

# California State University, Bakersfield Foundation

Financial Statements and Supplemental Information

Years Ended June 30, 2020 and 2019



# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Financial Statements and Supplemental Information

Years Ended June 30, 2020 and 2019

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## INDEPENDENT AUDITORS' REPORT

To the Audit Committee of  
California State University, Bakersfield Foundation

We have audited the accompanying financial statements of California State University, Bakersfield Foundation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses, 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.

### **Auditors' 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 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 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 California State University, Bakersfield Foundation as of June 30, 2020 and 2019, 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.

## INDEPENDENT AUDITORS' REPORT, CONTINUED

### **Emphasis of Matter**

As described in Note 1 to the financial statements, on March 11, 2020 the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events cannot be reasonably estimated at this time. Our opinion is unmodified with respect to that matter.

### **Report on Supplemental Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on pages 26 – 36 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.

*Alanich CPAs + Advisors LLP*

San Diego, California  
September 25, 2020

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION**

**Statements of Financial Position**

June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 8,121,592	\$ 3,907,424
Current portion of promises to give, net of allowance for doubtful promises	735,298	782,364
Accounts receivable, net of allowance for doubtful accounts of \$0 (2020) and \$15,775 (2019)	6,005	7,016
Due from related parties	<u>57,476</u>	<u>99,393</u>
Total Current Assets	8,920,371	4,796,197
Non-Current Assets:		
Investments	32,883,199	33,489,942
Promises to give, net of discount and current portion	459,709	787,900
Property and equipment, net of accumulated depreciation	757,099	798,058
Collections	91,670	91,670
Life insurance policies	<u>477,528</u>	<u>427,327</u>
Total Non-Current Assets	<u>34,669,205</u>	<u>35,594,897</u>
Total Assets	<u>\$ 43,589,576</u>	<u>\$ 40,391,094</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts payable	\$ 85,793	\$ 65,599
Accrued expenses	16,974	24,253
Due to related parties	101,671	240,811
Current portion of accrued post-employment benefits other than pensions	60,965	74,243
Revenue collected in advance	151,911	92,485
Deposits in excess of withdrawals for agency accounts	<u>29,399</u>	<u>45,500</u>
Total Current Liabilities	446,713	542,891
Non-Current Liabilities:		
Revenue collected in advance, net of current portion	1,187,500	72,615
Accrued post-employment benefits other than pensions, net of current portion	<u>771,898</u>	<u>1,019,725</u>
Total Non-Current Liabilities	<u>1,959,398</u>	<u>1,092,340</u>
Total Liabilities	2,406,111	1,635,231
Net Assets:		
Without Donor Restrictions:		
Operating	5,554,639	5,062,883
Board designated endowment	<u>3,458,354</u>	<u>3,586,892</u>
	9,012,993	8,649,775
With Donor Restrictions:		
Time restricted only	186,123	105,711
Purpose restricted	12,257,139	12,577,931
Perpetual in nature	<u>19,727,210</u>	<u>17,422,446</u>
	<u>32,170,472</u>	<u>30,106,088</u>
Total Net Assets	<u>41,183,465</u>	<u>38,755,863</u>
Total Liabilities and Net Assets	<u>\$ 43,589,576</u>	<u>\$ 40,391,094</u>

See accompanying notes to financial statements.

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION****Statements of Activities**

Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenue and Other Support:		
Contributions	\$ 4,809,740	\$ 4,265,031
Investment Income	399,703	756,954
Other	<u>1,769,881</u>	<u>1,766,719</u>
Total Revenue and Other Support	6,979,324	6,788,704
Expenses:		
Program services:		
Alumni engagement	28,702	41,560
Athletics	1,207,137	2,625,129
Scholarships and academic support	2,068,285	2,519,278
Endowments	317,181	306,056
Reserves	186,039	1,094,131
Supporting services:		
General and administrative	385,728	421,667
Fundraising	<u>555,827</u>	<u>646,916</u>
Total Operating Expenses	<u>4,748,899</u>	<u>7,654,737</u>
Change in Net Assets from Operations	2,230,425	(866,033)
Non-operating Revenues (Expenses):		
Change in post-employment benefits other than pensions	<u>197,177</u>	<u>(18,759)</u>
Change in Net Assets	2,427,602	(884,792)
Net Assets, beginning	<u>38,755,863</u>	<u>39,640,655</u>
Net Assets, ending	<u>\$ 41,183,465</u>	<u>\$ 38,755,863</u>

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION****Statement of Activities**

Year Ended June 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and Other Support:			
Contributions	\$ 226,816	\$ 4,582,924	\$ 4,809,740
Investment income (loss)	(80,913)	480,616	399,703
Other	1,048,816	721,065	1,769,881
Net assets released from restriction	<u>3,720,221</u>	<u>(3,720,221)</u>	<u>-</u>
Total Revenue and Other Support	4,914,940	2,064,384	6,979,324
Expenses:			
Program services:			
Alumni engagement	28,702	-	28,702
Athletics	1,207,137	-	1,207,137
Scholarships and academic support	2,068,285	-	2,068,285
Endowments	317,181	-	317,181
Reserves	186,039	-	186,039
Supporting services:			
General and administrative	385,728	-	385,728
Fundraising	<u>555,827</u>	<u>-</u>	<u>555,827</u>
Total Operating Expenses	<u>4,748,899</u>	<u>-</u>	<u>4,748,899</u>
Change in Net Assets from Operations	166,041	2,064,384	2,230,425
Non-operating Revenues:			
Change in post-employment benefits other than pensions	<u>197,177</u>	<u>-</u>	<u>197,177</u>
Change in Net Assets	363,218	2,064,384	2,427,602
Net Assets, beginning	<u>8,649,775</u>	<u>30,106,088</u>	<u>38,755,863</u>
Net Assets, ending	<u>\$ 9,012,993</u>	<u>\$ 32,170,472</u>	<u>\$ 41,183,465</u>

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION****Statement of Activities**

Year Ended June 30, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and Other Support:			
Contributions	\$ 146,942	\$ 4,118,089	\$ 4,265,031
Investment income	15,319	741,635	756,954
Other	1,142,091	624,628	1,766,719
Net assets released from restriction	<u>5,570,046</u>	<u>(5,570,046)</u>	<u>-</u>
Total Revenue and Other Support	6,874,398	(85,694)	6,788,704
Expenses:			
Program services:			
Alumni engagement	41,560	-	41,560
Athletics	2,625,129	-	2,625,129
Scholarships and academic support	2,519,278	-	2,519,278
Endowments	306,056	-	306,056
Reserves	1,094,131	-	1,094,131
Supporting services:			
General and administrative	421,667	-	421,667
Fundraising	<u>646,916</u>	<u>-</u>	<u>646,916</u>
Total Operating Expenses	<u>7,654,737</u>	<u>-</u>	<u>7,654,737</u>
Change in Net Assets from Operations	(780,339)	(85,694)	(866,033)
Non-operating Expenses:			
Change in post-employment benefits other than pensions	<u>(18,759)</u>	<u>-</u>	<u>(18,759)</u>
Change in Net Assets	(799,098)	(85,694)	(884,792)
Net Assets, beginning	<u>9,448,873</u>	<u>30,191,782</u>	<u>39,640,655</u>
Net Assets, ending	<u>\$ 8,649,775</u>	<u>\$ 30,106,088</u>	<u>\$ 38,755,863</u>

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION**

**Statement of Functional Expenses**

Year Ended June 30, 2020

	Program Services					Supporting Services				Total
	Alumni Engagement	Athletics	Scholarships and Academic Support	Endowments	Reserves	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	
Scholarships	\$ -	\$ 113,508	\$ 937,449	\$ -	\$ -	\$ 1,050,957	\$ 500	\$ -	\$ 500	\$ 1,051,457
Transfers to CSU Bakersfield	-	78,471	485,712	-	30,102	594,285	-	-	-	594,285
Salaries and wages	-	248,372	170,167	-	-	418,539	-	-	-	418,539
Foundation administration fees	-	-	-	317,181	87,073	404,254	-	-	-	404,254
Employee benefits	-	113,130	5,871	-	-	119,001	189,207	7,021	196,228	315,229
Office expense	11,403	50,109	82,330	-	16,148	159,990	49,014	104,662	153,676	313,666
Supplies	6,227	33,998	184,800	-	3,026	228,051	50,719	32,066	82,785	310,836
Travel	1,562	235,295	19,913	-	3,795	260,565	3,684	27,436	31,120	291,685
Events	-	-	3,616	-	-	3,616	-	204,869	204,869	208,485
In-kind expenses	460	148,208	5,870	-	-	154,538	15,600	-	15,600	170,138
Dues and subscriptions	-	2,968	94,614	-	-	97,582	14,532	22,865	37,397	134,979
Miscellaneous	5,359	73,939	32,586	-	5,240	117,124	3,579	12,521	16,100	133,224
Information technology	-	7,771	427	-	40	8,238	4,764	94,906	99,670	107,908
Other professional fees	-	26,957	17,363	-	-	44,320	25,195	22,344	47,539	91,859
Advertising and promotion	58	45,212	7,993	-	108	53,371	6,026	7,286	13,312	66,683
Accounting	-	-	-	-	-	-	54,050	-	54,050	54,050
Depreciation	-	3,050	-	-	37,909	40,959	-	-	-	40,959
Conference, conventions, and meetings	-	1,700	2,223	-	-	3,923	1,775	17,366	19,141	23,064
Minor equipment	-	11,312	7,023	-	1,608	19,943	64	-	64	20,007
Insurance	1,878	-	2,023	-	990	4,891	12,260	470	12,730	17,621
Occupancy	1,755	-	8,305	-	-	10,060	5,552	1,610	7,162	17,222
Payroll taxes	-	13,137	-	-	-	13,137	239	405	644	13,781
Lobbying	-	-	-	-	-	-	10,000	-	10,000	10,000
Legal	-	-	-	-	-	-	1,918	-	1,918	1,918
Bad debt recoveries	-	-	-	-	-	-	(62,950)	-	(62,950)	(62,950)
<b>Total operating expenses</b>	<b>28,702</b>	<b>1,207,137</b>	<b>2,068,285</b>	<b>317,181</b>	<b>186,039</b>	<b>3,807,344</b>	<b>385,728</b>	<b>555,827</b>	<b>941,555</b>	<b>4,748,899</b>
Change in post-employment benefits other than pensions	-	-	-	-	-	-	(197,177)	-	(197,177)	(197,177)
<b>Total expenses</b>	<b>\$ 28,702</b>	<b>\$ 1,207,137</b>	<b>\$ 2,068,285</b>	<b>\$ 317,181</b>	<b>\$ 186,039</b>	<b>\$ 3,807,344</b>	<b>\$ 188,551</b>	<b>\$ 555,827</b>	<b>\$ 744,378</b>	<b>\$ 4,551,722</b>

See accompanying notes to financial statements.

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION**

**Statement of Functional Expenses**

Year Ended June 30, 2019

	Program Services					Supporting Services				Total
	Alumni Engagement	Athletics	Scholarships and Academic Support	Endowments	Reserves	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	
Transfers to CSU Bakersfield	\$ -	\$ 1,029,357	\$ 585,553	\$ -	\$ 915,227	\$ 2,530,137	\$ -	\$ -	\$ -	\$ 2,530,137
Scholarships	-	259,146	1,175,916	-	-	1,435,062	-	-	-	1,435,062
Office expenses	22,416	135,732	77,349	-	11,289	246,786	42,590	139,900	182,490	429,276
Salaries and wages	-	319,661	115,672	-	-	435,333	-	2,344	2,344	437,677
Foundation administration fees	-	-	-	306,056	86,789	392,845	-	-	-	392,845
Supplies	4,157	67,950	188,204	-	8,582	268,893	54,795	38,418	93,213	362,106
Travel	1,219	230,417	37,700	-	11,023	280,359	17	30,685	30,702	311,061
In-kind expenses	-	197,094	6,240	-	9,986	213,320	74,892	-	74,892	288,212
Events	-	-	76,886	-	-	76,886	21,686	226,352	248,038	324,924
Employee benefits	-	117,698	10,102	-	-	127,800	93,390	-	93,390	221,190
Miscellaneous	1,151	88,757	62,352	-	3,548	155,808	3,098	11,040	14,138	169,946
Other professional fees	-	66,804	42,290	-	-	109,094	15,365	9,509	24,874	133,968
Dues and subscriptions	2,100	3,218	107,424	-	2,000	114,742	7,321	19,199	26,520	141,262
Advertising and promotion	4,140	65,263	1,596	-	-	70,999	8,941	49,043	57,984	128,983
Information technology	-	1,259	1,798	-	-	3,057	2,601	83,364	85,965	89,022
Conference, conventions, and meetings	-	12,915	8,348	-	567	21,830	3,886	18,464	22,350	44,180
Bad debt	-	-	-	-	-	-	42,596	-	42,596	42,596
Depreciation	-	3,520	-	-	37,909	41,429	-	-	-	41,429
Accounting	-	-	-	-	-	-	34,450	-	34,450	34,450
Occupancy	4,605	300	12,305	-	-	17,210	5,122	1,507	6,629	23,839
Payroll taxes	-	18,102	1,255	-	-	19,357	490	-	490	19,847
Insurance	1,772	3,357	1,652	-	43	6,824	10,427	1,169	11,596	18,420
Minor equipment	-	4,579	6,636	-	7,168	18,383	-	-	-	18,383
Professional fundraising	-	-	-	-	-	-	-	15,922	15,922	15,922
<b>Total operating expenses</b>	<b>41,560</b>	<b>2,625,129</b>	<b>2,519,278</b>	<b>306,056</b>	<b>1,094,131</b>	<b>6,586,154</b>	<b>421,667</b>	<b>646,916</b>	<b>1,068,583</b>	<b>7,654,737</b>
Change in post-employment benefits other than pensions	-	-	-	-	-	-	18,759	-	18,759	18,759
<b>Total expenses</b>	<b>\$ 41,560</b>	<b>\$ 2,625,129</b>	<b>\$ 2,519,278</b>	<b>\$ 306,056</b>	<b>\$ 1,094,131</b>	<b>\$ 6,586,154</b>	<b>\$ 440,426</b>	<b>\$ 646,916</b>	<b>\$ 1,087,342</b>	<b>\$ 7,673,496</b>

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION****Statements of Cash Flows**

Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 2,427,602	\$ (884,792)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	40,959	41,429
Donation of investments	(37,888)	(10,620)
Gains on investments	(418,160)	(2,007,842)
Endowment contributions	2,304,764	248,514
Changes in operating assets and liabilities:		
Receivables	418,185	85,926
Other current assets	-	733
Life insurance policies	(50,201)	100,895
Accounts payable and accrued expenses	12,915	(34,376)
Other liabilities	757,965	(139,251)
Net Cash Provided (Used) by Operating Activities	5,456,141	(2,599,384)
Cash Flows from Investing Activities:		
Purchases of investments	(4,374,286)	(6,486,818)
Proceeds from sale of investments	5,437,077	9,583,153
Net Cash Provided by Investing Activities	1,062,791	3,096,335
Cash Flows from Financing Activities:		
Endowment contributions	(2,304,764)	(248,514)
Net Increase in Cash and Cash Equivalents	4,214,168	248,437
Cash and Cash Equivalents, beginning	3,907,424	3,658,987
Cash and Cash Equivalents, ending	\$ <u>8,121,592</u>	\$ <u>3,907,424</u>

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Notes to Financial Statements

Years Ended June 30, 2020 and 2019

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### Note 1 – Organization and Summary of Significant Accounting Policies

#### Nature of Activities

The California State University, Bakersfield Foundation (Foundation), was incorporated in the State of California on February 5, 1969. The Foundation was formed and operates as a non-profit auxiliary organization of California State University, Bakersfield (CSU Bakersfield or the University), which is located in Bakersfield, California. The Foundation supports the University by advocating for the University to government and to the community, fundraising for University programs and activities, managing the finances of the Foundation and the University endowment, and advising the administrations of California State University and the University.

#### New Accounting Pronouncements

In June 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)*. This standard update clarifies and improves the scope and the accounting guidance for contributions received and contributions made under U.S. generally accepted accounting principles (US GAAP). Effective July 1, 2019, the Foundation adopted ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)*.

Management has analyzed the provisions of the FASB's ASC Topic 958, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, and has concluded that no changes are necessary to conform with the new standard.

In March 2017, the FASB issued ASU 2017-07, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost (Topic 715)*. This standard update was issued primarily to improve the presentation of net periodic pension cost and net periodic postretirement benefit cost. The amendments in this update require that an employer report the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. The other components of net benefit cost are required to be presented in the statement of activities separately from the service cost component and outside a subtotal of change in net assets from operating activities, if one is presented.

Management has analyzed the provisions of the FASB's Topic 715, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*, and has adjusted the presentation for the years ended June 30, 2020 and 2019 to present service cost related to the postretirement plan as a portion of the benefits expense and all other components as change in post-employment benefits other than pensions as shown in the statements of activities and statements of functional expenses.

The Foundation has used the practical expedient provided by ASU 2017-07 of using amounts disclosed in the Post-Employment Benefits Other Than Pensions note in the June 30, 2019 financial statements as the estimation basis for applying the retrospective requirements of the ASU.

#### Financial Statement Presentation

The financial statements of the Foundation have been prepared in accordance with US GAAP, which require the Foundation to report information regarding their financial position and activities according to the following net asset classifications:

- 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 Foundation. These net assets may be used at the discretion of the Foundation's management and the board of directors.
- 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 Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Notes to Financial Statements

Years Ended June 30, 2020 and 2019

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

#### 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 Foundation 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 Foundation 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 Foundation follows accounting standards generally accepted in the United States of America related to the recognition of uncertain tax positions. The Foundation recognizes accrued interest and penalties associated with uncertain tax positions as part of the statements of activities, when applicable. Management has determined that the Foundation has no uncertain tax positions at June 30, 2020 and 2019 and therefore no amounts have been accrued.

#### Cash and Cash Equivalents

The Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

#### Promises to Give

Promises that are expected to be collected within one year are recorded at their net realizable value. Promises that are expected to be collected in future years are discounted to their estimated net present value. After promises are originally recorded, an allowance for uncollectible promises may be established based on specific circumstances.

#### Accounts Receivable

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. No allowance was considered necessary as of June 30, 2020 as management believes all amounts are collectible.

#### Investments

The Foundation carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. The fair value is determined using quoted market prices. Alternative investments, for which quoted market prices are not readily available, are valued at fair value by the investment manager based on factors deemed relevant by the manager including, but not limited to, market conditions, purchase price, estimated liquidation value, restrictions on transfer and meaningful third party transactions in the private market. Because of the inherent uncertainty of valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material. Unrealized gains and losses are included in the change in net assets in the statements of activities.

#### Property and Equipment

The Foundation 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 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 asset of three to 30 years.

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Notes to Financial Statements

Years Ended June 30, 2020 and 2019

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

#### Collections

The Foundation capitalizes its collections at cost if purchased and at appraised or fair value at the date of accession if donated. There were no acquisitions for the years ended June 30, 2020 and 2019. Capitalized collections are not depreciated.

#### Life Insurance Policies

The Foundation receives life insurance policies as gifts. These policies are irrevocable and the Foundation is the sole beneficiary. These policies are valued at their fair market value as of year-end.

#### Revenue Recognition

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. 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. Investment income that is limited to specific uses by donor restrictions is reported as increases in net assets without donor restrictions if the restrictions are met in the same reporting period as the income is recognized.

#### Gifts In-kind

Contributions of tangible assets are recognized at fair market value when received. In-kind contributions are recognized as net assets without donor restrictions, unless donor stipulation requires them to be recognized as net assets with donor restrictions.

#### Advertising

The Foundation follows the policy of charging the costs of advertising to expenses as incurred.

#### Functional Allocation of Expenses

The Foundation's accounting system is established to record expenses by fund, department and natural expense. Expense function is determined by either fund alone or by a combination of fund and department. One fund is used to accumulate expenses considered to be either general and administrative or fundraising in nature. Within that fund, the department determines whether the expense is general and administrative or fundraising in nature. The remaining funds accumulate expenses considered to be programmatic in nature. Certain costs initially captured within the program funds, such as investment brokerage fees and professional fundraising fees, are presented as general and administrative and fundraising costs instead of program costs.

#### Fair Value Measurements

The Foundation 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 Foundation 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.

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Notes to Financial Statements

Years Ended June 30, 2020 and 2019

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

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.

As a practical expedient, certain financial instruments may be valued using net asset value (NAV) per share. NAV is the amount of net assets attributable to each share of outstanding capital stock at the end of the period.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2020 and 2019.

Mutual funds, bonds and equity securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Hedge funds: Valued at the partner's reported capital account balance, which approximates fair value.

Real assets: Valued at market value by the fund manager.

#### Future Accounting Standards

The FASB has issued two substantial ASUs which will become effective in future years.

The amendments in ASU 2014-09 *Revenue from Contracts with Customers* and subsequent updates require that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Adoption of the new standard is to be applied on a full retrospective basis or modified retrospective basis. The Foundation is in the process of assessing how this new ASU and subsequent updates will affect the Foundation's reporting of revenues, effective July 1, 2020. This assessment includes determining the effect of the new standard on the Foundation's financial statements, accounting systems, business processes, and internal controls. Based on its assessment to date, the Foundation does not currently expect adoption to have a material effect on their revenues. Adoption of ASU 2014-09 will also require enhanced financial statement disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

In February 2016, the FASB issued ASU No. 2016-02 *Leases*. The primary change in US GAAP addressed by ASU 2016-02 is the requirement for a lessee to recognize on the statement of financial position a liability to make lease payments ("lease liability") and a right-of-use asset representing its right to use the underlying asset for the lease term. ASU 2016-02 also requires qualitative and quantitative disclosures to enable users of the financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. ASU 2016-02 is effective for fiscal years beginning after December 15, 2021. Lessees must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, although there are optional practical expedients that entities may elect to apply. The Foundation is evaluating the effect that the provisions of ASU 2016-02 will have on its financial statements and related disclosures.

#### Subsequent Events

The Foundation has evaluated subsequent events through September 25, 2020, which is the date the financial statements were available to be issued.

In the second and third quarter of calendar year 2020, the Foundation saw a decline in the number of engagement, stewardship, cultivation, and fundraising events and in-person meetings as a result of safety restrictions implemented due to COVID-19. Continued safety measures prevent in-person activities for the foreseeable future, which will likely have an impact on fundraising and engagement efforts. In addition, due to the economic uncertainty surrounding the industries in which many of the Foundation's donors are employed, fundraising activity will likely be impacted.

## CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

### Notes to Financial Statements

Years Ended June 30, 2020 and 2019

#### Note 2 – Liquidity and Availability

The following reflects the Foundation's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual obligations within one year of the statement of financial position date.

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 8,121,592	\$ 3,907,424
Promises to give, net	1,195,007	1,570,264
Accounts receivable, net	6,005	7,016
Due from related parties	57,476	99,393
Investments	32,883,199	33,489,942
Anticipated distributions from endowments	<u>960,318</u>	<u>908,230</u>
Total financial assets	43,223,597	39,982,269
Less amounts not available to be used within one year:		
Restricted by donor with purpose or time restrictions	(32,084,339)	(30,068,805)
Board designations: quasi-endowment fund, primarily for long-term investing	<u>(3,458,354)</u>	<u>(3,586,892)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u><u>7,680,904</u></u>	\$ <u><u>6,326,572</u></u>

The Foundation is substantially supported by donor-restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Foundation invests cash in excess of daily requirements in Certificates of Deposit. The Foundation had a quasi-endowment of \$3,458,354 and \$3,586,892 at June 30, 2020 and 2019. Although the Foundation does not intend to spend from its quasi-endowment other than amounts appropriated for general expenditure as part of its annual appropriation process, amounts from its quasi-endowment could be made available if necessary. There are reserve funds established by the governing board that may be drawn upon in the event of financial distress or a liquidity need resulting from events outside the typical life cycle of converting financial assets to cash or settling financial liabilities.

#### Note 3 – Concentrations of Credit Risk

The Foundation 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. The balances at times may exceed FDIC limits. The Foundation manages this risk by using high-quality financial institutions.

The Foundation invests in various types of money market funds, certificates of deposit, corporate bonds, and mutual funds. The Foundation has established guidelines relative to diversification and maturities that target certain safety and liquidity risk levels. These guidelines are periodically reviewed and modified.

The Foundation also invests in various investment securities. Investment securities in general are subject to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that the changes in the value of investment securities will occur in the near term and that such change could materially affect the amounts reported in the financial statements.

Three donors comprised 56% and four donors comprised 79% of promises to give at June 30, 2020 and 2019, respectively. Two donors comprised 58% and 32% of contributions for the years ended June 30, 2020 and 2019, respectively.

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Notes to Financial Statements

Years Ended June 30, 2020 and 2019

### Note 4 – Investments and Fair Value Measurement

Investments consist of the following as of June 30, 2020:

	Level 1	Level 2	Level 3	NAV	Total
Common stock	\$ 47,729	\$ -	\$ -	\$ -	\$ 47,729
Certificates of deposit	-	824,416	-	-	824,416
Corporate bonds	-	296,918	-	-	296,918
Government securities	-	503,433	-	-	503,433
Mutual funds:					
Large cap	1,608,326	-	-	-	1,608,326
Domestic	5,495,372	-	-	-	5,495,372
International	1,901,883	-	-	-	1,901,883
Nontraditional	3,128,565	-	-	-	3,128,565
Emerging markets	585,480	-	-	-	585,480
Strategic investment group equity	-	-	-	7,922,256	7,922,256
Strategic investment group bonds	-	-	-	3,146,505	3,146,505
Alternative investments:					
Hedge funds	-	-	-	6,916,108	6,916,108
Real assets	-	-	-	506,208	506,208
	<u>\$ 12,767,355</u>	<u>\$ 1,624,767</u>	<u>\$ -</u>	<u>\$ 18,491,077</u>	<u>\$ 32,883,199</u>

Investments consist of the following as of June 30, 2019:

	Level 1	Level 2	Level 3	NAV	Total
Common stock	\$ 39,286	\$ -	\$ -	\$ -	\$ 39,286
Certificates of deposit	-	1,408,964	-	-	1,408,964
Mutual funds:					
Large cap	1,670,603	-	-	-	1,670,603
Domestic	5,969,551	-	-	-	5,969,551
International	2,848,890	-	-	-	2,848,890
Nontraditional	2,122,091	-	-	-	2,122,091
Emerging markets	610,417	-	-	-	610,417
Strategic investment group equity	-	-	-	7,945,283	7,945,283
Strategic investment group bonds	-	-	-	3,256,567	3,256,567
Alternative investments:					
Hedge funds	-	-	-	7,156,124	7,156,124
Real assets	-	-	-	462,166	462,166
	<u>\$ 13,260,838</u>	<u>\$ 1,408,964</u>	<u>\$ -</u>	<u>\$ 18,820,140</u>	<u>\$ 33,489,942</u>

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Notes to Financial Statements

Years Ended June 30, 2020 and 2019

### Note 4 – Investments and Fair Value Measurement, continued

Commitments and redemptions schedule for those investments valued based on net asset values are as follows:

	<u>Fair value at June 30, 2020</u>	<u>Unfunded commitment</u>	<u>Redemption frequency</u>	<u>Redemption notice period</u>
Ironwood Inst MS Hedge Fund [a]	\$ 1,431,100	none	semi-annually	120 days
Skybridge Multi-advisor Hedge Fund [b]	891,619	none	quarterly	60 days
Hamilton Lane PMOF I [c]	915,777	639,640	none	none
Strategic Funds Alpha Portfolio [d]	3,677,612	none	monthly	1 month
Real Assets [d]	506,208	none	monthly	1 month
Strategic Funds Equity [d]	7,922,256	none	monthly	1 month & 1 business day
Strategic Funds Bonds [d]	3,146,505	none	monthly	1 month & 1 business day

[a] Ironwood Inst MS Hedge Fund are fund of hedge funds which are relative value and event driven, equity market neutral, distressed securities and credit opportunities.

[b] Skybridge Multi-advisor Hedge Funds are fund of hedge funds which are relative value and event driven.

[c] Hamilton Lane PMOF I is a diversified private equity fund of funds. Liquidity occurs as underlying private equity investments are sold.

[d] Strategic Funds Portfolio are fund of funds which are relative value and event driven, focused on equities, hedge funds, fixed income, and real assets.

	<u>Fair value at June 30, 2019</u>	<u>Unfunded commitment</u>	<u>Redemption frequency</u>	<u>Redemption notice period</u>
Ironwood Inst MS Hedge Fund [a]	\$ 1,386,221	none	semi-annually	120 days
Skybridge Multi-advisor Hedge Fund [b]	1,126,630	none	quarterly	60 days
Hamilton Lane PMOF I [c]	721,457	818,074	none	none
Strategic Funds Alpha Portfolio [d]	3,921,816	none	monthly	1 month
Real Assets [d]	462,166	none	monthly	1 month
Strategic Funds Equity [d]	7,945,283	none	monthly	1 month & 1 business day
Strategic Funds Bonds [d]	3,256,567	none	monthly	1 month & 1 business day

[a] Ironwood Inst MS Hedge Fund are fund of hedge funds which are relative value and event driven, equity market neutral, distressed securities and credit opportunities.

[b] Skybridge Multi-advisor Hedge Funds are fund of hedge funds which are relative value and event driven.

[c] Hamilton Lane PMOF I is a diversified private equity fund of funds. Liquidity occurs as underlying private equity investments are sold.

[d] Strategic Funds Portfolio are fund of funds which are relative value and event driven, focused on equities, hedge funds, fixed income, and real assets.

## CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

### Notes to Financial Statements

Years Ended June 30, 2020 and 2019

#### Note 5 – Promises to Give

Promises to give consist of the following:

	<u>2020</u>	<u>2019</u>
Due in less than one year	\$ 850,083	\$ 1,171,813
Due in one to five years	340,734	731,089
Due in more than five years	<u>236,000</u>	<u>150,000</u>
Gross promises to give	1,426,817	2,052,902
Less:		
Allowance for doubtful promises to give	(114,785)	(389,449)
Discount on promises to give (average imputed rate of 3%)	<u>(117,025)</u>	<u>(93,189)</u>
Promises to give, net	<u>\$ 1,195,007</u>	<u>\$ 1,570,264</u>

Promises to give consist of the following on the statements of financial position:

	<u>2020</u>	<u>2019</u>
Current	\$ 735,298	\$ 782,364
Non-current	<u>459,709</u>	<u>787,900</u>
	<u>\$ 1,195,007</u>	<u>\$ 1,570,264</u>

#### Note 6 – Property and Equipment

Property and equipment consist of the following:

	<u>2020</u>	<u>2019</u>
Equipment	\$ 1,571,775	\$ 1,598,724
Buildings and improvements	1,588,494	1,588,494
Leasehold improvements	<u>72,963</u>	<u>72,963</u>
	3,233,232	3,260,181
Less accumulated depreciation	<u>(2,479,272)</u>	<u>(2,465,262)</u>
	753,960	794,919
Land	<u>3,139</u>	<u>3,139</u>
	<u>\$ 757,099</u>	<u>\$ 798,058</u>

#### Note 7 – Defined Benefit Pension Plan

In previous years, the Foundation contributed to the Public Employees' Retirement System of the State of California (CalPERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public agencies in California. During the years ended June 30, 2020 and 2019, the benefit obligation contribution was made by CSU Bakersfield.

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Notes to Financial Statements

Years Ended June 30, 2020 and 2019

### Note 8 – Post-Employment Benefits Other Than Pensions

The Foundation provides postretirement health care benefits through CalPERS to full-time employees who have retired from the Foundation on or after attaining age 50 with at least 5 years of service. Continued participation in the existing health and dental plans is offered. Once the individual is eligible for Medicare, coverage may be continued in the CalPERS health plan by enrolling in a supplement to Medicare or a Managed Medicare Plan. The following information is based on an actuarial study performed as of June 30, 2020:

Net periodic postretirement benefit cost included the following components for the years ended June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Service cost	\$ -	\$ -
Interest cost	42,274	44,272
Amortization net gain	<u>(132,141)</u>	<u>(129,421)</u>
Net periodic postretirement benefit cost	<u>\$ (89,867)</u>	<u>\$ (85,149)</u>

The net periodic postretirement benefit cost was determined using the following weighted average assumptions:

	<u>2020</u>	<u>2019</u>
Discount rate	4.00%	4.00%
Expected long-term rate of return	N/A	N/A
Health care cost trend rate:		
Present rate before 65	5.25%	5.75%
Present rate 65 and older	5.25%	5.75%
Ultimate rate before age 65 (year reached)	5.00%	5.00%
Ultimate rate age 65 and older (year reached)	5.00%	5.00%

Accumulated postretirement and projected benefit obligation:

	<u>2020</u>	<u>2019</u>
Retirees	<u>\$ 832,863</u>	<u>\$ 1,093,968</u>

Funded status:

	<u>2020</u>	<u>2019</u>
Beginning accrued postretirement benefit obligation	\$ 1,093,968	\$ 1,144,427
Actuarial gain (loss)	(105,441)	106,574
Retiree contributions:		
Net periodic postretirement cost	(89,867)	(85,149)
Estimated benefit payments	<u>(65,797)</u>	<u>(71,884)</u>
Ending accrued postretirement benefit obligation	<u>\$ 832,863</u>	<u>\$ 1,093,968</u>

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Notes to Financial Statements

Years Ended June 30, 2020 and 2019

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### Note 8 – Post-Employment Benefits Other Than Pensions, continued

The projected accrued postretirement benefit obligation was determined using the following weighted average assumptions:

	<u>2020</u>	<u>2019</u>
Discount rate	4.00%	4.00%
Health care cost trend rate:		
Present rate before 65	5.00%	5.25%
Present rate 65 and older	5.00%	5.25%
Ultimate rate before age 65 (year reached)	5.00%	5.00%
Ultimate rate age 65 and older (year reached)	5.00%	5.00%

The expected net periodic post-retirement benefit cost for fiscal year 2020:

Service cost	\$	-
Interest cost		32,095
Amortization of unrecognized net gain		<u>(160,812)</u>
Net periodic postretirement benefit costs	\$	<u><u>(128,717)</u></u>

The expected contribution for the next 10 years:

2021	60,965
2022	60,353
2023	60,049
2024	59,982
2025	54,317
2025-2029	260,332

An actuarial study is completed annually. The schedule presented above is based on the study completed on August 20, 2020 as of and for the year then ended June 30, 2020.

## CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

### Notes to Financial Statements

Years Ended June 30, 2020 and 2019

#### Note 9 – Restricted Net Assets

Net assets with donor restrictions consist of the following:

	<u>2020</u>	<u>2019</u>
Purpose restrictions:		
Academic programs	\$ 6,487,534	\$ 5,561,739
Scholarships	4,056,057	5,061,746
Athletic programs	<u>704,664</u>	<u>489,893</u>
	11,248,255	11,113,378
Time restricted:		
Athletic programs	524,962	877,280
Scholarships	428,223	419,969
Academic programs	55,699	167,304
General use	<u>186,123</u>	<u>105,711</u>
	1,195,007	1,570,264
Endowments:		
Subject to appropriation and expenditure when a specified event occurs		
Scholarships	9,955,598	9,833,075
Academic programs	<u>9,771,612</u>	<u>7,589,371</u>
	<u>19,727,210</u>	<u>17,422,446</u>
	<u>\$ 32,170,472</u>	<u>\$ 30,106,088</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows:

	<u>2020</u>	<u>2019</u>
Satisfaction of purpose restrictions:		
Athletic programs	\$ 1,384,351	\$ 2,822,144
Academic programs	1,150,546	1,417,309
Scholarships	<u>1,045,654</u>	<u>1,305,892</u>
	3,580,551	5,545,345
Satisfaction of time restrictions:		
General use	<u>139,670</u>	<u>24,701</u>
	<u>\$ 3,720,221</u>	<u>\$ 5,570,046</u>

#### Note 10 – Endowments

The Foundation has adopted the guidance on net classification of donor restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and also requires disclosures about endowment funds, both donor-restricted endowment funds and institution-designated endowment funds.

The Foundation's endowments consist of funds established for a variety of purposes. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

## CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

### Notes to Financial Statements

Years Ended June 30, 2020 and 2019

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#### Note 10 – Endowments, continued

The Foundation has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not retained in perpetuity is subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund
- 2) The purposes of the Foundation and the donor-restricted endowment fund
- 3) General economic conditions
- 4) The possible effect of inflation and deflation
- 5) The expected total return from income and the appreciation of investments
- 6) Other resources of the Foundation
- 7) The investment policies of the Foundation

*Spending policy:* The Foundation's spending policy allocates total earnings from the portfolio between current spending and reinvestment for future earnings and has been designed with three objectives in mind: (a) provide current programs with a predictable, stable stream of revenues; (b) ensure that the purchasing power of real value of this revenue stream does not decline over time; and (c) ensure that the purchasing power or real value of the Endowment assets does not decline over time. The cost of current operating programs will likely increase over time at least as fast as inflation. If the endowment is to cover a reasonably constant portion of current operating expenses, endowment spending must increase at least as fast as inflation. The Foundation's policy is designed to preserve both the purchasing power of their endowments and of their endowment withdrawals. Such a policy also ensures that the competing needs of current and future generations of students and faculty are in financial equilibrium. Lastly, the Foundation has adopted an annual spending rate of up to 5.25%, inclusive of the Foundation's 1.25% investment management fee. The spending rate is computed based on the historical three year rolling-average of the Endowment's fiscal year-end market value, one year before the fiscal year in which the spend is available commencing July 1.

*Investment policy:* The objective is to promote growth in the investment funds sufficient to offset normal inflation plus reasonable spending, thereby preserving the constant-dollar value and purchasing power of the funds for future generations, and to preserve the principal of operating cash and reserves while producing market-level income. The total annualized rate of return objective for the full portfolio shall be, net of all investment asset expenses, 5.25% greater than the rate of inflation, as measured by the Consumer Price Index.

At times, the fair value of assets associated with these endowment funds may fall below the level that the donors require the Foundation to retain as funds of perpetual duration. These deficiencies result from unfavorable market fluctuations. In accordance with generally accepting accounting principles deficits of this nature are reported as net assets without donor restrictions.

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION**

**Notes to Financial Statements**

Years Ended June 30, 2020 and 2019

**Note 10 – Endowments, continued**

As of June 30, 2020, the endowment net assets composition by type of fund consisted of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	\$ 3,458,354	\$ -	\$ 3,458,354
Donor designated funds:			
Original donor-restricted gift amount required to be maintained in perpetuity by donor	-	19,727,210	19,727,210
Accumulated investment gains	-	3,758,491	3,758,491
	<u>\$ 3,458,354</u>	<u>\$ 23,485,701</u>	<u>\$ 26,944,055</u>

As of June 30, 2019, the endowment net assets composition by type of fund consisted of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	\$ 3,586,892	\$ -	\$ 3,586,892
Donor designated funds:			
Original donor-restricted gift amount required to be maintained in perpetuity by donor	-	17,422,446	17,422,446
Accumulated investment gains	-	4,464,736	4,464,736
	<u>\$ 3,586,892</u>	<u>\$ 21,887,182</u>	<u>\$ 25,474,074</u>

The changes in endowment net assets for the year ended June 30, 2020, consisted of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 3,586,892	\$ 21,887,182	\$ 25,474,074
Contributions	-	2,304,764	2,304,764
Appropriated expenditures	(204,128)	(1,089,353)	(1,293,481)
Investment return, net	75,590	383,108	458,698
Endowment net assets, end of year	<u>\$ 3,458,354</u>	<u>\$ 23,485,701</u>	<u>\$ 26,944,055</u>

The changes in endowment net assets for the year ended June 30, 2019, consisted of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 3,666,603	\$ 22,063,149	\$ 25,729,752
Contributions	20,866	248,514	269,380
Transfer to endowment (Note 11)	-	79,921	79,921
Appropriated expenditures	(199,854)	(1,141,266)	(1,341,120)
Investment return, net	99,277	636,864	736,141
Endowment net assets, end of year	<u>\$ 3,586,892</u>	<u>\$ 21,887,182</u>	<u>\$ 25,474,074</u>

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Notes to Financial Statements

Years Ended June 30, 2020 and 2019

### Note 10 – Endowments, continued

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. Deficiencies of this nature exist in nine donor-restricted endowment funds, which together have an original gift value of \$2,877,692, a current fair value of \$2,723,299, and a deficiency of \$154,393 as of June 30, 2020. Deficiencies of this nature exist in four donor-restricted endowment funds, which together have an original gift value of \$216,451, a current fair value of \$176,271, and a deficiency of \$40,180 as of June 30, 2019. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new contributions for donor-restricted endowment funds.

The Foundation has interpreted UPMIFA to permit spending from underwater donor-restricted endowment funds in accordance with prudent measures required under law. The governing board appropriated for expenditure \$67,259 and \$1,000 from underwater endowment funds during the years ended June 30, 2020 and 2019, respectively.

### Note 11 – Donor Transfers

During the year ended June 30, 2019 donors changed their gifts from those that were temporary in nature to those that were perpetual in nature. As a result, \$79,921 was transferred to the endowment during the year ended June 30, 2019, where funds will be maintained in perpetuity. There were no such transfers for the year ended June 30, 2020.

### Note 12 – Transactions with Related Parties

The Foundation functions to benefit the University by operating various campus programs. The Foundation purchases various services such as printing, utilities, telephone, mail service, etc. from the University.

California State University, Bakersfield Auxiliary for Sponsored Programs Administration (Sponsored Programs Administration) functions to benefit the student body of the University by administering grants on behalf of the campus.

Associated Students, California State University, Bakersfield, Inc. (Associated Students) functions to benefit the student body of the University by operating various campus programs. The Foundation pays the Associated Students for these services as provided by the student body.

California State University, Bakersfield Student-centered Enterprises, Inc. (Student-centered Enterprises) functions to benefit the student body of the University by operating various campus programs. Student-centered Enterprises provides facilities for the Foundation to conduct its operations. The Foundation pays Student-centered Enterprises for the use of these facilities as provided by the student body. Student-centered Enterprises also provides program services for student services for the Children's Center. The Foundation pays Student-centered Enterprises for these services as provided by the student body.

Transactions for the years ended June 30, 2020 and 2019 with related parties are reflected in the accompanying financial statements as follows:

	2020	2019
Revenue:		
University:		
Student services	\$ 554,545	\$ 580,752
Program fees	25,512	13,459
Sponsored Programs Administration	4,812	5,223
Associated Students	1,354	1,324
Student-centered Enterprises	3,220	4,874
	<u>\$ 589,443</u>	<u>\$ 605,632</u>

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION****Notes to Financial Statements**

Years Ended June 30, 2020 and 2019

**Note 12 – Transactions with Related Parties, continued**

	<u>2020</u>	<u>2019</u>
Expenses:		
University:		
Scholarships	\$ 1,040,183	\$ 1,275,074
Administrative services	900,787	3,248,773
Interest	-	26,984
Sponsored Programs Administration	346,036	48
Associated Students	20,495	206,252
Student-centered Enterprises	10,827	51,284
	<u>\$ 2,318,328</u>	<u>\$ 4,808,415</u>
Due from:		
University	\$ 56,268	\$ 99,069
Associated Students	1,208	-
Student-centered Enterprises	-	324
	<u>\$ 57,476</u>	<u>\$ 99,393</u>
Due to:		
University	\$ 97,705	\$ 54,132
Associated Students	-	155,009
Student-centered Enterprises	3,966	31,670
	<u>\$ 101,671</u>	<u>\$ 240,811</u>

**Note 13 – Risks and Uncertainties**

The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect account balance and the amounts reported on the statements of net activities.

**Note 14 – Conditional Contributions**

Conditional contributions consisted of the following at June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Energy and Engineering Innovation Center	\$ 5,037,500	\$ 3,050,000
Grimm Family Center for Agricultural Business	3,000,000	-
Icardo Plaza Center	400,000	400,000
Other academic programs	198,615	165,100
	<u>\$ 8,636,115</u>	<u>\$ 3,615,100</u>

## **CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION**

### **Notes to Financial Statements**

Years Ended June 30, 2020 and 2019

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#### **Note 14 – Conditional Contributions, continued**

Conditional contributions received for the construction of the Energy and Engineering Innovation Center are conditional on approval of the University's construction plans by the Chancellor's Office. Conditional contributions received for the Grimm Family Center for Agricultural Business are conditional on meeting specific performance criteria that support the operations of the Grimm Family Center for Agricultural Business. Conditional contributions received for the Icardo Plaza Center are conditional on initial improvements to the Icardo Plaza Center being substantially completed. Conditional contributions received for other academic programs are conditional on the substantial completion of various program objectives.

A conditional contribution does not meet the standard for revenue recognition. As such, collectively, the \$8,636,115 and \$3,611,500 conditional portions of contributions have not been recognized in the statements of activities for the years ended June 30, 2020 and 2019, respectively.

#### **Note 15 – Reclassifications**

Certain items in the 2019 financial statements have been reclassified to conform to current year classifications, specifically the natural and functional classifications in the statements of functional expenses and activities. In addition, certain items have been reclassified as revenue collected in advance in the statements of activities. Such reclassifications had no effect on previously reported changes in net assets.

**SUPPLEMENTAL INFORMATION**

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION****Schedule of Net Position**

June 30, 2020

(for inclusion in the California State University)

**Assets:****Current assets:**

Cash and cash equivalents	8,121,592
Short-term investments	-
Accounts receivable, net	63,481
Capital lease receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	735,298
Prepaid expenses and other current assets	-
<b>Total current assets</b>	<b>8,920,371</b>

**Noncurrent assets:**

Restricted cash and cash equivalents	-
Accounts receivable, net	-
Capital lease receivable, net of current portion	-
Notes receivable, net of current portion	-
Student loans receivable, net	-
Pledges receivable, net	459,709
Endowment investments	25,266,863
Other long-term investments	7,616,336
Capital assets, net	848,769
Other assets	477,528
<b>Total noncurrent assets</b>	<b>34,669,205</b>
<b>Total assets</b>	<b>43,589,576</b>

**Deferred outflows of resources:**

Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Others	-
<b>Total deferred outflows of resources</b>	<b>-</b>

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION****Schedule of Net Position**

June 30, 2020

(for inclusion in the California State University)

**Liabilities:****Current liabilities:**

Accounts payable	85,793
Accrued salaries and benefits	-
Accrued compensated absences, current portion	-
Unearned revenues	181,310
Capital lease obligations, current portion	-
Long-term debt obligations, current portion	-
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	-
Other liabilities	179,610

**Total current liabilities**446,713**Noncurrent liabilities:**

Accrued compensated absences, net of current portion	-
Unearned revenues	1,187,500
Grants refundable	-
Capital lease obligations, net of current portion	-
Long-term debt obligations, net of current portion	-
Claims liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	771,898
Net pension liability	-
Other liabilities	-

**Total noncurrent liabilities**1,959,398**Total liabilities**2,406,111**Deferred inflows of resources:**

Service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Others	-

**Total deferred inflows of resources**-**Net position:**

Net investment in capital assets	848,769
Restricted for:	
Nonexpendable – endowments	19,727,210
Expendable:	
Scholarships and fellowships	4,484,280
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	7,958,982
Unrestricted	8,164,224
<b>Total net position</b>	<u><u>41,183,465</u></u>

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION****Schedules of Revenues, Expenses, and Changes in Net Position**

June 30, 2020

(for inclusion in the California State University)

**Revenues:****Operating revenues:**

Student tuition and fees, gross -

Scholarship allowances (enter as negative) -

**Grants and contracts, noncapital:**

Federal -

State -

Local -

Nongovernmental -

Sales and services of educational activities -

Sales and services of auxiliary enterprises, gross -

Scholarship allowances (enter as negative) -

Other operating revenues 1,769,881

**Total operating revenues** 1,769,881**Expenses:****Operating expenses:**

Instruction 30,363

Research -

Public service -

Academic support -

Student services 2,207,755

Institutional support 1,374,011

Operation and maintenance of plant 44,354

Student grants and scholarships 1,051,457

Auxiliary enterprise expenses -

Depreciation and amortization 40,959

**Total operating expenses** 4,748,899**Operating income (loss)** (2,979,018)**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 2,504,976

Investment income (loss), net (80,913)

Endowment income (loss), net 480,616

Interest expense -

Other nonoperating revenues (expenses) - excl. interagency transfers 197,177

**Net nonoperating revenues (expenses)** 3,101,856**Income (loss) before other revenues (expenses)** 122,838

State appropriations, capital -

Grants and gifts, capital -

Additions (reductions) to permanent endowments 2,304,764

**Increase (decrease) in net position** 2,427,602**Net position:**

Net position at beginning of year, as previously reported 38,755,863

Restatements -

**Net position at beginning of year, as restated** 38,755,863**Net position at end of year** 41,183,465

See independent auditors' report.



# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Other Information

June 30, 2020

(for inclusion in the California State University)

### 2.2 Fair value hierarchy in investments:

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds	\$ -	-	-	-	-
Repurchase agreements	-	-	-	-	-
Certificates of deposit	824,416	-	824,416	-	-
U.S. agency securities	232,163	-	232,163	-	-
U.S. treasury securities	271,270	-	271,270	-	-
Municipal bonds	-	-	-	-	-
Corporate bonds	3,443,423	-	296,918	-	3,146,505
Asset backed securities	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-
Commercial paper	-	-	-	-	-
Mutual funds	12,719,626	12,719,626	-	-	-
Exchange traded funds	-	-	-	-	-
Equity securities	7,969,985	47,729	-	-	7,922,256
Alternative investments:					
Private equity (including limited partnerships)	-	-	-	-	-
Hedge funds	6,916,108	-	-	-	6,916,108
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investment	506,208	-	-	-	506,208
Other external investment pools	-	-	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
Other investments:					
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Total Other investments	\$ -	-	-	-	-
<b>Total investments</b>	<b>32,883,199</b>	<b>12,767,355</b>	<b>1,624,767</b>	<b>-</b>	<b>18,491,077</b>

### 2.3 Investments held by the University under contractual agreements:

	Current	Noncurrent	Total
Investments held by the University under contractual agreements			
e.g - CSU Consolidated Investment Pool (formerly SWIFT):	-	-	\$ -

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Other Information

June 30, 2020

(for inclusion in the California State University)

### 3.1 Composition of capital assets:

	Balance June 30, 2019	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2019 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2020
<b>Non-depreciable/Non-amortizable capital assets:</b>									
Land and land improvements	\$ 3,139	-	-	-	\$ 3,139	-	-	-	\$ 3,139
Works of art and historical treasures	205,263	-	-	-	205,263	-	-	-	205,263
Construction work in progress (CWIP)	-	-	-	-	-	-	-	-	-
Intangible assets:									
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Intangible assets in progress (PWIP)	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:									
Other intangible assets	15,500	-	-	-	15,500	-	-	-	15,500
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets	15,500	-	-	-	15,500	-	-	-	15,500
<b>Total intangible assets</b>	<b>15,500</b>	-	-	-	<b>15,500</b>	-	-	-	<b>15,500</b>
<b>Total non-depreciable/non-amortizable capital assets</b>	<b>\$ 223,902</b>	-	-	-	<b>\$ 223,902</b>	-	-	-	<b>\$ 223,902</b>
<b>Depreciable/Amortizable capital assets:</b>									
Buildings and building improvements	1,356,171	-	-	-	1,356,171	-	-	-	1,356,171
Improvements, other than buildings	72,963	-	-	-	72,963	-	-	-	72,963
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	232,323	-	-	-	232,323	-	-	-	232,323
Personal property:									
Equipment	1,598,724	-	-	-	1,598,724	-	(26,949)	-	1,571,775
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:									
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	<b>-</b>	-	-	-	<b>-</b>	-	-	-	<b>-</b>
<b>Total depreciable/amortizable capital assets</b>	<b>3,260,181</b>	-	-	-	<b>3,260,181</b>	-	<b>(26,949)</b>	-	<b>3,233,232</b>
<b>Total capital assets</b>	<b>\$ 3,484,083</b>	-	-	-	<b>\$ 3,484,083</b>	-	<b>(26,949)</b>	-	<b>\$ 3,457,134</b>



# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Other Information

June 30, 2020

(for inclusion in the California State University)

### 4 Long-term liabilities:

	Balance June 30, 2019	Prior Period Adjustments/Reclass ifications	Balance June 30, 2019 (Restated)	Additions	Reductions	Balance June 30, 2020	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ -	-	-	-	-	\$ -	-	\$ -
2. Claims liability for losses and loss adjustment	-	-	-	-	-	-	-	-
<b>3. Capital lease obligations:</b>								
Gross balance	-	-	-	-	-	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-
<b>Total capital lease obligations</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4. Long-term debt obligations:</b>								
4.1 Auxiliary revenue bonds (non-SRB related)	\$ -	-	-	-	-	-	-	-
4.2 Commercial paper	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	-	-	-	-	-	-	-	-
4.4 Others:	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total others	-	-	-	-	-	-	-	-
<b>Sub-total long-term debt</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
4.5 Unamortized net bond premium/(discount)	-	-	-	-	-	-	-	-
<b>Total long-term debt obligations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total long-term liabilities</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>

### 5 Capital lease obligations schedule:

	Capital lease obligations related to SRB			All other capital lease obligations			Total capital lease obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
<b>Year ending June 30:</b>									
2021	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-
2026 - 2030	-	-	-	-	-	-	-	-	-
2031 - 2035	-	-	-	-	-	-	-	-	-
2036 - 2040	-	-	-	-	-	-	-	-	-
2041 - 2045	-	-	-	-	-	-	-	-	-
2046 - 2050	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
<b>Total minimum lease payments</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less: amounts representing interest									-
<b>Present value of future minimum lease payments</b>									-
Unamortized net premium/(discount)									-
<b>Total capital lease obligations</b>									-
Less: current portion									-
<b>Capital lease obligations, net of current portion</b>									<b>\$ -</b>

See independent auditors' report.

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Other Information

June 30, 2020

(for inclusion in the California State University)

### 6 Long-term debt obligations schedule:

	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
<b>Year ending June 30:</b>									
2021	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-
2026 - 2030	-	-	-	-	-	-	-	-	-
2031 - 2035	-	-	-	-	-	-	-	-	-
2036 - 2040	-	-	-	-	-	-	-	-	-
2041 - 2045	-	-	-	-	-	-	-	-	-
2046 - 2050	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
<b>Total minimum payments</b>	\$ -	-	-	-	-	-	-	-	-
Less: amounts representing interest									-
<b>Present value of future minimum payments</b>									-
Unamortized net premium/(discount)									-
<b>Total long-term debt obligations</b>									-
Less: current portion									-
<b>Long-term debt obligations, net of current portion</b>									-

### 7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	370,701
Payments to University for other than salaries of University personnel	1,570,269
Payments received from University for services, space, and programs	580,057
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)	(97,705)
Other amounts (payable to) University (enter as negative number)	
Accounts receivable from University (enter as positive number)	56,268
Other amounts receivable from University (enter as positive number)	



# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD FOUNDATION

## Other Information

June 30, 2020

(for inclusion in the California State University)

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### 10 Deferred outflows/inflows of resources:

#### 1. Deferred Outflows of Resources

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

#### 2. Deferred Inflows of Resources

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