

California State University, Bakersfield Student-centered Enterprises, Inc.

Financial Statements and Supplemental Information

Years Ended June 30, 2020 and 2019



CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.
Financial Statements with Supplemental Information
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INDEPENDENT AUDITORS' REPORT

To the Audit Committee of
California State University, Bakersfield Student-centered Enterprises, Inc.

We have audited the accompanying financial statements of California State University, Bakersfield Student-centered Enterprises, Inc. (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 Student-centered Enterprises, Inc. 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, which is the responsibility of management, included on pages 15-28 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information, except for the portion marked "unaudited," was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That 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, that information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Aldrich CPAs + Advisors LLP

San Diego, California
September 23, 2020

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.**Statements of Financial Position**

June 30, 2020 and 2019

ASSETS	<u>2020</u>	<u>2019</u>
Current Assets:		
Cash	\$ 2,840,364	\$ 1,669,523
Accounts receivable, net of allowance for doubtful accounts of \$164 (2020 and 2019)	47,441	106,828
Due from related parties	<u>1,137,321</u>	<u>43,421</u>
Total Current Assets	4,025,126	1,819,772
Property and Equipment, net of accumulated depreciation	<u>1,369,503</u>	<u>1,533,942</u>
Total Assets	<u>\$ 5,394,629</u>	<u>\$ 3,353,714</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 447,117	\$ 247,826
Due to related parties	<u>2,281,323</u>	<u>242,226</u>
Total Current Liabilities	2,728,440	490,052
Net Assets - Without Donor Restrictions	<u>2,666,189</u>	<u>2,863,662</u>
Total Liabilities and Net Assets	<u>\$ 5,394,629</u>	<u>\$ 3,353,714</u>

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.**Statements of Activities**

Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenue and Support Without Donor Restrictions:		
Student fees	\$ 3,854,589	\$ 2,789,334
In-kind revenue	1,454,370	1,395,270
Housing administration fee	940,341	-
Grants	379,359	-
Facility rental	368,109	269,328
Parent fees	311,103	-
Other operating revenues	90,601	141,618
Membership fees	47,066	71,280
	<u>7,445,538</u>	<u>4,666,830</u>
Total Revenue and Support Without Donor Restrictions	7,445,538	4,666,830
Expenses:		
Program services:		
Student Union	515,541	606,344
Student Recreation Center	3,193,861	3,079,078
Housing and Residential Life	1,152,247	-
Children's Center	746,469	-
Supporting services - General and administrative	2,018,124	913,768
	<u>7,626,242</u>	<u>4,599,190</u>
Total Expenses	7,626,242	4,599,190
Change in Operations Before Transfer	(180,704)	67,640
Transfer of Net Deficit, Children's Center (Note 10)	(16,769)	-
	<u>(197,473)</u>	<u>67,640</u>
Change in Net Assets	(197,473)	67,640
Net Assets - Without Donor Restrictions, beginning	<u>2,863,662</u>	<u>2,796,022</u>
Net Assets - Without Donor Restrictions, ending	<u>\$ 2,666,189</u>	<u>\$ 2,863,662</u>

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Statement of Functional Expenses

Year Ended June 30, 2020

	Program Services					General and Administrative	Total
	Student Union	Student Recreation Center	Housing and Residential Life	Children's Center	Total		
Salaries and wages	\$ 158,423	\$ 1,057,705	\$ 388,475	\$ 452,244	\$ 2,056,847	\$ 999,362	\$ 3,056,209
Occupancy	268,320	1,378,231	249,325	59,624	1,955,500	88,235	2,043,735
Employee benefits	14,801	173,360	118,111	174,544	480,816	549,649	1,030,465
Supplies	42,187	236,126	195,467	53,131	526,911	37,720	564,631
Depreciation	-	253,166	-	1,931	255,097	6,840	261,937
Repairs and maintenance	24,797	19,091	174,377	3,738	222,003	-	222,003
Miscellaneous	-	2,212	134	-	2,346	123,540	125,886
Insurance	-	-	-	-	-	120,273	120,273
Accounting	-	-	-	-	-	39,450	39,450
Information technology	487	16,842	4,622	-	21,951	31,022	52,973
Minor equipment	-	30,268	14,632	-	44,900	-	44,900
Advertising and Promotion	525	13,609	2,610	-	16,744	-	16,744
Travel	4,880	9,879	-	1,077	15,836	-	15,836
Professional fees	-	-	-	-	-	12,664	12,664
Office expense	1,121	1,977	3,774	180	7,052	-	7,052
Dues and subscriptions	-	-	-	-	-	6,211	6,211
Conference, conventions, and meetings	-	1,395	720	-	2,115	3,158	5,273
Total expenses	\$ 515,541	\$ 3,193,861	\$ 1,152,247	\$ 746,469	\$ 5,608,118	\$ 2,018,124	\$ 7,626,242

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Statement of Functional Expenses

Year Ended June 30, 2019

	Program Services				
	Student Recreation Center			General and Administrative	
	Student Union	Center	Total	Administrative	Total
Occupancy	\$ 297,539	\$ 1,336,702	\$ 1,634,241	\$ 45,198	\$ 1,679,439
Salaries and wages	163,106	1,030,885	1,193,991	427,877	1,621,868
Employee benefits	26,186	155,919	182,105	235,333	417,438
Supplies	70,263	222,959	293,222	33,747	326,969
Depreciation	-	195,355	195,355	15,867	211,222
Miscellaneous	-	-	-	64,755	64,755
Repairs and maintenance	35,704	28,126	63,830	-	63,830
Minor equipment	670	36,830	37,500	-	37,500
Insurance	-	-	-	37,054	37,054
Travel	5,999	18,076	24,075	11,699	35,774
Information technology	1,751	30,720	32,471	1,088	33,559
Accounting	-	-	-	24,500	24,500
Advertising and Promotion	1,200	12,978	14,178	-	14,178
Conference, conventions, and meetings	-	5,273	5,273	4,007	9,280
Dues and subscriptions	1,613	1,743	3,356	5,443	8,799
Professional fees	-	-	-	7,200	7,200
Office expense	2,313	3,512	5,825	-	5,825
	<u>2,313</u>	<u>3,512</u>	<u>5,825</u>	<u>-</u>	<u>5,825</u>
Total expenses	\$ <u>606,344</u>	\$ <u>3,079,078</u>	\$ <u>3,685,422</u>	\$ <u>913,768</u>	\$ <u>4,599,190</u>

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.**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	\$ (197,473)	\$ 67,640
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	261,937	211,222
Transfer of Children's Center	16,769	-
Changes in operating assets and liabilities:		
Accounts receivable, net	69,758	(47,539)
Due from related parties	(1,093,900)	(23,202)
Accounts payable and accrued expenses	178,262	62,807
Due to related parties	2,039,097	(166,199)
Due to other funds	(17,529)	-
	<u>1,256,921</u>	<u>104,729</u>
Net Cash Provided by Operating Activities	1,256,921	104,729
Cash Flows Used by Investing Activities:		
Purchases of property and equipment	<u>(86,080)</u>	<u>(921,584)</u>
	1,170,841	(816,855)
Net Increase (Decrease) in Cash	1,170,841	(816,855)
Cash, beginning	<u>1,669,523</u>	<u>2,486,378</u>
Cash, ending	<u>\$ 2,840,364</u>	<u>\$ 1,669,523</u>
Transfer of Children's Center program on July 1, 2019 (Note 10):		
Accounts receivable	\$ 10,371	\$ -
Property and equipment, net of accumulated depreciation	11,418	-
Due to other funds	(17,529)	-
Accounts payable	(18,000)	-
Accrued expenses	(3,029)	-
	<u>(16,769)</u>	<u>-</u>
Net Transfer	<u>\$ (16,769)</u>	<u>\$ -</u>

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Notes to Financial Statements

Years Ended June 30, 2020 and 2019

Note 1 – Organization and Summary of Significant Accounting Policies

Nature of Activities

California State University, Bakersfield Student-centered Enterprises, Inc. (Organization) was incorporated in the State of California on March 9, 1994, and opened its facility in May 1994. In May 2009, the Organization opened its Student Recreation Center. The Organization was formed and operates as a non-profit auxiliary organization of California State University, Bakersfield (CSU Bakersfield or the University). The Organization operates a student union facility (Student Union) to enhance the quality of the student experience through the development of and exposure to, campus programs, activities, and organizations in a student-centered environment. The Organization also operates a student recreation center (Student Recreation Center) to allow students to achieve physical and mental well-being through a variety of programs and services.

Effective July 1, 2019, both the children's center and student housing and residential life operations were transferred to the Organization (see Note 10). The California State University, Bakersfield Student-centered Enterprises, Inc. Children's Center (Children's Center) provides on-campus daycare services to students attending California State University, Bakersfield as well as the community and staff and faculty of the University. Student housing and residential life operations was designed to create a holistic, student centered housing experience, in which students have access to faculty, engaging and social activities, and are able to access support easily and often.

The Organization's primary sources of revenue are student fees and housing administration fees.

In February 2020, the entity changed its name from California State University, Bakersfield Student Union to California State University, Bakersfield Student-centered Enterprises, Inc.

New Accounting Pronouncement

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 Organization 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.

Financial Statement Presentation

The financial statements of the Organization have been prepared in accordance with US GAAP, which require the Organization 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 Organization. These net assets may be used at the discretion of the Organization'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 Organization 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. The Organization did not have any donor restrictions that were temporary or perpetual in nature for the years ended June 30, 2020 and 2019.

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.

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Notes to Financial Statements

Years Ended June 30, 2020 and 2019

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

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 US GAAP related to the recognition of uncertain tax positions. The Organization recognizes accrued interest and penalties associated with uncertain tax positions as part of the statements of activities, when applicable. Management has determined that the Organization has no uncertain tax positions at June 30, 2020 and 2019 and therefore no amounts have been accrued.

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.

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.

Student Fees

Each matriculated student of the University was required to pay \$346 and \$301 per semester for student fees for the years ended June 30, 2020 and 2019, respectively. These payments support the Organization's operations and are recognized as revenue when transferred to the Organization.

Housing Administration Fee

The Organization receives an administration fee from the University for management of student housing and residential life operations. These payments support the Organization's operations and are recognized as revenue when transferred to the Organization.

Advertising

The Organization follows the policy of charging the costs of advertising to expense as incurred.

Functional Expense Allocations

The Organization's accounting system is established to record expenses by fund, department and natural expense. Expense function is determined by fund alone or a combination of fund and department. Each fund has expenses that are programmatic and general and administrative in nature and certain costs initially captured within the funds, such as director and support staff salaries and benefits, accounting costs, general insurance and bank fees, are presented as general and administrative instead of program costs.

Future Accounting Standards

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.

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Notes to Financial Statements

Years Ended June 30, 2020 and 2019

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

Future Accounting Standards, continued

Adoption of the new standard is to be applied on a full retrospective basis or modified retrospective basis. The Organization is in the process of assessing how this new ASU and subsequent updates will affect the Organization's reporting of revenues, effective July 1, 2020. This assessment includes determining the effect of the new standard on the Organization's financial statements, accounting systems, business processes, and internal controls. Based on its assessment to date, the Organization does not currently expect adoption to have a material effect on its 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. The Organization is evaluating the effect that the provisions of ASU 2016-02 will have on its financial statements and related disclosures.

Subsequent Events

The Organization has evaluated subsequent events through September 23, 2020, which is the date the financial statements were available to be issued.

COVID-19 caused a dramatic adjustment in the way the Organization delivered services to students. The Student Recreation Center was forced to transition from physical and face-to-face rendering of programming to a virtual delivery of programming for students. Student Housing was forced to close before the end of the semester. This resulted in a mass exodus of students from the resident halls accompanied with a prorated refund of fees. The Children's Center was forced to close to curve the spread of the virus. Lastly, the Student Union remained open as an essential service. However, the only staff members onsite were the Assistant Vice President for Student Affairs and the Lead Custodian.

Note 2 – Liquidity and Availability

The following reflects the Organization'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	\$ 2,840,364	\$ 1,669,523
Accounts receivable, net	47,441	106,828
Due from related parties	<u>1,137,321</u>	<u>43,421</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,025,126</u>	<u>\$ 1,819,772</u>

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Notes to Financial Statements

Years Ended June 30, 2020 and 2019

Note 2 – Liquidity and Availability, continued

The Organization is substantially supported by student fees collected by the University and are subsequently transferred to the Organization. These fees carry no donor restrictions, and therefore, all financial assets are available for general expenditure within one year. Fees collected by the University that have not been transferred to the Organization by year end are designated for non-operational purposes including, but not limited to, debt service, capital improvements, facilities expansion and new construction. These remainder funds are invested in the campus SWIFT short-term investment account. The Organization has no other liquid assets available from which to draw.

Note 3 – Concentration of Credit Risk

The Organization maintains its cash in bank deposit accounts that are insured by Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000 per depositor per financial institution. The balances at times may exceed FDIC limits. The Organization manages this risk by using high-quality financial institutions.

Note 4 – Property and Equipment

Property and equipment consist of the following:

	<u>2020</u>	<u>2019</u>
Equipment	\$ 1,753,744	\$ 1,667,662
Leasehold improvements	<u>1,022,241</u>	<u>1,010,825</u>
	2,775,985	2,678,487
Less accumulated depreciation	<u>(1,406,482)</u>	<u>(1,144,545)</u>
	<u>\$ 1,369,503</u>	<u>\$ 1,533,942</u>

Note 5 – Student Fees

In November 1992, CSU Bakersfield issued bonds to finance the construction, repair and maintenance of the Student Union building. As specified in the bond resolution, the bonds are secured by the future revenue streams generated by the Organization, therefore student fees are remitted to service the bonds. Section 5.02(d) of the Bond Resolution provides authorization for surplus fees (as defined) to be remitted to the Organization for purpose of operating the Organization. In accordance with the Bond Resolution, the Organization received student union fees in the amounts of \$3,691,445 and \$2,789,334 for the years ended June 30, 2020 and 2019, respectively. Additionally, Children's Center related student fees in the amount of \$163,144 were remitted to the Organization for the year ended June 30, 2020. The Children's Center was an operation of California State University, Bakersfield, Auxiliary for Sponsored Programs Administration (Sponsored Programs Administration) for the year ended June 30, 2019.

Note 6 – Housing Administration Fee

In August 2014, CSU Bakersfield issued bonds to finance the construction, repair and maintenance of additional student housing. As part of the current arrangement between the University and the Organization, revenue is generated from fees collected for the use of the residence facilities, which is used to service the bonds. Available balances are transferred to the Organization for use in current operating expenses and maintenance and improvements to facilities. The Organization received an administration fee in the amount of \$940,341 for the year ended June 30, 2020. Student housing and residential life was an operation of the University for the year ended June 30, 2019.

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Notes to Financial Statements

Years Ended June 30, 2020 and 2019

Note 7 – Operating Leases

The Organization leases office spaces to various organizations under non-cancelable agreements expiring at various dates through June 2024. Those leases require monthly payments of \$1,250 to \$2,647 or quarterly payments ranging from \$20,757 to \$22,021. The Organization also leases office spaces to various organizations on a year-to-year basis.

Minimum future lease payments to be received as of June 30, 2020 are due as follows:

Year Ending June 30,	
2021	\$ 114,676
2022	115,554
2023	44,014
2024	31,769
Thereafter	<u>-</u>
	<u>\$ 306,013</u>

Note 8 – Commitments/In-Kind Contributions

The Organization leases the campus union, recreation center, and Children’s Center facilities under non-cancelable operating agreements and leases from the Trustees of the California State University. The campus union, recreation center, and Children’s Center leases expire on June 30, 2024. In exchange for managing and operating the campus union, recreation center, and Children’s Center facilities, the Organization pays no rent. The estimated fair market value of this rent is \$1,454,370 and \$1,395,270 for the years ended June 30, 2020 and 2019 and has been recognized as an in-kind contribution and an operating expense in the statements of activities.

In addition, the Organization has entered into various agreements for the maintenance of facilities and equipment under non-cancelable agreements expiring at various dates through July 2021, including one with the University.

Minimum future payments as of June 30, 2020 are due as follows:

Year Ending June 30,	
2021	\$ 49,000
Thereafter	<u>-</u>
	<u>\$ 49,000</u>

Total rental expense was \$1,467,839 and \$1,411,985 for the years ended June 30, 2020 and 2019, respectively.

Note 9 – Related Party Transactions

The Organization’s salaries are paid by the University and billed to the Organization. Accounting and other services are provided to the Organization by the University. The Organization had non-cancelable agreements with the University for the University to provide custodial services to the Organization for \$15,385 per month and landscape maintenance services for \$13,800 annually which expired June 30, 2020. The Organization and the University are currently in the process of renegotiating these contracts.

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Notes to Financial Statements

Years Ended June 30, 2020 and 2019

Note 9 – Related Party Transactions, continued

Sponsored Programs Administration functions to benefit the student body of the University by administering grants on behalf of the campus.

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

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

Associated Students and the University lease office space from the Organization (see Note 7).

Related party transactions as of and for the years ended June 30, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Revenue:		
Cost Recoveries:		
University	\$ 3,739,855	\$ 2,796,866
Sponsored Programs Administration	102,604	1,750
Foundation	4,711	32,191
Associated Students	<u>164,279</u>	<u>447</u>
Total Cost Recoveries	<u>4,011,449</u>	<u>2,831,254</u>
Facility Rental:		
University	56,875	88,699
Sponsored Programs Administration	28,030	19,726
Foundation	6,117	41,480
Associated Students	<u>39,052</u>	<u>13,742</u>
Total Facility Rental	<u>130,074</u>	<u>163,647</u>
	<u>\$ 4,141,523</u>	<u>\$ 2,994,901</u>
Expense:		
Services from other agencies:		
University	\$ 4,675,640	\$ 2,495,300
Sponsored Programs Administration	4,977	35,000
Foundation	3,220	5,506
Associated Students	<u>11,060</u>	<u>14,642</u>
	<u>\$ 4,694,897</u>	<u>\$ 2,550,448</u>

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.**Notes to Financial Statements**

Years Ended June 30, 2020 and 2019

Note 9 – Related Party Transactions, continued

	<u>2020</u>	<u>2019</u>
Due from related parties:		
University	\$ 1,132,975	\$ 10,615
Foundation	3,966	31,670
Associated Students	<u>380</u>	<u>1,136</u>
	<u>\$ 1,137,321</u>	<u>\$ 43,421</u>
Due to related parties:		
University	\$ 2,280,523	\$ 206,902
Sponsored Programs Administration	-	35,000
Foundation	-	324
Associated Students	<u>800</u>	<u>-</u>
	<u>\$ 2,281,323</u>	<u>\$ 242,226</u>

Note 10 – Transfer of Children’s Center and Student Housing and Residential Life

In fiscal year 2019, the Board of Directors of the Organization and Sponsored Programs Administration approved the transfer of the California State University, Bakersfield Auxiliary for Sponsored Programs Children’s Center contracts for preschool, childcare and development, and the nutrition program to the Organization. The transfer was approved by the California Department of Education in fiscal year 2020 with an effective date of July 1, 2019.

In December 2019, the Board of Directors of the Organization and the University approved the transfer of the student housing and residential life operations to the Organization. The effective date of the transfer was July 1, 2019. The buildings and related assets and debt remain with the University.

Note 11 – Commitments and Contingencies

From time to time, the Organization is subject to various litigation as a result of their activities. Management believes that the outcome of any such litigation will not have a material adverse effect on the Organization’s financial position, changes in net assets, or liquidity.

Note 12 – 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 statement of functional expenses and schedule of activities by fund. Such reclassifications had no effect on previously reported changes in net assets.

SUPPLEMENTAL INFORMATION

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Schedule of Activities by Fund

Year Ended June 30, 2020

	Student Union	Student Recreation Center	Housing and Residential Life	Children's Center	Total
Revenue and Support Without Donor Restrictions:					
Student fees	\$ 972,225	\$ 2,719,220	\$ -	\$ 163,144	\$ 3,854,589
In-kind revenue	268,320	1,126,950	-	59,100	1,454,370
Housing administration fee	-	-	940,341	-	940,341
Grants	-	-	-	379,359	379,359
Facility rental	124,474	79,698	163,937	-	368,109
Parent fees	-	-	-	311,103	311,103
Other operating revenues	1,742	32,480	50,106	6,273	90,601
Membership fees	-	47,066	-	-	47,066
Total Revenue and Other Support Without Donor Restrictions	<u>1,366,761</u>	<u>4,005,414</u>	<u>1,154,384</u>	<u>918,979</u>	<u>7,445,538</u>
Expenses:					
Program services	515,541	3,193,861	1,152,247	746,469	5,608,118
Supporting services - General and administrative	<u>671,456</u>	<u>292,796</u>	<u>823,506</u>	<u>230,366</u>	<u>2,018,124</u>
Total Expenses	<u>1,186,997</u>	<u>3,486,657</u>	<u>1,975,753</u>	<u>976,835</u>	<u>7,626,242</u>
Change in operations before transfer	179,764	518,757	(821,369)	(57,856)	(180,704)
Transfer of Net Deficit, Children's Center	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,769)</u>	<u>(16,769)</u>
Change in Net Assets	179,764	518,757	(821,369)	(74,625)	(197,473)
Net Assets - Without Donor Restrictions, beginning	<u>1,083,777</u>	<u>1,779,885</u>	<u>-</u>	<u>-</u>	<u>2,863,662</u>
Net Assets - Without Donor Restrictions, ending	<u>\$ 1,263,541</u>	<u>\$ 2,298,642</u>	<u>\$ (821,369)</u>	<u>\$ (74,625)</u>	<u>\$ 2,666,189</u>

See independent auditors' report.

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.**Schedule of Activities by Fund**

Year Ended June 30, 2019

	Student Union	Student Recreation Center	Total
	<u> </u>	<u> </u>	<u> </u>
Revenue and Support Without Donor Restrictions:			
Student fees	\$ 933,520	\$ 1,855,814	\$ 2,789,334
In-kind contribution	268,320	1,126,950	1,395,270
Facility rental	156,708	112,620	269,328
Other	43,028	98,590	141,618
Membership fees	-	71,280	71,280
	<u> </u>	<u> </u>	<u> </u>
Total Revenue and Other Support Without Donor Restrictions	1,401,576	3,265,254	4,666,830
Expenses:			
Program services	606,344	3,079,078	3,685,422
Supporting services - General and administrative	603,473	310,295	913,768
	<u> </u>	<u> </u>	<u> </u>
Total Expenses	1,209,817	3,389,373	4,599,190
Change in Net Assets	191,759	(124,119)	67,640
Net Assets - Without Donor Restrictions, beginning	892,018	1,904,004	2,796,022
	<u> </u>	<u> </u>	<u> </u>
Net Assets - Without Donor Restrictions, ending	\$ 1,083,777	\$ 1,779,885	\$ 2,863,662
	<u> </u>	<u> </u>	<u> </u>

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.**Schedule of Student-centered Enterprises, Inc. Revenue Bonds, Series A**

Year Ended June 30, 2020

(Unaudited)

The Systemwide Revenue Bond (SRB) program was approved by the California State University Trustees in fiscal year 2003. This program provides funding for various construction projects, including student residence and dining hall facilities, continuing education buildings, student unions, parking facilities, health facilities, and auxiliary organization facilities for designated campuses with the System as specified by the individual bond documents. It is designed to provide lower cost debt and greater flexibility to finance revenue bond projects of the System. Rather than relying on specific pledged revenues to support specific debt obligations, this program pools several sources of revenue as the pledge for the revenue producing projects.

The University participates in the SRB program and its allocated share of outstanding SRB debt as of June 30, 2020 is \$37,734,831 which has been used to finance the Student Union, Student Housing, and Student Recreation Center. These assets are reported and depreciated on the University's financial statements.

SRB debt obligations of the University as of June 30, 2020 consist of the following:

Description	Interest Rate	Fiscal Year Maturity Date	Original Issue Amount	Amount Outstanding at June 30, 2020
Systemwide revenue bonds:				
Series 2012A (Student Union)	4.00-5.00%	2023	\$ 895,000	\$ 305,000
Series 2014A (Student Housing)	3.00-5.00%	2045	29,970,000	27,495,000
Series 2016A (Student Union)	2.00-5.00%	2039	17,040,000	16,050,000
			Total	43,850,000
			Unamortized bond discount	(6,115,169)
			Total SRB debt obligations	\$ 37,734,831

SRB debt principal obligations and related interest mature in the following fiscal years:

Year ending June 30:	Principal	Interest	Total
2021	\$ 1,185,000	\$ 2,115,650	\$ 3,300,650
2022	1,250,000	2,055,775	3,305,775
2023	1,310,000	1,992,300	3,302,300
2024	1,260,000	1,928,050	3,188,050
2025	1,330,000	1,863,300	3,193,300
2026-2030	7,745,000	8,220,375	15,965,375
2031-2035	9,940,000	6,026,250	15,966,250
2036-2040	11,300,000	3,395,400	14,695,400
2041-2045	8,530,000	1,108,750	9,638,750
Total	\$ 43,850,000	\$ 28,705,850	\$ 72,555,850

The original capitalized cost of buildings, improvements, and equipment at completion of construction was recorded by the California State University. The student union and student recreation assets are leased to the Organization. The lease, which expires on June 30, 2024, provides no annual rental fee. In lieu of a leasing arrangement related to student housing, the Organization receives an administration fee for managing student housing and residential life operations.

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.**Schedule of Net Position**

June 30, 2020

(for inclusion in the California State University)

Assets:**Current assets:**

Cash and cash equivalents	\$	2,840,364
Short-term investments		-
Accounts receivable, net		1,184,762
Capital lease receivable, current portion		-
Notes receivable, current portion		-
Pledges receivable, net		-
Prepaid expenses and other current assets		-
Total current assets		4,025,126

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		-
Endowment investments		-
Other long-term investments		-
Capital assets, net		1,369,503
Other assets		-
Total noncurrent assets		1,369,503
Total assets		5,394,629

Deferred outflows of resources:

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

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.**Schedule of Net Position**

June 30, 2020

(for inclusion in the California State University)

Liabilities:**Current liabilities:**

Accounts payable	261,565
Accrued salaries and benefits	-
Accrued compensated absences, current portion	185,552
Unearned revenues	-
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	2,281,323

Total current liabilities2,728,440**Noncurrent liabilities:**

Accrued compensated absences, net of current portion	-
Unearned revenues	-
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	-
Net pension liability	-
Other liabilities	-

Total noncurrent liabilities-**Total liabilities**2,728,440**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	1,369,503
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	-
Unrestricted	1,296,686

Total net position\$ 2,666,189

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.**Schedule of Revenues, Expenses, and Changes in Net Position**

Year Ended June 30, 2020

(for inclusion in the California State University)

Revenues:**Operating revenues:**

Student tuition and fees, gross \$ 3,854,589

Scholarship allowances (enter as negative) -

Grants and contracts, noncapital:

Federal 61,551

State 314,883

Local 2,925

Nongovernmental -

Sales and services of educational activities -

Sales and services of auxiliary enterprises, gross 816,879

Scholarship allowances (enter as negative) -

Other operating revenues 2,394,711

Total operating revenues 7,445,538**Expenses:****Operating expenses:**

Instruction -

Research -

Public service -

Academic support -

Student services 7,364,305

Institutional support -

Operation and maintenance of plant -

Student grants and scholarships -

Auxiliary enterprise expenses -

Depreciation and amortization 261,937

Total operating expenses 7,626,242**Operating income (loss)** (180,704)**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 -

Endowment income (loss), net -

Interest expense -

Other nonoperating revenues (expenses) - excl. interagency transfers (16,769)

Net nonoperating revenues (expenses) (16,769)**Income (loss) before other revenues (expenses)** (197,473)

State appropriations, capital -

Grants and gifts, capital -

Additions (reductions) to permanent endowments -

Increase (decrease) in net position (197,473)**Net position:**

Net position at beginning of year, as previously reported 2,863,662

Restatements -

Net position at beginning of year, as restated 2,863,662**Net position at end of year** \$ 2,666,189

See independent auditors' report.

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CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Other Information

June 30, 2020

(for inclusion in the California State University)

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments	-
All other restricted cash and cash equivalents	-
Noncurrent restricted cash and cash equivalents	-
Current cash and cash equivalents	2,840,364
Total	\$ 2,840,364

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Fair Value
Money market funds	-	-	-
Repurchase agreements	-	-	-
Certificates of deposit	-	-	-
U.S. agency securities	-	-	-
U.S. treasury securities	-	-	-
Municipal bonds	-	-	-
Corporate bonds	-	-	-
Asset backed securities	-	-	-
Mortgage backed securities	-	-	-
Commercial paper	-	-	-
Mutual funds	-	-	-
Exchange traded funds	-	-	-
Equity securities	-	-	-
Alternative investments:	-	-	-
Private equity (including limited partnerships)	-	-	-
Hedge funds	-	-	-
Managed futures	-	-	-
Real estate investments (including REITs)	-	-	-
Commodities	-	-	-
Derivatives	-	-	-
Other alternative investment	-	-	-
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	-	-	-
Total investments	-	-	-
Less endowment investments (enter as negative number)	-	-	-
Total investments, net of endowments	-	-	-

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

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	-	-	-	-	-
U.S. agency securities	-	-	-	-	-
U.S. treasury securities	-	-	-	-	-
Municipal bonds	-	-	-	-	-
Corporate bonds	-	-	-	-	-
Asset backed securities	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-
Commercial paper	-	-	-	-	-
Mutual funds	-	-	-	-	-
Exchange traded funds	-	-	-	-	-
Equity securities	-	-	-	-	-
Alternative investments:					
Private equity (including limited partnerships)	-	-	-	-	-
Hedge funds	-	-	-	-	-
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investment	-	-	-	-	-
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	-	-	-	-	-
Total investments	-	-	-	-	-

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):	-	-	-

See independent auditors' report.

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

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
Non-depreciable/Non-amortizable capital assets:									
Land and land improvements	-	-	-	-	-	-	-	-	-
Works of art and historical treasures	-	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	-	-	-	-	-	-	-	-	-
Intangible assets:	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Intangible assets in progress (PWIP)	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable capital assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable capital assets:									
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	418,870	-	-	-	418,870	-	-	-	418,870
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	591,954	-	-	-	591,954	11,416	-	-	603,370
Personal property:									
Equipment	1,667,663	-	-	-	1,667,663	86,082	-	-	1,753,745
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	2,678,487	-	-	-	2,678,487	97,498	-	-	2,775,985
Total capital assets	\$ 2,678,487	-	-	-	\$ 2,678,487	\$ 97,498	-	-	\$ 2,775,985

See independent auditors' report.

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Other Information

June 30, 2020

(for inclusion in the California State University)

Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)

Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	(206,440)	-	-	-	(206,440)	(41,887)	-	(248,327)
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	(341,332)	-	-	-	(341,332)	(41,691)	-	(383,023)
Personal property:								
Equipment	(596,773)	-	-	-	(596,773)	(178,359)	-	(775,132)
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
Total Other intangible assets:	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	(1,144,545)	-	-	-	(1,144,545)	(261,937)	-	(1,406,482)
Total capital assets, net	\$ 1,533,942	-	-	-	\$ 1,533,942	(164,439)	-	1,369,503

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense related to capital assets	\$ 261,937
Amortization expense related to other assets	-
Total depreciation and amortization	\$ 261,937

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Other Information

June 30, 2020

(for inclusion in the California State University)

4 Long-term liabilities:

	Balance June 30, 2019	Prior Period Adjustments/Recla ssifications	Balance June 30, 2019 (Restated)	Additions	Reductions	Balance June 30, 2020	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ 78,552	-	78,552	172,067	(65,067)	\$ 185,552	\$ 185,552	-
2. Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-
3. Capital lease obligations:								
Gross balance	-	-	-	-	-	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-
Total capital lease obligations	-	-	-	-	-	-	-	-
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	-	-	-	-	-	-	-	-
4.2 Commercial paper	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	-	-	-	-	-	-	-	-
4.4 Others:								
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total others	-	-	-	-	-	-	-	-
Sub-total long-term debt	-	-	-	-	-	-	-	-
4.5 Unamortized net bond premium/(discount)	-	-	-	-	-	-	-	-
Total long-term debt obligations	-	-	-	-	-	-	-	-
Total long-term liabilities	\$ 78,552	-	78,552	172,067	(65,067)	\$ 185,552	\$ 185,552	-

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
Year ending June 30:									
2021	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-
2026 - 2030	-	-	-	-	-	-	-	-	-
2031 - 2035	-	-	-	-	-	-	-	-	-
2036 - 2040	-	-	-	-	-	-	-	-	-
2041 - 2045	-	-	-	-	-	-	-	-	-
2046 - 2050	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
Total minimum lease payments	-	-	-	-	-	-	-	-	-
Less: amounts representing interest									-
Present value of future minimum lease payments									-
Unamortized net premium/(discount)									-
Total capital lease obligations									-
Less: current portion									-
Capital lease obligations, net of current portion									-

See independent auditors' report.

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

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

7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	4,021,958
Payments to University for other than salaries of University personnel	653,682
Payments received from University for services, space, and programs	3,796,730
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)	(2,280,523)
Other amounts (payable to) University (enter as negative number)	-
Accounts receivable from University (enter as positive number)	1,132,975
Other amounts receivable from University (enter as positive number)	-

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Other Information

June 30, 2020

(for inclusion in the California State University)

8 Restatements

Provide a detailed breakdown of the journal entries (at the financial statement line items level) booked to record each restatement:

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

9 Natural classifications of operating expenses:

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	-	-	-	-	-	-	-	-
Research	-	-	-	-	-	-	-	-
Public service	-	-	-	-	-	-	-	-
Academic support	-	-	-	-	-	-	-	-
Student services	3,056,209	563,614	466,851	-	-	3,277,631	-	7,364,305
Institutional support	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	-	-	-	-
Auxiliary enterprise expenses	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	261,937	261,937
Total operating expenses	\$ 3,056,209	563,614	466,851	-	-	3,277,631	261,937	7,626,242

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT-CENTERED ENTERPRISES, INC.

Other Information

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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>
Total deferred outflows of resources	<u><u>-</u></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>
Total deferred inflows of resources	<u><u>-</u></u>