favorable history over a substantial period of time. If amounts become uncollectible, they will be charged to operations when that determination is made.

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$5,000. Equipment and improvements are recorded at cost or at estimated fair value at date of gift if donated. Expenditures for maintenance and repairs are charged against operations. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets of 3 to 10 years.

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 Organization holds funds for on-campus clubs to fund club activities. These monies can be drawn upon at any time.

Student Fees

Each matriculated student of the University is required to pay \$119 and \$117 per quarter for student body fees for each of the years ended June 30, 2014 and 2013, respectively. These payments support the Organization's operations and are recognized as revenue when the students enroll.

Fair Value Measurements

The Organization defines fair value as the exchange price that would be received for an asset or paid for a liability in the principal or most advantageous market. The Organization applies fair value measurements to assets and liabilities that are required to be recorded at fair value under generally accepted accounting principles. Fair value measurement techniques maximize the use of observable inputs and minimize the use of unobservable inputs, and are categorized in a fair value hierarchy based on the transparency of inputs. The three levels are defined as follows:

Level 1 - Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the same term of the financial instrument.

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

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

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

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Notes to Financial Statements

Years Ended June 30, 2014 and 2013

Note 1 – Organization and Summary of Significant Accounting Policies, continued

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 Organization 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.

The carrying value of cash, receivables, and payables approximates fair value as of June 30, 2014 and 2013, due to the relative short maturities of these instruments.

Subsequent Events

The Organization has evaluated subsequent events through September 18, 2014, which is the date the financial statements were available to be issued.

Note 2 – Concentrations of Credit Risk

The Organization maintains its cash in bank deposit accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000 per depositor per financial institution. At June 30, 2014, the Organization's deposits with financial institutions were fully insured. In addition, the Organization has deposited cash pooled with the California State University, US Bank SWIFT account.

Note 3 – Investments and Fair Value Measurement

The Organization's investments are pooled and invested with the California State University, Bakersfield's US Bank SWIFT account to take advantage of an effective investment program. The Organization's share of pooled investments was \$811,502 and \$1,352,507 at June 30, 2014 and 2013, 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 1 for information regarding investment valuation.

All investments held by the Organization are considered to be Level 2 investments.

Note 4 – Property and Equipment

Property and equipment consist of the following:

	2014	2013
Equipment	\$ 57,807	\$ 56,162
Leasehold improvements	254,852	254,852
	<u>312,659</u>	<u>311,014</u>
Less accumulated depreciation	<u>(157,078)</u>	<u>(135,854)</u>
	<u>\$ 155,581</u>	<u>\$ 175,160</u>

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Notes to Financial Statements

Years Ended June 30, 2014 and 2013

Note 5 – Operating Leases

The Organization leases 1,220 square feet of office space at California State University, Bakersfield from California State University, Bakersfield Student Union, Inc. under non-cancellable agreements expiring through June 2019. Monthly lease payments range from \$2,013 to \$2,355 throughout the contract.

Minimum future lease payments as of June 30, 2014 are due as follows:

Years Ending June 30,	
2015	\$ 24,156
2016	25,181
2017	26,206
2018	27,230
2019	28,255
Thereafter	<u>-</u>
	<u>\$ 131,028</u>

Rental expense was \$23,783 and \$23,964 for the years ended June 30, 2014 and 2013, respectively.

Note 6 – Reclassification

Certain reclassifications have been made to the 2013 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

Note 7 – Related Party Transactions

The Organization's salaries are paid by the University and billed to the Organization. The University provides accounting services and leases office space to the Organization. See Note 5 regarding leases.

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

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

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.**Notes to Financial Statements**Years Ended June 30, 2014 and 2013

Note 7 – Related Party Transactions, continued

Related party transactions as of and for the years ended June 30, 2014 and 2013 are as follows:

	<u>2014</u>	<u>2013</u>
Expenses:		
Program fees		
University	\$ 2,770,364	\$ 1,923,520
Foundation	133,521	-
Student Union	29,671	-
	<u>\$ 2,933,556</u>	<u>\$ 1,923,520</u>
Due from:		
University	\$ 221,830	\$ 2,616
Foundation	123,099	2,460
Student Union	-	3
	<u>\$ 344,929</u>	<u>\$ 5,076</u>
Due to:		
University	\$ 162,289	\$ 222,612
Foundation	71,620	-
Student Union	-	580
	<u>\$ 233,909</u>	<u>\$ 223,192</u>

SUPPLEMENTAL INFORMATION

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.**Schedule of Expenses by Natural Classification**

Year Ended June 30, 2014

	Program Services	General and Administrative	Total
	<u> </u>	<u> </u>	<u> </u>
Scholarships	\$ 1,814,021	\$ 28,875	\$ 1,842,896
Travel	652,430	28,834	681,264
Supplies	348,051	70,278	418,329
Salaries	14,649	100,420	115,069
Services from other agencies	32,380	24,845	57,225
Benefits	2,280	48,003	50,283
Depreciation	20,460	6,897	27,357
Rent	-	23,783	23,783
Conference and meetings	2,051	9,102	11,153
Professional fees	6,323	3,177	9,500
Insurance	-	7,028	7,028
Dues and subscriptions	-	4,215	4,215
Telephone	405	2,360	2,765
Advertising	180	1,600	1,780
Printing and publications	192	837	1,029
Stipends	-	400	400
	<u> </u>	<u> </u>	<u> </u>
Total Expenses	<u>\$ 2,893,422</u>	<u>\$ 360,654</u>	<u>\$ 3,254,076</u>

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.**Schedule of Expenses by Natural Classification**

Year Ended June 30, 2013

	Program Services	General and Administrative	Total
	<u> </u>	<u> </u>	<u> </u>
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
	<u> </u>	<u> </u>	<u> </u>
Total Expenses	<u>\$ 2,070,674</u>	<u>\$ 320,033</u>	<u>\$ 2,390,707</u>

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Schedule of Activities by Fund

Year Ended June 30, 2014

	<u>ASI Administration</u>	<u>Athletic Referendum</u>	<u>Children's Center Referendum</u>	<u>NCAA Referendum</u>	<u>Club Referendum</u>	<u>AVC Referendum</u>	<u>Total</u>
Unrestricted Revenue and Other Support:							
Fees	\$ 343,493	\$ 339,484	\$ 121,232	\$ 1,892,298	\$ 91,351	\$ 48,555	\$ 2,836,413
Miscellaneous	241	(4,269)	-	-	-	8,565	4,537
Interest	2,363	641	87	1,344	283	155	4,873
Total Unrestricted Revenue and Other Support	346,097	335,856	121,319	1,893,642	91,634	57,275	2,845,823
Expenses:							
Program services	-	467,045	135,225	2,188,605	36,199	66,348	2,893,422
General and administrative	360,654	-	-	-	-	-	360,654
Total Expenses	360,654	467,045	135,225	2,188,605	36,199	66,348	3,254,076
Change in net assets	(14,557)	(131,189)	(13,906)	(294,963)	55,435	(9,073)	(408,253)
Net Assets, beginning	570,501	139,605	15,246	300,073	57,106	163,738	1,246,269
Net Assets, ending	\$ <u>555,944</u>	\$ <u>8,416</u>	\$ <u>1,340</u>	\$ <u>5,110</u>	\$ <u>112,541</u>	\$ <u>154,665</u>	\$ <u>838,016</u>

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Schedule of Activities by Fund

Year Ended June 30, 2013

	<u>ASI Administration</u>	<u>Athletic Referendum</u>	<u>Children's Center Referendum</u>	<u>NCAA Referendum</u>	<u>Club Referendum</u>	<u>AVC Referendum</u>	<u>Total</u>
Unrestricted Revenue and Other Support:							
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	<u>4,215</u>	<u>906</u>	<u>119</u>	<u>2,533</u>	<u>312</u>	<u>114</u>	<u>8,199</u>
Total Unrestricted Revenue and Other Support	345,990	336,645	120,334	1,924,507	73,186	48,985	2,849,647
Expenses:							
Program services	54,813	204,598	110,658	1,645,183	33,318	22,104	2,070,674
General and administrative	<u>289,583</u>	<u>1,230</u>	<u>1,878</u>	<u>7,272</u>	<u>811</u>	<u>19,259</u>	<u>320,033</u>
Total Expenses	<u>344,396</u>	<u>205,828</u>	<u>112,536</u>	<u>1,652,455</u>	<u>34,129</u>	<u>41,363</u>	<u>2,390,707</u>
Change in net assets	1,594	130,817	7,798	272,052	39,057	7,622	458,940
Net Assets, beginning	<u>568,907</u>	<u>8,788</u>	<u>7,448</u>	<u>28,021</u>	<u>18,049</u>	<u>156,116</u>	<u>787,329</u>
Net Assets, ending	<u>\$ 570,501</u>	<u>\$ 139,605</u>	<u>\$ 15,246</u>	<u>\$ 300,073</u>	<u>\$ 57,106</u>	<u>\$ 163,738</u>	<u>\$ 1,246,269</u>

See independent auditors' report.

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.**Schedule of Net Position**

June 30, 2014

(for inclusion in the California State University)

Assets:

Current assets:

Cash and cash equivalents	\$	12,883
Short-term investments		811,502
Accounts receivable, net		404,506
Leases receivable, current portion		—
Notes receivable, current portion		—
Pledges receivable, net		—
Prepaid expenses and other assets		81
Total current assets		<u>1,228,972</u>

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		155,581
Other assets		—
Total noncurrent assets		<u>155,581</u>

Total assets 1,384,553

Deferred outflows of resources:

Unamortized loss on refunding(s)		—
Total deferred outflows of resources		<u>—</u>

Liabilities:

Current liabilities:

Accounts payable		263,853
Accrued salaries and benefits payable		—
Accrued compensated absences— current portion		13,330
Unearned revenue		97,217
Capitalized lease obligations – current portion		—
Long-term debt obligations – current portion		—
Claims Liability for losses and LAE - current portion		—
Depository accounts		—
Other liabilities		172,137
Total current liabilities		<u>546,537</u>

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		—
Claims Liability for losses and LAE, net of current portion		—
Depository accounts		—
Other postemployment benefits obligation		—
Other liabilities		—
Total noncurrent liabilities		<u>—</u>

Total liabilities 546,537

Deferred inflows of resources:

Deferred inflows from SCAs, grants, and others		—
Total deferred inflows of resources		<u>—</u>

Net Position:

Net investment in capital assets		155,581
Unrestricted		682,435
Total net position	\$	<u>838,016</u>

See independent auditors' report.

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Schedule of Revenues, Expenses, and Changes in Net Position

Year Ended June 30, 2014

(for inclusion in the California State University)

Revenues:

Operating revenues:

Student tuition and fees (net of scholarship allowances of \$0)	\$	2,836,413
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 \$_____)		—
Other operating revenues		4,536
Total operating revenues		<u>2,840,949</u>

Expenses:

Operating expenses:

Instruction		—
Research		—
Public service		—
Academic support		—
Student services		1,383,822
Institutional support		—
Operation and maintenance of plant		—
Student grants and scholarships		1,842,896
Auxiliary enterprise expenses		—
Depreciation and amortization		27,357
Total operating expenses		<u>3,254,075</u>
Operating income (loss)		<u>(413,126)</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		4,873
Endowment income (loss), net		—
Interest Expenses		—
Other nonoperating revenues (expenses)		—
Net nonoperating revenues (expenses)		<u>4,873</u>

Income (loss) before other additions (408,253)

State appropriations, capital

Grants and gifts, capital

Additions (reductions) to permanent endowments

Increase (decrease) in net position (408,253)

Net position:

Net position at beginning of year, as previously reported		1,246,269
Restatements		—
Net position at beginning of year, as restated		<u>1,246,269</u>
Net position at end of year	\$	<u><u>838,016</u></u>

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.
Other Information
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1 Restricted cash and cash equivalents at June 30, 2014:

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, 2014:

	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)	811,502	-	811,502	-	-	-	811,502
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:	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Total investments	811,502	-	811,502	-	-	-	811,502
Less endowment investments (enter as negative number)	-	-	-	-	-	-	-
Total investments	811,502	-	811,502	-	-	-	811,502

2.2 Investments held by the University under contractual agreements at June 30, 2014:

Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2014 :	-	-	-	-	-	-	-
---	---	---	---	---	---	---	---

2.3 Restricted current investments at June 30, 2014 related to:

Add description	\$	---
Total restricted current investments at June 30, 2014	\$	---

2.4 Restricted noncurrent investments at June 30, 2014 related to:

Endowment investment	\$	---
Add description		---
Total restricted noncurrent investments at June 30, 2014	\$	---

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3.1 Composition of capital assets at June 30, 2014:

	Balance June 30, 2013	Prior period Adjustments	Reclassifications	Balance June 30, 2013 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2014
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	7,778	(6,134)	-	57,806
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	7,778	(6,134)	-	312,658
Total capital assets	311,014	-	-	311,014	7,778	(6,134)	-	312,658
Less accumulated depreciation/amortization:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	(83,353)	-	-	(83,353)	(25,485)	-	-	(108,838)
Personal property:								
Equipment	(52,501)	-	-	(52,501)	(1,872)	6,134	-	(48,239)
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	(135,854)	-	-	(135,854)	(27,357)	6,134	-	(157,077)
Total capital assets, net	\$ 175,160	-	-	175,160	(19,579)	-	-	155,581

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3.2 Detail of depreciation and amortization expense for the year ended June 30, 2014:

Depreciation and amortization expense related to capital assets	\$	27,357
Amortization expense related to other assets		—
Total depreciation and amortization	\$	<u>27,357</u>

4 Long-term liabilities activity schedule:

	Balance June 30, 2013	Prior period adjustments	Reclassifications	Balance June 30, 2013 (restated)	Additions	Reductions	Balance June 30, 2014	Current portion	Long-term portion
Accrued compensated absences	\$ 7,821	—	—	7,821	12,221	(6,712)	13,330	13,330	—
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:									
Add description	—	—	—	—	-	-	—	—	—
Total long-term debt obligations	—	—	—	—	-	-	—	—	—
Unamortized bond premium / (discount)	—	—	—	—	-	-	—	—	—
Total long-term debt obligations, net	—	—	—	—	—	—	—	—	—
Total long-term liabilities	\$ 7,821	—	—	7,821	12,221	(6,712)	13,330	13,330	—

5 Future minimum lease payments - capital lease obligations:

	Principal	Interest	Principal and Interest
Year ending June 30:			
2015	-	-	—
2016	-	-	—
2017	-	-	—
2018	-	-	—
2019	-	-	—
2020 - 2024	-	-	—
2025 - 2029	-	-	—
2030 - 2034	-	-	—
2035 - 2039	-	-	—
2040 - 2044	-	-	—
2045 - 2049	-	-	—
2050 - 2054	-	-	—
2055 - 2059	-	-	—
2060 - 2064	-	-	—
Total minimum lease payments			—
Less amounts representing interest			—
Present value of future minimum lease payments			—
Less: current portion			—
Capitalized lease obligation, net of current portion			\$ —

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6 Long-term debt obligation schedule

	Revenue Bonds			All other long-term debt obligations			Total		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
	Year ending June 30:								
2015	\$ -	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-
2020 - 2024	-	-	-	-	-	-	-	-	-
2025 - 2029	-	-	-	-	-	-	-	-	-
2030 - 2034	-	-	-	-	-	-	-	-	-
2035 - 2039	-	-	-	-	-	-	-	-	-
2040 - 2044	-	-	-	-	-	-	-	-	-
2045 - 2049	-	-	-	-	-	-	-	-	-
2050 - 2054	-	-	-	-	-	-	-	-	-
2055 - 2059	-	-	-	-	-	-	-	-	-
2060 - 2064	-	-	-	-	-	-	-	-	-
Total	\$ -	-	-	-	-	-	-	-	-

7 Calculation of net position

	Auxiliary Organizations		Total
	GASB	FASB	Auxiliaries
7.1 Calculation of net position - Net investment in capital assets			
Capital assets, net of accumulated depreciation	\$ —	155,581	155,581
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)			
Add description	—	—	—
Net position - net investment in capital asset	\$ —	155,581	155,581
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)			
Add description	—	—	—
Add description	—	—	—
Net position - Restricted for nonexpendable - endowments per SNP	\$ —	—	—

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8 Transactions with Related Entities

	<u>Amount</u>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 157,563
Payments to University for other than salaries of University personnel	2,612,801
Payments received from University for services, space, and programs	—
Gifts-in-kind to the University from discretely presented component units	—
Gifts (cash or assets) to the University from discretely presented component units	—
Accounts (payable to) University (enter as negative number)	—
Other amounts (payable to) University (enter as negative number)	(162,289)
Accounts receivable from University	221,830
Other amounts receivable from University	—

9 Other Postemployment Benefits Obligation (OPEB)

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

10 Pollution remediation liabilities under GASB Statement No. 49:

<u>Description</u>	<u>Amount</u>
Add description	\$ —
Add description	—
Total pollution remediation liabilities	\$ —
Less: current portion	—
Pollution remediation liabilities, net of current portion	—

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

	Net Position Class	Amount Dr. (Cr.)
Net position as of June 30, 2013, as previously reported		\$ 1,246,269
Prior period adjustments:		
1 (list description of each adjustment)		—
Net position as of June 30, 2013, as restated		\$ 1,246,269

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

	Debit	Credit
Net position class: _____		
1 (breakdown of adjusting journal entry)	\$ —	—
Net position class: _____		
2 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
3 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
4 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
5 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
6 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
7 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
8 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
9 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
10 (breakdown of adjusting journal entry)	—	—