

Table of Contents

	Page
Letter from the Executive Vice Chancellor, Chief Financial Officer	3
Independent Auditors' Report	5
Management's Discussion and Analysis	9
Basic Financial Statements:	
Statement of Net Position	35
Statement of Revenues, Expenses, and Changes in Net Position	37
Statement of Cash Flows	39
Notes to Financial Statements	43
Required Supplementary Information:	
Schedule 1: Schedule of University's Proportionate Share of the Net Pension Liability and Related Ratios	94
Schedule 2: Schedule of Employer Contributions Related to Pension	95
Schedule 3: Schedule of University's Total Other Postemployment Benefits Liability and Related Ratios	97
Schedule 4: Schedule of Employer Contributions Related to Other Postemployment Benefits	98
Supplementary Information:	
Schedule 5: Systemwide Revenue Bond Program's Net Income Available for Debt Service	100
Schedule 6: Systemwide Revenue Bond Program's Residence and Dining Halls Operating Data by Campus	101
Schedule 7: Systemwide Revenue Bond Program's Statement of Insurance Coverage	103
Schedule 8: Campuses' Supplemental Information	104

LETTER FROM THE EXECUTIVE VICE CHANCELLOR, CHIEF FINANCIAL OFFICER



LETTER FROM THE EXECUTIVE VICE CHANCELLOR, CHIEF FINANCIAL OFFICER



Through a year of transition, as the California State University began a national search for its ninth chancellor and continued to emerge from the global COVID-19 pandemic, the CSU persevered and steadily continued to deliver on its mission – for its students, their families and communities, and for the state of California.

The CSU is the nation's largest, most ethnically and economically diverse, and its most consequential four-year public university – as well as its greatest escalator to opportunity. Nowhere is this more evident than in CollegeNET's 2022 Social Mobility Index (SMI), where all 23 CSU campuses appear in the ranking's top 100, with Cal State universities claiming four of the top 10 positions and eight of the top 20. The SMI is the leading measure of approximately 1,500 universities' impact in providing opportunities for students from all backgrounds and walks of life to graduate into well-paying jobs.

The financial benefit of a Cal State degree is clear. In fact, according to The Campaign for College Opportunity, college graduates will earn a million dollars more throughout their lifetimes than those with just a high school diploma.

But beyond economic gain, a CSU degree provides the added benefits that come with higher education: degree holders vote more, launch more small businesses, are more likely to assume leadership roles in their communities, donate more to charity, have better health outcomes and report higher levels of happiness.

Indeed, the CSU transforms lives – and at a great value. With one of the most affordable tuition rates in the country (undergraduate resident tuition fees are just \$5,742), three-quarters of the CSU's students have the full cost of tuition covered by grants and financial aid, and more than half graduate with zero debt.

California's educated workforce drives what is projected to soon become the world's fourth-largest economy, and it is the business community's greatest competitive advantage. The CSU fuels that workforce at an unmatched scale and with a vibrant and dynamic diversity. More than 7,000 of Apple's global employees are CSU graduates; 6,000 work at Northrop Grumman; more than 4,000 Cal State alumni are employed at both Disney and Google; and Oracle, Intel and Cisco all employ more than 2,500 CSU graduates. The university system confers approximately 130,000 degrees annually and produces about half of California's bachelor's degrees. In fact, one out of every 10 California employees is a Cal State graduate.

Every Cal State campus partners with its local business community to help address regional challenges and economic needs. On a broader scale, Cal State universities collaborate with one another and with businesses, non-profits and governmental organizations in specialized institutes and affinity groups to develop solutions to some of the state's most pressing challenges. This includes the areas of wildfire control, water resource management, sustainable agriculture, biotechnology, STEM education, marine and coastal resource management, palliative care and the social sciences, to name a few.

Through times of transition, through a global pandemic and through periods of economic fluctuation, the California State University is and will forever remain undeterred in advancing its mission: transforming lives and families, elevating communities and helping to drive the state toward its brightest future.

For California,

A stylized, handwritten signature in black ink, appearing to read 'Steve Relyea'.

Steve Relyea
Executive Vice Chancellor, CFO
The California State University

INDEPENDENT AUDITORS' REPORT





KPMG LLP
Suite 1500
550 South Hope Street
Los Angeles, CA 90071-2629

Independent Auditors' Report

The Board of Trustees
California State University:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of the California State University (the University), an agency of the State of California, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the University, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

Except for the financial statements of the California State University Institute and the California State University Risk Management Authority, we did not audit the financial statements of the other discretely presented component units listed in note 2 to the financial statements, which represent 96.5% and 94.4%, respectively, of the assets and revenues of the aggregate discretely presented component units as of June 30, 2022 and for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for those entities, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the University are intended to present the financial position, the changes in financial position, and, where applicable, cash flows of only that portion of the business-type activities, each major fund, and the aggregate discretely presented component units of the State of California that is attributable to the transactions of the University. They do not purport to, and do not, present fairly the financial position of the State of California, as of June 30, 2022, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles. Our opinions are not modified with respect to this matter.



Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis, schedule of University's proportionate share of the net pension liability and related ratios, schedule of employer contributions related to pension, schedule of University's total other postemployment benefits liability and related ratios, and schedule of employer contributions related to other postemployment benefits be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The accompanying supplementary information included in Schedules 5 and 8 is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information included in Schedules 6 and 7 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or any form of assurance thereon.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2023 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

KPMG LLP

Los Angeles, California
March 15, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS



CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

The discussion and analysis below provide an overview of the financial position and performance of the California State University (the University) as of and for the year ended June 30, 2022, including 23 campuses and the Office of the Chancellor (collectively referred to as the University), and 93 discretely presented component units. The discussion has been prepared by management and should be read in conjunction with the audited financial statements and accompanying notes which follow this section. Separate financial statements are issued for each of the discretely presented component units and may be obtained from the individual campuses.

The California State University

The University promotes student success through high-quality education that prepares students to become leaders in the changing workforce, making the University a vital economic engine for California.

The University was established under the State of California Education Code as a public university to offer undergraduate and graduate instruction for professional and occupational goals emphasizing a broad liberal arts education. As an agency of the State of California (the State), the University is also included in the State's financial statements. Responsibility for the University is vested in the Trustees of California State University (the Trustees) who, in turn, appoint the Chancellor, who is the chief executive officer of the University, and the University presidents, who are the chief executive officers of the respective campuses.

The discretely presented component units of the University consist of primarily recognized auxiliary organizations. These not-for-profit organizations are separate legal entities created to perform essential functions. These functions are classified into the following categories:

- Student self-governance
- Student body center, union, and recreation center
- Externally supported research and sponsored programs
- Commercial services such as bookstores, food services, housing, or real estate development
- Philanthropic activities

Impact of COVID-19 Global Pandemic

In March 2020, the World Health Organization declared the outbreak of Coronavirus Disease (COVID-19) to be a global pandemic. The University, in order to safeguard the health and well-being of its students, faculty, staff and the communities it serves, immediately moved towards primarily online instruction and virtual support. The University has faced increased costs associated with the pandemic and shift to virtual instruction. In addition, self-funded enterprise programs such as student housing, parking, dining services, and professional and continuing education suffered financially.

The COVID-19 pandemic has had a significant impact on the University's operations. Each campus began their transition back to face to face classes throughout the year with some classes remaining online. Over the last couple of years, the University received financial support from federal sources that helped mitigate the negative impacts from COVID-19.

The University has received \$3.10 billion funding through the Higher Education Emergency Relief Fund (HEERF I) authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act ; the Coronavirus Response and Relief Supplemental Appropriations Act (2021); and the American Rescue Plan (2021) This made it possible for the University

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

to offer emergency grants for students experiencing financial hardships due to the COVID-19 global pandemic. A portion of the funds are also available to cover costs incurred by the University associated with significant changes to the delivery of instruction due to the COVID-19 global pandemic.

As a result of HEERF, \$726.71 million, \$292.71 million, \$242.65 million were distributed to students in fiscal years 2022, 2021, and 2020, respectively, while \$13.24 million, is left to be drawn and distributed to students in fiscal year 2023. Similarly, \$909.71 million of institutional support was disbursed by the University in fiscal year 2022, \$625.26 million in fiscal year 2021, and \$2.53 million in fiscal year 2020 with \$245.89 million, left to be drawn and disbursed.

Further, certain component units applied for and received a Payroll Protection Program (PPP) loan, a federal program administered by the U.S. Small Business Administration, launched by the U.S. federal government in response to the economic impact of the COVID-19 global pandemic.

Financial Statements

The financial statements of the University as of and for the year ended June 30, 2022 have been prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended by GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*. For reporting purposes, the University is considered a special-purpose government engaged in business-type activities.

This discussion and analysis is intended to serve as an introduction to the University's basic financial statements: the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. The financial statements are designed to provide readers with a broad overview of the University's finances from all revenue sources, in a manner similar to the private sector. The University's discretely presented component units are presented in a separate column to enable the reader to distinguish between the University and these separate but related not-for-profit organizations.

The University implemented GASB Statement No. 87, "Leases", effective for the fiscal year ended June 30, 2022. This changed the accounting and financial reporting for leases by establishing a single model for lease accounting based on the foundational principle that leases represent a financing transaction associated with the right to use an underlying asset. This Statement applies to contracts that convey the right to use a non-financial asset in an exchange or exchange-like transactions for a term exceeding 12 months. Lessees are now required to recognize a lease liability and an intangible right-to-use (ROU) assets, and lessors are required to recognize a lease receivable and a deferred inflows of resources.

The restatement of the Statement of Net Position as of June 30, 2021 resulted in the addition of \$474.17 million to the University's assets (\$432.28 million assets added to "capital assets, net", \$11.38 million added to "lease receivables, current portion", \$14.54 million added to "lease receivable, net of current portion", \$0.69 million added to "notes receivable, current portion", and \$15.28 million added to "notes receivable, net of current portion"). GASB Statement No. 87 also added \$219.18 million to the University's liabilities (\$39.41 million of lease liabilities added to "lease liabilities, current portion" and \$177 million of lease liabilities added to "lease liabilities, net of current portion", and \$2.77 million added to "long-term debt, net of current portion), and \$248.81 million added to "deferred inflows of resources". In addition, obligations for finance purchase arrangements of \$13.42 million (current portion) and \$204.65 million (net of current portion) were reclassified from lease liabilities to long-term debt.

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

The University implemented GASB Statement No. 89, *"Accounting for Interest Cost Incurred before the End of a Construction Period"*, effective for the fiscal year ended June 30, 2022. This Statement requires the interest cost incurred before the end of a construction period be recognized as expense in the period in which the cost is incurred for financial statements. As a result, these costs are no longer included in the capitalized cost of capital assets reported by the University. This Statement has been applied on a prospective basis, and interest costs capitalized prior to implementation continue to be recognized as those assets are depreciated. Implementation of this Statement did not have a material impact on the University's financial statements.

The University implemented GASB Statement No. 84, *"Fiduciary Activities"*, effective for the fiscal year ended June 30, 2021. The purpose of the standard is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. The adoption of this standard did not have a significant impact on the financial reporting for the fiscal year ended June 30, 2022 and 2021, and therefore, were not reported in the basic financial statements.

Statement of Net Position

The Statement of Net Position is the University's balance sheet. It presents information on all of the University's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between these four reported as net position (equity). Assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally reported at book value, except investments, which are reported at fair value. Over time, increases or decreases in net position may serve as a useful indicator of the financial position of the University. The University's net position is classified as; net investment in capital assets, restricted, or unrestricted.

Changes from one fiscal year to the next in total net position as presented on the Statement of Net Position are based on the activity presented on the Statement of Revenues, Expenses, and Changes in Net Position.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position is the University's income statement. Revenues earned and expenses incurred during the fiscal year on an accrual basis are classified as either operating or nonoperating. This distinction results in operating deficits, as the GASB Statement No. 35 reporting model requires classification of state appropriations, a significant revenue stream to fund current operations, as nonoperating revenue.

Statement of Cash Flows

The Statement of Cash Flows presents the changes in the University's cash and cash equivalents during the most recent fiscal year. This Statement is prepared using the direct method. The Statement breaks out the sources and uses of the University's cash and cash equivalents into four categories:

- Operating activities
- Noncapital financing activities
- Capital and related financing activities
- Investing activities

The University's routine activities appear in the operating and noncapital financing categories. Noncapital financing activities include borrowing money for purposes other than to acquire, construct, or improve capital assets and repaying

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

those amounts borrowed, including interest. The proceeds from the issuance of Systemwide Revenue Bonds (SRB) that will be passed through to the discretely presented component units for capital purposes are reported as noncapital financing activities.

Capital and related financing sources include debt proceeds, state capital appropriations, capital grants and gifts, proceeds from sale of capital assets, and principal and interest payments received on leases. Within the capital and related financing activities, the uses of funds consist of acquisition of capital assets, and debt repayments. Sales and purchases of investments are part of investing activities.

The Statement of Cash Flows for the discretely presented component units is not included in the University's financial statements.

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

Financial Position

The Statement of Net Position presents the financial position of the University and its discretely presented component units. The major components of the Statement of Net Position include assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. A condensed comparative Statements of Net Position are as follows as of June 30, 2022, and 2021:

	University		Discretely presented component units	
	2022	2021	2022	2021
	(In thousands)			
Assets:				
Current assets	\$ 5,146,226	4,608,660	1,809,586	1,850,762
Capital assets, net	11,743,837	10,789,215	993,911	828,277
Other noncurrent assets	3,666,155	2,670,521	3,568,376	3,304,440
Total assets	20,556,218	18,068,396	6,371,873	5,983,479
Deferred outflows of resources	3,312,096	3,101,461	46,499	42,022
Liabilities:				
Current liabilities	1,705,836	1,594,255	504,021	459,549
Noncurrent liabilities	31,010,137	32,827,759	1,119,432	1,032,841
Total liabilities	32,715,973	34,422,014	1,623,453	1,492,390
Deferred inflows of resources	5,115,906	2,216,734	468,733	81,232
Net position:				
Net investment in capital assets	3,538,920	3,466,408	402,479	303,403
Restricted:				
Nonexpendable	1,641	1,663	1,731,240	1,667,753
Expendable	146,928	129,165	1,303,722	1,473,417
Unrestricted	(17,651,054)	(19,066,127)	888,745	1,007,306
Total net position	\$ (13,963,565)	(15,468,891)	4,326,186	4,451,879

The University's net position increased by \$1.51 billion in 2022. The University adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, in 2018. This change was the primary reason for the deficit in the unrestricted net position. Despite the deficit, the University's current ratio, which measures its ability to pay-off short-term obligations, remains positive for both years at an average of 2.95.

The University's Financial Position

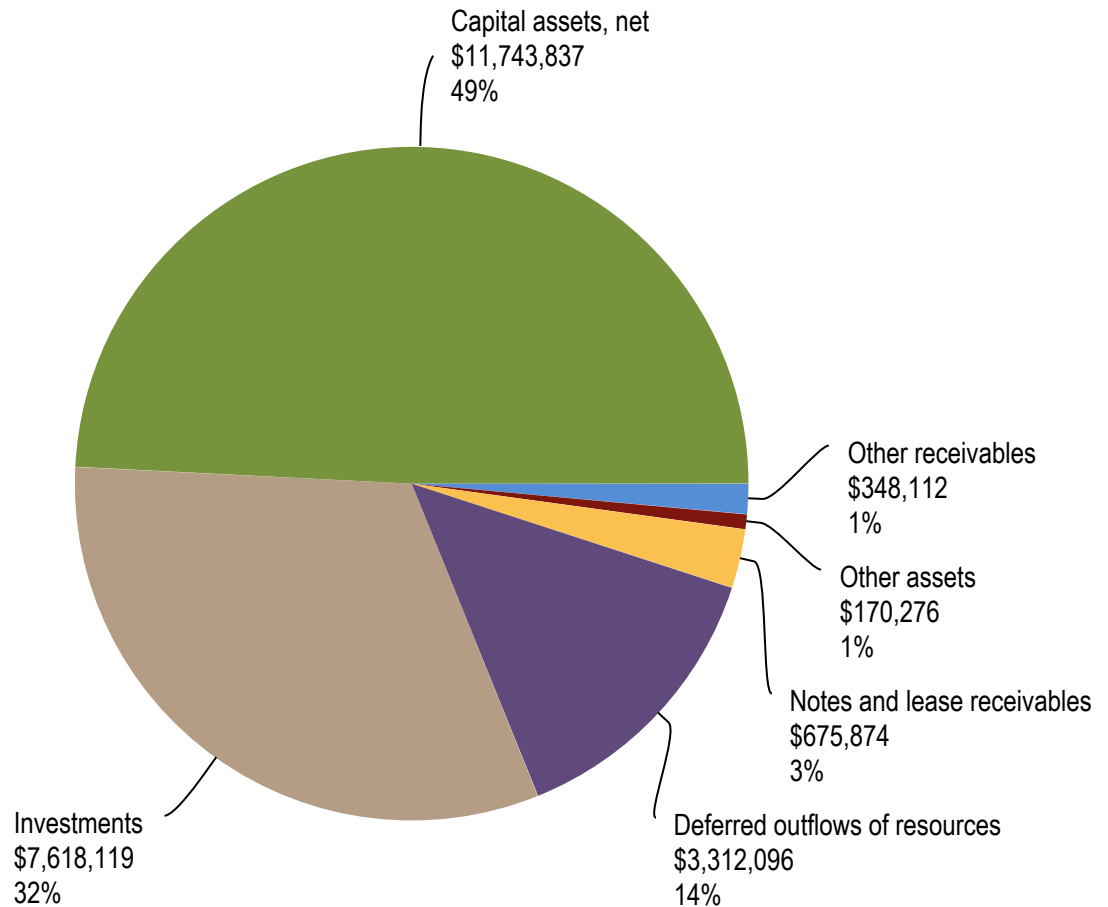
Assets and Deferred Outflows of Resources

Total assets increased from \$18.07 billion in 2021 to \$20.56 billion in 2022. Deferred outflows of resources increased from \$3.10 billion in 2021 to \$3.31 billion in 2022.

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

Assets and Deferred Outflows of Resources
(In thousands)



Current and other noncurrent assets of the University are assets that are not capital assets and are used to meet current and noncurrent obligations. These assets consist of cash and cash equivalents, investments, accounts receivable, notes receivable, leases receivable, student loans receivable, pledges receivable, prepaid expenses, and other assets.

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

Capital Assets, Net

The University's capital assets, net of accumulated depreciation and amortization, represents the largest portion of total assets. The University's net capital assets are as follows as of June 30, 2022, and 2021:

	2022	2021
	(In thousands)	
Land and land improvements	\$ 403,563	378,757
Buildings and building improvements	7,745,208	7,306,120
Improvements other than buildings	195,634	193,511
Infrastructure	721,235	702,000
Equipment	205,797	212,380
Library books and materials	32,607	30,223
Works of art and historical treasures	58,119	57,058
Intangible assets	115,611	68,425
Construction work in progress	1,955,854	1,840,741
Right of use assets	310,209	—
Total	\$ 11,743,837	10,789,215

The University continues to expand its campuses and renovate existing facilities to meet the needs of its students, faculty, and staff. The capital spending includes constructing and renovating academic buildings, student union and recreation centers, and housing facilities. Major projects in 2022 included the San Diego Land Mission Valley and the Aztec Recreation Center expansion, Fullerton Student Housing expansion, Fresno Student Union building, Fresno Central Utility Plant replacement, San Jose Interdisciplinary Science building, and Sonoma Stevenson Hall renovation (Phase II).

Investments

The University invests its funds mainly in the Liquidity Portfolio (Systemwide Investment Fund Trust or SWIFT), the Intermediate Duration Portfolio (IDP), and the Total Return Portfolio (TRP), collectively referred herein as CSU Consolidated Investment Pool. The purpose of the Liquidity Portfolio is to provide sufficient and immediate liquidity to meet the operating needs of the University. The purpose of the IDP is to provide opportunity for modest, additional risk adjusted returns on University funds not needed for immediate liquidity. The investment objective for TRP is to achieve prudent return within a moderate risk level. In addition, funds are invested in Surplus Money Investment Fund (SMIF), which is managed and invested by the State Treasurer in a short-term pool. The proceeds from the sale of SRB are held by the State and invested in SMIF, as required by state law. The investment balances are as follows as of June 30, 2022, and 2021:

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

	<u>2022</u>	<u>Percentage of total</u>	<u>2021</u>	<u>Percentage of total</u>
	(In thousands)	%	(In thousands)	%
Liquidity Portfolio	\$ 3,487,319	45.78	\$ 3,579,832	57.45
Intermediate Duration Portfolio	1,251,320	16.43	—	—
Total Return Portfolio	1,374,368	18.04	1,361,864	21.85
State's Surplus Money Investment Fund	1,505,112	19.75	1,290,042	20.70
Total	<u>\$ 7,618,119</u>	<u>100.00</u>	<u>\$ 6,231,738</u>	<u>100.00</u>

Investments increased due to unspent proceeds from issuance of SRB Series 2021A and 2021B and increase in operating resources from additional general fund appropriation from the State and amounts received from federal sources pertaining to COVID-19. This is offset by capital project spending and debt service payments.

Notes Receivable

The University has a program utilizing discretely presented component units to support a broad range of functions. In certain cases, the discretely presented component units are involved in the financing of campus facilities as well as off-campus facilities serving the needs of the campus. These facilities are mostly financed by SRB using either lease or loan arrangements.

In the loan arrangement, facilities are financed or refinanced by a loan of SRB proceeds from the University to the discretely presented component unit pursuant to a loan agreement. Under the terms of the loan agreement, in return for the loan from the University, the component unit agrees to acquire, construct and/or maintain the facility and repay the loan to the University. The outstanding loan balance is carried by the University as notes receivable. Notes receivable from discretely presented component units increased from \$362.30 million in 2021 to \$431.15 million in 2022. This is due to \$86.20 million new loan agreements reduced by collection of \$14.08 million, and \$3.27 million decrease from refunding of existing loan agreements.

Deferred Outflows of Resources

Deferred outflows of resources are consumption of assets that are applicable to a future reporting period, which has a positive effect on the net position. Deferred outflows of resources consist of the following transactions:

- *Pension* - Increases in the net pension liability that are not recognized as pension expenses for the reporting period are reported as deferred outflows of resources. This includes the difference between expected and actual experience with regard to economic or demographic factors, and changes in assumptions used by an actuary to determine total pension liability, and changes in proportionate share from the State's pension plan. The employer contributions subsequent to measurement date are recognized as deferred outflows of resources related to pensions and reduction of net pension liability in the following year.
- *Other Postemployment Benefits (OPEB)* - The employer contributions subsequent to measurement date are recognized as deferred outflows of resources and a reduction of total OPEB liability in the following year. This includes changes in the actuarial OPEB assumptions, which are recognized as OPEB expense over the average remaining working lifetime of all participants.
- *Loss on Debt Refunding* - The defeasance of previously outstanding systemwide revenue bonds results in deferring refunding losses. These deferred losses are recognized as a component of interest over the remaining life of the old debt or the life of the new debt, whichever is shorter.

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

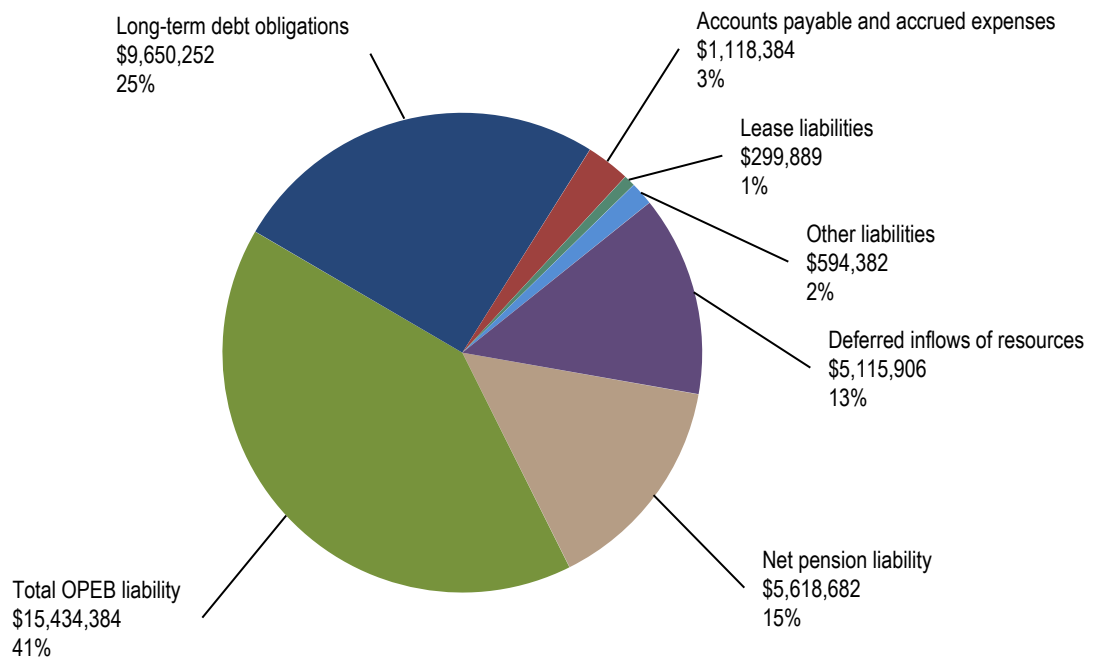
June 30, 2022

Deferred outflows of resources increased by \$210.63 million due to \$437.93 million increase related to changes in actuarial assumptions (i.e. discount rate changed from 2.45% to 1.92% and impact of the CalPERS recent experience study) used in determining total OPEB liability. In addition, the deferred outflows related to net pension liability increased by \$179.13 million due to changes in assumptions and changes in the demographic experience wherein more members are retiring, retiring earlier, and living longer than assumed. Further, the increase in the University's proportionate share in the State's pension plan added \$317.98 million. The University's OPEB and pension contributions made subsequent to measurement date increased by \$23.24 million. The loss on debt refunding had a net increase of \$25.16 million. Lastly, these were offset by amortization expense of \$565.10 million and higher than projected earnings on pension plan investments of \$207.71 million.

Liabilities and Deferred Inflows of Resources

Total liabilities of \$32.72 billion represent a decrease of \$1.70 billion compared to \$34.42 billion in 2021. Deferred inflows of resources increased from \$2.22 billion in 2021 to \$5.12 billion in 2022.

Liabilities and Deferred Inflows of Resources
(In thousands)



CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

Current liabilities (liabilities due within one year) and noncurrent liabilities (liabilities due in more than one year) include major components such as net pension liability, long-term debt obligations, accounts payable and accrued expenses, total OPEB liability, lease liabilities, and other liabilities.

Total OPEB Liability

The State has a Retiree Health Benefits Program with CalPERS as an agent multiple-employer defined-benefit plan and CalPERS functions as the investment and administrative agent for its members. The University, as a state agency, participates in the State's Retiree Health Benefits Program. The OPEB benefits are funded on a pay-as-you-go basis as eligible participants retire and receive those benefits. The total OPEB liability slightly increased from \$15.32 billion in 2021 to \$15.43 billion in 2022 mainly due to lower discount rate at 1.92% as compared to 2.45% in previous measurement date, offset by changes in other actuarial assumptions.

Net Pension Liability

The State's pension plans with CalPERS are agent multiple-employer defined-benefit pension plans and CalPERS functions as the investment and administrative agent for its members. The University, as a state agency, participates in the State's pension plans. The plans act as cost-sharing, multiple-employer defined-benefit pension plans for the University. The University's share in the net pension liability, which is actuarially determined, is based on its proportionate share in the total pensionable compensation of all the participating state agencies for the measurement period.

The net pension liability decreased from \$8.42 billion in 2021 to \$5.62 billion in 2022 due mainly to the high earnings on investment which reduced the net pension liability by \$4.87 billion and reduction from the combined retirement contributions by the University and its employees of \$1.18 billion. This reduction was offset by \$3.09 billion of additional pension liability for the current year service costs, interest, and administrative expenses, and \$0.16 billion due to change in assumptions.

Long-Term Debt Obligations

The University's capital assets are financed using the State's capital appropriations, SRB, and reserves. Bond anticipation notes (BAN) provide short-term financing for capital assets during the construction period. The University's total long-term debt obligations increased by \$1.02 billion in 2022. The University's long-term debt obligations are summarized as follows as of June 30, 2022, and 2021:

	2022	2021
	(In thousands)	
Systemwide revenue bonds	\$ 8,760,030	7,888,250
Bond anticipation notes	115,370	63,266
State public works board	96,805	—
Other long-term debt obligations	96,637	8,070
Total	9,068,842	7,959,586
Unamortized net bond premium	581,410	669,351
Total long-term debt obligations	9,650,252	8,628,937
Less current portion	(232,066)	(184,641)
Long-term debt obligations, net of current portion	\$ 9,418,186	8,444,296

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

- *Systemwide Revenue Bonds*

The University's SRB program issues revenue bonds to finance housing, parking, health centers, student body centers, continuing education facilities, and other special projects related to the educational mission of the University. The following revenues have been pledged as a security for outstanding SRB: student tuition fees, student housing fees, student body center fees, parking fees, health center facility fees, and fees from the professional and continuing education program, as well as payments from various auxiliary organizations and special purpose government entities.

Moody's Investors Service currently provides an intrinsic rating of Aa2, with a stable outlook, for the SRB. Standard & Poor's Ratings Services currently provides an intrinsic rating of AA-, with a stable outlook, for the SRB. All maturities in SRB Series 2007B, and 2007C are insured. Since the middle of fiscal year 2008, some providers of insurance for SRB have been downgraded to ratings below Aaa/AAA. Those bonds that are uninsured bear the intrinsic ratings of the SRB, which are Aa2 from the Moody's Investors Service and AA- from the Standard & Poor's Ratings Services.

The long-term debt obligations related to SRB increased by \$0.87 billion due to issuance of SRB Series 2021A, and 2021B with principal amounting to \$1.79 billion offset by \$0.92 billion in combined payments and partial refunding of SRB Series 2013A and 2014A.

- *Bond Anticipation Notes*

BANs are used as short-term financing to acquire and construct capital assets. The BAN payable increased by \$52.10 million from a prior year's ending balance of \$63.27 million, based on additional BANs amounting to \$114.73 million, offset by redemption of \$62.63 million using proceeds from sale of SRB Series 2021A.

- *State Public Works Board Lease Revenue Bonds*

The University participated in the State's State Public Works Board (SPWB) Lease Revenue Bond program since 1986 in connection with the construction of campus facilities and related equipment. As part of the annual budget process, the State of California Department of Finance augments the University's operating budget to provide additional funds for the required debt payments. This long-term debt obligation to SPWB of \$137.35 million was reported under lease liabilities in the Statement of Net Position as of June 30, 2021, prior to implementation of GASB Statement No. 87. During the year, \$40.55 million was paid using proceeds from the sale of SRB Series 2021A.

- *State General Obligation Bonds*

The State's GO Bond program has provided capital funding for various projects of the University. The debt related to these projects is not allocated to the University by the State and is not recorded in the University's financial statements. The total GO Bonds carried by the State related to University projects decreased from \$1.94 billion in 2021 to \$1.82 billion in 2022. As a result of the enactment of Education Code Section 89770, the University's share continues to decrease as bonds are paid by the State with no new debt issued for capital facilities.

Deferred Inflows of Resources

Deferred inflows of resources are acquisition of net assets that is applicable to a future reporting period, which has a decreasing effect on the net position.

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

Deferred inflows of resources increased by \$2.90 billion from \$2.22 billion in 2021 to \$5.12 billion in 2022. The increase related to pension is \$3.11 billion mainly due to higher actual earnings on pension plan investments compared to projected earnings. The favorable healthcare claims experience as member claims cost is lower than assumed costs resulted to increase of \$1.07 billion in deferred inflows of resources related to OPEB. Implementation of GASB Statement No. 87, *Leases*, increased deferred inflows of resources by \$0.23 billion. These are offset by the \$1.51 billion amortization during the year.

Net Position

Net position may serve over time as a useful indicator of the University's financial position. Net position represents the residual interest in the University's assets and deferred outflows of resources after all liabilities and deferred inflows of resources are deducted.

Net position by category is as follows as of June 30, 2022, and 2021:

	<u>2022</u>	<u>2021</u>
	(In thousands)	
Net investment in capital assets	\$ 3,538,920	3,466,408
Restricted:		
Nonexpendable	1,641	1,663
Expendable	146,928	129,165
Unrestricted	(17,651,054)	(19,066,127)
Total net position	<u>\$ (13,963,565)</u>	<u>(15,468,891)</u>

- *Net Investment in Capital Assets*

The net position category "Net investment in capital assets" represents the University's capital assets, net of accumulated depreciation and amortization, and also net of outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets and any related deferred outflows of resources. The net investment in capital assets increased from \$3.47 billion in 2021 to \$3.54 billion in 2022.

- *Restricted*

Restricted net position has constraints on its use that are either externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes a government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for specific purposes. Such restrictions are primarily related to endowments, scholarships and fellowships, research, loans, capital projects, and debt service funds. The restricted net position category consists of two subcategories: "Restricted nonexpendable" and "Restricted expendable".

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

i. Restricted Nonexpendable

The restricted nonexpendable net position is made up of the permanent endowment funds, the corpus of which may not be expendable. The University's foundations, which are discretely presented component units, hold the significant majority of the University-related endowments.

ii. Restricted Expendable

Restricted expendable net position represents resources that are subject to external restrictions on how they may be used. Such restrictions are primarily related to scholarships and fellowships, research, loans, capital projects, and debt service funds. The restricted expendable net position increased due to a decrease in unearned revenues for institutional supported related to amounts received in prior year pertaining to COVID-19.

- *Unrestricted*

The unrestricted net position represents all other net resources available to the University for general and educational obligations. Under U.S. generally accepted accounting principles, net position that is not subject to externally imposed restrictions governing their use must be classified as unrestricted for financial reporting purposes. Although unrestricted net position is not subject to externally imposed restrictions per accounting definitions, the predominant portions of the unrestricted net position are designated by statute for specific programs or projects related to certain revenue sources. The University, an agency of the State of California, considers statutory restrictions as internally imposed restrictions rather than externally imposed restrictions.

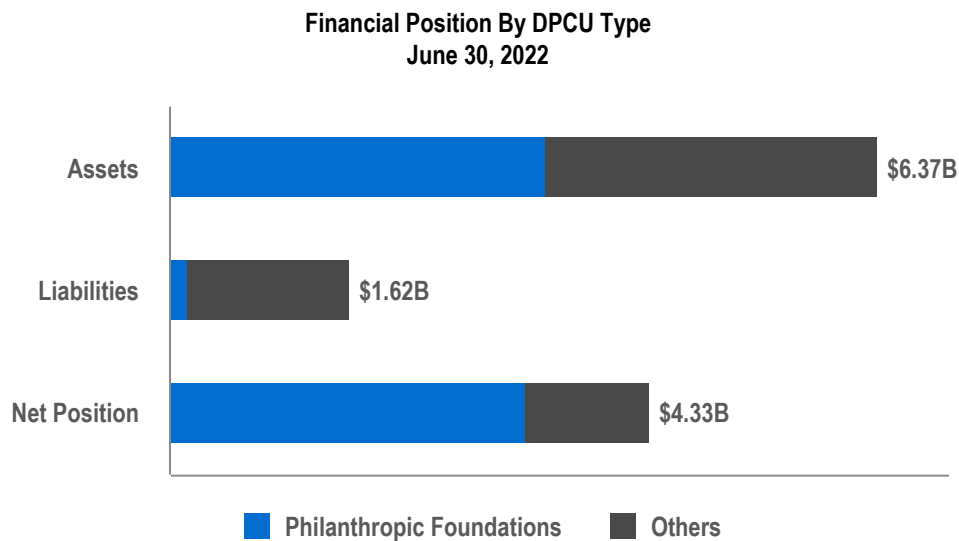
These resources are derived from fee collections and other activities that are designated for very specific purposes and are not to be repurposed and spent on other activities. For example, students pay fees, including housing, parking, and campus activities fees, all of which are to be used for specific designated purposes as described in the State of California Education Code. The University also has certain designated resources that represent amounts pledged to support the SRB program.

On June 30, 2022, unrestricted net position reflects a deficit of \$17.65 billion due primarily to the implementation of GASB Statement No. 68 (pension) during 2015, and the implementation of GASB Statement No. 75 (OPEB) in 2018. These Statements require the University to record its share of the State's actuarially determined liabilities for pension and OPEB. Unrestricted net position increased \$1.42 billion in 2022. Operating losses associated with unrestricted activities and interest expense on capital-asset-related debt were offset by unrestricted investment income, state appropriations, and other nonoperating revenues from federal resources related to the University's response to the COVID-19 pandemic.

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

Discretely Presented Component Units' Financial Position



Assets

Discretely presented component units managed \$6.37 billion and \$5.98 billion of assets, representing 23.66% and 24.88% of the University's combined total assets in fiscal year 2022 and 2021, respectively. The philanthropic activities of the University are managed mostly by its foundations which managed \$3.38 billion or 53% of the total assets of all discretely presented component units in 2022.

The increase in assets is primarily due to increase in capital assets and lease receivable resulting from implementation of GASB Statement No. 87, offset by decline in the market value of investments.

Liabilities

Discretely presented component units have \$1.62 billion and \$1.49 billion of liabilities, representing 4.73% and 4.16% of the University's combined total liabilities in fiscal year 2022 and 2021, respectively. The liabilities from commercial papers issued by CSU Institute, claims liability for losses and loss adjustment expenses of California State University Risk Management Authority, and notes payable due to the University increased in 2022.

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

Net Position

Discretely presented component units' net position is \$4.33 billion and \$4.45 billion in 2022 and 2021, respectively.

The restricted net position, expendable and nonexpendable, of the discretely presented component units (mainly from foundations) was \$3.03 billion and \$3.14 billion, representing 95.33% and 96% of the University's total combined restricted net position in 2022 and 2021, respectively.

The combined University and discretely presented component units' net position reflects a deficit of \$9.64 billion in 2022 when compared to \$11.02 billion deficit in 2021.

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

Results of Operations

The Statement of Revenues, Expenses and Changes in Net Position represents the University's and its discretely presented component units' result of operations. Major components are operating revenues, operating expenses, and nonoperating revenues (expenses). A condensed comparative presentation of the results of operations follows for the years ended June 30, 2022, and 2021:

	University		Discretely presented component units	
	2022	2021	2022	2021
	(In thousands)			
Operating revenues:				
Student tuition and fees, net	\$ 2,331,726	2,289,439	—	—
Grants and contracts, noncapital	73,966	72,047	634,268	590,750
Sales and services of educational activities	38,580	19,103	36,911	31,728
Sales and services of auxiliary enterprises, net	627,545	153,952	354,116	221,308
Other operating revenues	258,134	200,831	583,977	472,975
Total operating revenues	3,329,951	2,735,372	1,609,272	1,316,761
Operating expenses	10,594,647	10,233,573	1,852,515	1,544,117
Operating loss	(7,264,696)	(7,498,201)	(243,243)	(227,356)
Nonoperating revenues (expenses):				
State appropriations, noncapital	5,596,488	4,041,103	—	—
Financial aid grants, noncapital	1,986,733	2,066,476	1,845	2,470
Grants and gifts, noncapital	1,760,041	946,778	316,119	381,189
Investment income (loss), net	(334,395)	326,398	(110,523)	166,370
Endowment income (loss), net	11	39	(231,458)	456,886
Interest expense	(319,381)	(278,539)	(21,736)	(23,971)
Other nonoperating revenues (expenses)	(51,624)	(97,666)	32,393	(35,132)
Net nonoperating revenues (expenses)	8,637,873	7,004,589	(13,360)	947,812
Income (loss) before other revenues (expenses)	1,373,177	(493,612)	(256,603)	720,456
State appropriations, capital	138	210	—	—
Grants and gifts, capital	132,011	91,559	42,238	23,185
Additions to permanent endowments	—	—	73,237	119,763
Change in net position	1,505,326	(401,843)	(141,128)	863,404
Net position – beginning of year, as restated	(15,468,891)	(15,067,048)	4,467,314	3,588,475
Net position – end of year	\$ (13,963,565)	(15,468,891)	4,326,186	4,451,879

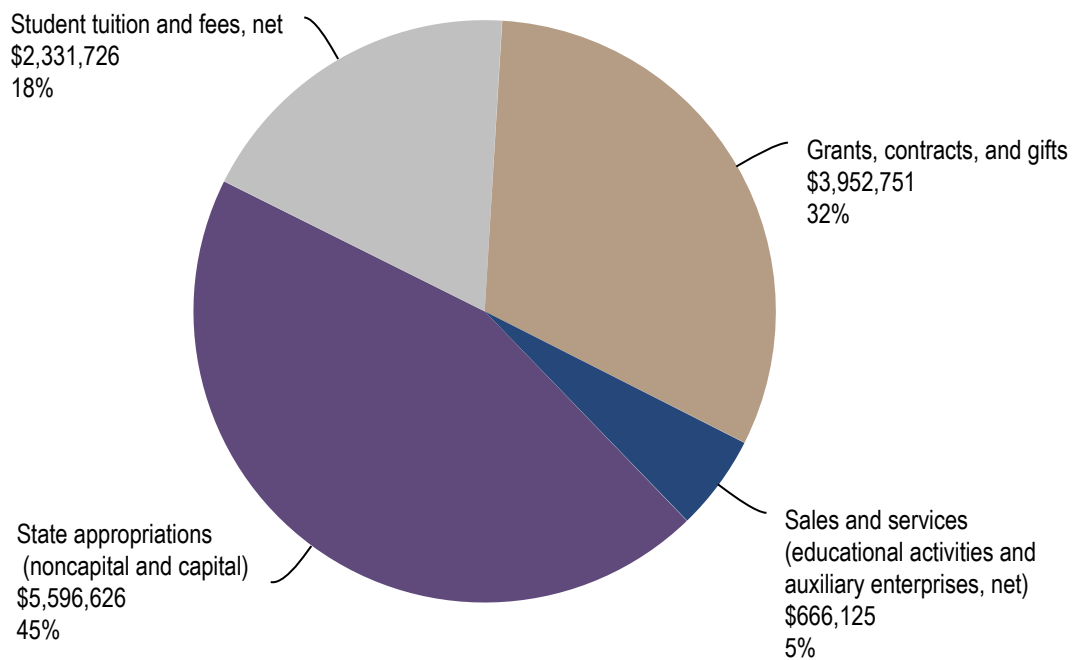
CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

Revenues (Operating and Nonoperating)

The University's two major sources of revenues are state appropriations and student tuition and fees, net, which accounted for a combined 63.57% and 62.02% of total revenues in 2022 and 2021, respectively. State appropriations are received for both noncapital and capital purposes. Another major source of revenues are grants, contracts, and gifts which represent 31.70% of total revenues in 2022. This includes revenues from student financial aid grants and contracts and funding through HEERF I, II, and III.

Revenues (Operating and Nonoperating)
(In thousands)



CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

The University's total revenues consisted of the following:

	2022	Percentage of total	2021	Percentage of total
	(In thousands)		(In thousands)	
State appropriations (noncapital and capital)	\$ 5,596,626	44.88 %	\$ 4,041,313	39.59 %
Student tuition and fees, net	2,331,726	18.70	2,289,439	22.43
Grants, contracts, and gifts	3,952,751	31.70	3,176,860	31.12
Sales and services (educational activities and auxiliary enterprises), net	666,125	5.34	173,055	1.70
Investment income (loss), net and other revenues	(76,250)	(0.62)	527,268	5.16
Total revenues (operating and nonoperating)	<u>\$ 12,470,978</u>	<u>100.00 %</u>	<u>\$ 10,207,935</u>	<u>100.00 %</u>

State Appropriations (Noncapital and Capital)

The University's state appropriations (noncapital and capital) consisted of the following:

	2022	2021
	(In thousands)	
State appropriations, general fund	\$ 5,207,394	3,691,390
State's contribution on behalf of the University for OPEB	389,094	349,713
Total state appropriations, noncapital	5,596,488	4,041,103
State appropriations, capital	138	210
Total state appropriations (noncapital and capital)	<u>\$ 5,596,626</u>	<u>4,041,313</u>

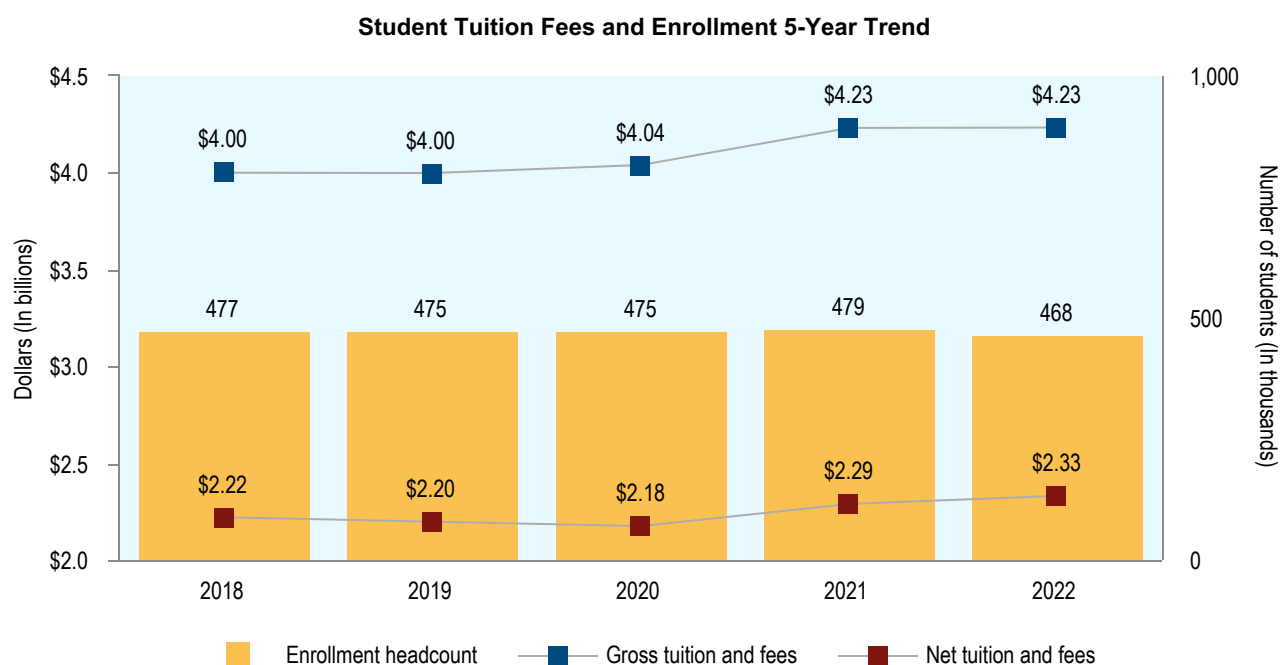
State appropriations are shown as nonoperating revenue but are primarily used to fund the University's core operations. The State general fund appropriations increased from \$3.69 billion in 2021 to \$5.21 billion in 2022. This includes an increase of \$965 million one-time general fund, to support transition of Humboldt State University into a polytechnic university, deferred maintenance, infrastructure and building improvements, student financial aid grants, and various programs, services and research at the University. In addition, the ongoing general fund had an increase of \$547 million, which includes the \$299 million restoration of general fund reduction from the 2020 Budget Act.

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

Student Tuition and Fees, Net

The student tuition and fees (before scholarship allowances) amounted to \$4.23 billion for the year ended June 30, 2022. The following chart displays the five-year trend between enrollment headcount and student tuition and fees:



The gross student tuition fees revenue reflects an increasing trend from fiscal year 2019 to 2021. The peak in 2021 is primarily due to the implementation of GASB Statement No. 84, *Fiduciary Activities*, wherein certain fee-based student programs are now presented as the University's student tuition and fees rather than depository transactions on behalf of discretely presented component units.

The University offers eligible students fee waivers and institutional grants to be applied against student tuition and fees. This is in addition to federal agencies, state agencies, and nongovernmental grantor's student financial aid grants. Collectively, these are referred to as scholarship allowance; an offset to the gross student tuition and fees. The gap between the gross and net student tuition and fees reflects growth or decline in the waivers and financial aid grants made available to students. During the last five years, approximately half of the student tuition and fees were paid through waivers and financial aid grants. The gap in the last two years is shown in the following table.

	2022	2021
	(In thousands)	
Gross student tuition and fees	\$ 4,233,773	4,231,654
Less: Institutional grants	(803,609)	(782,620)
Less: Financial aid grants	(1,098,438)	(1,159,595)
Net student tuition and fees	<u>\$ 2,331,726</u>	<u>2,289,439</u>

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

The emergency student aid received by the University through HEERF I, II, and III were distributed to students as scholarship and fellowship amounting to \$726.74 million, which are reported as operating expense rather than an offset to student tuition and fees.

Sales and Services (Educational Activities and Auxiliary Enterprise)

Sales and services of educational activities include revenues related incidentally to the conduct of instruction, research, and public service, and revenues for activities that exist to provide instructional and laboratory experience for students and that incidentally create goods and services that may be sold to faculty, students, staff, and the general public. Net revenues from sales and services of educational activities amounted to \$38.58 million, an increase from \$19.10 million in 2021.

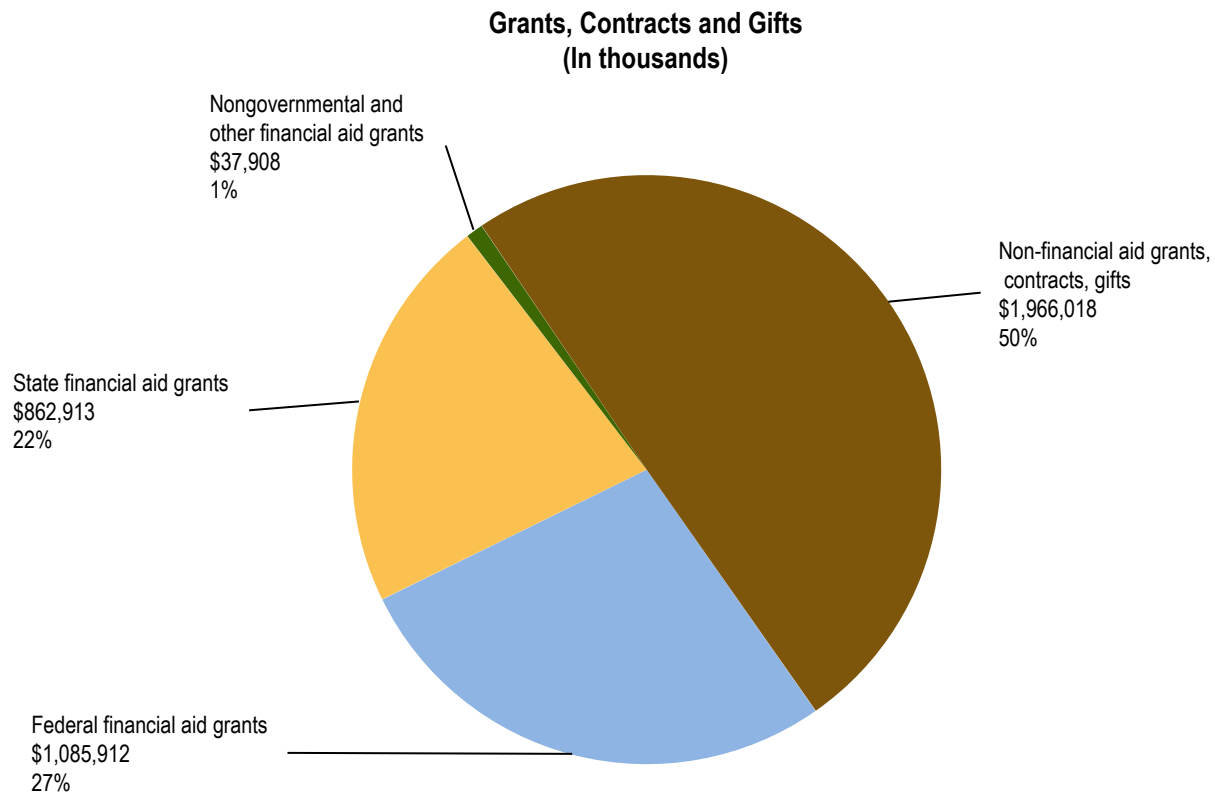
Auxiliary enterprises exist predominantly to furnish goods or services to students, faculty, or staff, for a fee. Net revenues from sales and services of auxiliary enterprises, which are primarily for student housing and parking, amounted to \$627.55 million, which is a \$473.59 million increase when compared to 2021. The increase is due to the slowing down of COVID-19 pandemic wherein operations and demand returned closer to normal.

Grants, Contracts and Gifts

Grants, contracts and gifts revenues are derived substantially from the student financial aid grants from federal agencies, state agencies, and nongovernmental grantors. Major federal financial aid grants came from the Pell Grant, Supplemental Educational Opportunity Grant, and College Work Study. Major state financial aid grants came from Cal Grants and Middle-Class Scholarship. HEERF grants are reported under other federal nonoperating grants in the Statement of Revenues, Expenses, and Changes in Net Position.

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022



Student financial aid grants totaled to \$1.99 billion, a decrease of \$79.74 million from the previous year.

The remainder of the grants, contracts and gifts include non-financial aid grants, contracts, changes to permanent endowments, and gifts (capital and noncapital), which amounted to \$1.97 billion, or 49.74%, of total grants, contracts, and gifts. This included \$1.63 billion of HEERF grants mainly used for emergency aid to students, including but not limited to grants for food, housing, course materials, technology, health care, and childcare. Further, gifts received from discretely presented component units amounted to \$125.39 million.

Investment and Endowment Income (Loss), Net and Other Revenues

Investment and endowment income (loss) , net and other revenues for 2022 has decreased by \$603.52 million due to rise in unrealized investment losses during the fiscal year compared to unrealized investment gains in prior year.

Expenses (Operating and Nonoperating)

The University's total expenses of \$10.96 billion are comprised of operating expenses of \$10.59 billion, or 96.70%, and nonoperating expenses of \$0.37 billion, or 3.39%.

Operating Expenses

When the mission-critical educational support activities of student services, academic support, student grants and scholarships, public service, and research are added to direct classroom instruction, the total instruction and

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

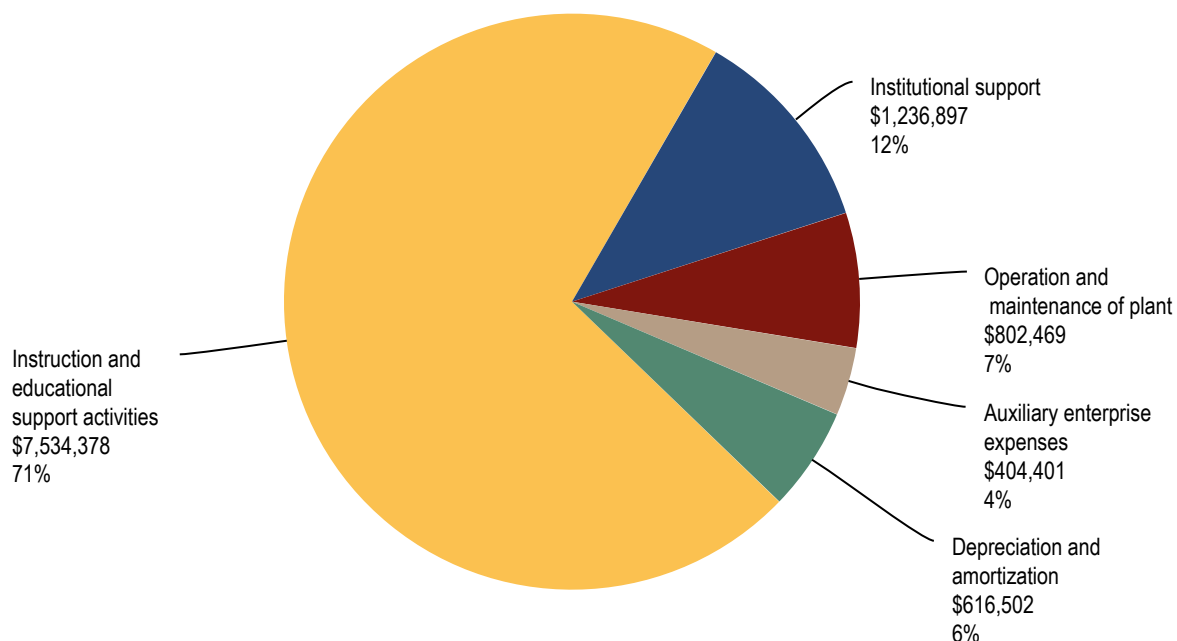
educational support activities account for 71.11% and 70.53% of the 2022 and 2021 total operating expenses of the University, respectively.

	2022	Percentage of total	2021	Percentage of total
	(In thousands)		(In thousands)	
Instruction	\$ 3,577,426	33.77 %	\$ 3,530,908	34.50 %
Research	63,883	0.60	57,268	0.56
Public service	34,386	0.33	50,452	0.49
Academic support	938,008	8.85	1,000,371	9.78
Student services	1,214,545	11.46	1,243,642	12.15
Student grants and scholarships	1,706,130	16.10	1,335,231	13.05
Total instruction and educational support activities	7,534,378	71.11	7,217,872	70.53
Institutional support	1,236,897	11.68	1,184,370	11.57
Operation and maintenance of plant	802,469	7.57	867,215	8.48
Auxiliary enterprise expenses	404,401	3.82	403,504	3.94
Depreciation and amortization	616,502	5.82	560,612	5.48
Total operating expenses	<u>\$ 10,594,647</u>	<u>100.00 %</u>	<u>\$ 10,233,573</u>	<u>100.00 %</u>

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

**Operating Expenses
(In thousands)**



- **Salaries**

The University's salaries expense increased from \$3.78 billion in 2021 to \$3.96 billion in 2022. The majority of the increase in salaries are in instruction and education support of \$190.38 million and in auxiliary enterprise of \$24 million. This is mainly due to increases in compensation for faculty members which were paused during the COVID-19 pandemic. The increase also reflects the return to normal operations which showed an increase in FTE particularly in auxiliary enterprise services compared to the impact of COVID-19 pandemic in the previous year. All these were offset by the decrease in salaries for institutional support and operation and maintenance of plant of \$28.11 million and \$5.22 million, respectively.

- **Benefits**

The University's benefits decreased by \$0.86 billion from \$2.97 billion in 2021 to \$2.11 billion in 2022.

The pension related benefits expense decreased by \$807.19 million in 2022 due mainly to investment earnings on the pension plan assets during the measurement period. The OPEB expense decreased by \$39.80 million in 2022, due mainly to lower interest costs, net effect of the changes in the assumptions and differences between actual

CALIFORNIA STATE UNIVERSITY
Management's Discussion and Analysis

June 30, 2022

and expected experience. This resulted in the decrease in benefits in instruction and educational support of \$416.70 million.

- *Scholarships and Fellowships*

The scholarship and fellowships, which represent financial aid directly paid to students, increased from \$1.34 billion in 2021 to \$1.71 billion in 2022. The increase is mainly due to the HEERF grants given to eligible students.

Discretely Presented Component Units' Results of Operations

The discretely presented component units generated \$1.73 billion of revenues, representing 12.20% of the University's \$14.20 billion combined total revenues. This is lower compared to the 19.46% in the prior year due to the significant increase in unrealized losses on endowment investments as compared to prior year's unrealized gains.

The discretely presented component units managed \$1 billion grants, contracts, and gifts revenues, representing 21.27% of the University's \$5.02 billion combined total. Discretely presented component units fund many students' co-curricular activities, administer research programs, raise funds, operate student unions, offer recreational programs, coordinate commercial enterprises, and develop public-private partnerships on behalf of the University.

Factors Impacting Future Periods

In 2023, the University received from the State a permanent base budget increase of \$365.70 million and will receive a \$69.50 million state-funded retirement adjustment in a subsequent General Fund appropriation. The University's operating budget for 2023 includes \$4.70 billion in state General Fund.

It is the intent of the University to strategically place new enrollment at campuses that are experiencing significant prospective student demand and can expand more seats in academic programs that support high-demand career fields in California.

Ongoing challenges include the effects of inflation, heightened energy costs, new commitments and workload contained in the multi-year compact between the State and the University, and the continuing work of narrowing and eliminating equity gaps through Graduation Initiative 2025.

Subsequent Events

In January 2023, the University issued BAN amounting to \$14.31 million for the Science Replacement Building at San Francisco State University.

BASIC FINANCIAL STATEMENTS

The image is a collage of three photographs. The top photograph shows two male students on a balcony with a white railing; one is looking at a laptop while the other looks on. The middle photograph shows a male student with a backpack walking up a staircase with yellow and white striped steps. The bottom photograph shows a group of students walking away from the camera on a paved path towards a large glass entrance of a brick building. A student in the foreground is pulling a black suitcase.

CALIFORNIA STATE UNIVERSITY

Statement of Net Position

June 30, 2022

(In thousands)

	University	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 48,406	356,197	404,603
Short-term investments	4,669,441	930,683	5,600,124
Accounts receivable, net	302,901	296,968	599,869
Lease receivables, current portion	20,946	24,580	45,526
Notes receivable, current portion	16,648	19,311	35,959
Pledges receivable, net	2,000	151,190	153,190
Prepaid expenses and other current assets	85,884	30,657	116,541
Total current assets	<u>5,146,226</u>	<u>1,809,586</u>	<u>6,955,812</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	55,194	55,194
Accounts receivable, net	6,447	21,149	27,596
Lease receivables, net of current portion	213,468	434,635	648,103
Notes receivable, net of current portion	424,812	111,749	536,561
Student loans receivable, net	36,764	428	37,192
Pledges receivable, net	—	129,441	129,441
Endowment investments	1,641	2,232,731	2,234,372
Other long-term investments	2,947,037	513,230	3,460,267
Capital assets, net	11,743,837	993,911	12,737,748
Other assets	35,986	69,819	105,805
Total noncurrent assets	<u>15,409,992</u>	<u>4,562,287</u>	<u>19,972,279</u>
Total assets	<u>20,556,218</u>	<u>6,371,873</u>	<u>26,928,091</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>3,312,096</u>	<u>46,499</u>	<u>3,358,595</u>
Liabilities			
Current liabilities:			
Accounts payable	374,529	130,167	504,696
Accrued salaries and benefits	462,489	33,067	495,556
Accrued compensated absences, current portion	135,884	16,744	152,628
Unearned revenues	287,135	137,358	424,493
Lease liabilities, current portion	25,787	21,860	47,647
Long-term debt obligations, current portion	232,066	42,352	274,418
Claims liability for losses and loss adjustment expenses, current portion	—	21,401	21,401
Depository accounts	4,184	14,218	18,402
Other liabilities	183,762	86,854	270,616
Total current liabilities	<u>\$ 1,705,836</u>	<u>504,021</u>	<u>2,209,857</u>

CALIFORNIA STATE UNIVERSITY

Statement of Net Position

June 30, 2022

(In thousands)

	University	Discretely presented component units	Total
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	\$ 145,482	6,542	152,024
Unearned revenues	5,529	67,665	73,194
Grants refundable	30,543	5,386	35,929
Lease liabilities, net of current portion	274,102	218,959	493,061
Long-term debt obligations, net of current portion	9,418,186	584,619	10,002,805
Claims liability for losses and loss adjustment expenses, net of current portion	—	42,580	42,580
Depository accounts	6	9,777	9,783
Total other postemployment benefits liability	15,434,384	87,666	15,522,050
Net pension liability	5,618,682	49,182	5,667,864
Other liabilities	83,223	47,056	130,279
Total noncurrent liabilities	31,010,137	1,119,432	32,129,569
 Total liabilities	 32,715,973	 1,623,453	 34,339,426
 Deferred Inflows of Resources			
Deferred inflows of resources	5,115,906	468,733	5,584,639
 Net Position			
Net position:			
Net investment in capital assets	3,538,920	402,479	3,941,399
Restricted for:			
Nonexpendable – endowments	1,641	1,731,240	1,732,881
Expendable:			
Scholarships and fellowships	28,908	234,269	263,177
Research	—	31,642	31,642
Loans	26,091	2,263	28,354
Capital projects	25,937	90,878	116,815
Debt service	14,931	6,682	21,613
Others	51,061	937,988	989,049
Unrestricted	(17,651,054)	888,745	(16,762,309)
Total net position	\$ (13,963,565)	4,326,186	(9,637,379)

See accompanying notes to financial statements.

CALIFORNIA STATE UNIVERSITY

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2022

(in thousands)

	University	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of University scholarship allowances of \$1,902,047)	\$ 2,331,726	—	—	2,331,726
Grants and contracts, noncapital:				
Federal	49,488	402,840	(5)	452,323
State	7,343	143,375	(237)	150,481
Local	3,887	18,079	—	21,966
Nongovernmental	13,248	69,974	(363)	82,859
Sales and services of educational activities	38,580	36,911	(16)	75,475
Sales and services of auxiliary enterprises (net of University scholarship allowances of \$108,820)	627,545	354,116	(3,256)	978,405
Other operating revenues	258,134	583,977	(12,251)	829,860
Total operating revenues	3,329,951	1,609,272	(16,128)	4,923,095
Expenses:				
Operating expenses:				
Instruction	3,577,426	129,689	(3,900)	3,703,215
Research	63,883	249,581	(3,219)	310,245
Public service	34,386	221,626	(2,794)	253,218
Academic support	938,008	91,956	(8,220)	1,021,744
Student services	1,214,545	209,174	(11,990)	1,411,729
Institutional support	1,236,897	268,231	(36,419)	1,468,709
Operation and maintenance of plant	802,469	86,993	(45,445)	844,017
Student grants and scholarships	1,706,130	94,888	(38,282)	1,762,736
Auxiliary enterprise expenses	404,401	425,889	(9,793)	820,497
Depreciation and amortization	616,502	74,488	—	690,990
Total operating expenses	10,594,647	1,852,515	(160,062)	12,287,100
Operating loss	(7,264,696)	(243,243)	143,934	(7,364,005)
Nonoperating revenues (expenses):				
State appropriations, noncapital	5,596,488	—	—	5,596,488
Federal financial aid grants, noncapital	1,085,912	1,266	—	1,087,178
State financial aid grants, noncapital	862,913	421	—	863,334
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	37,908	158	(20,887)	17,179
Other federal nonoperating grants, noncapital	1,688,181	4,852	—	1,693,033

CALIFORNIA STATE UNIVERSITY

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2022

(in thousands)

	University	Discretely presented component units	Eliminations	Total
Nonoperating revenues (expenses), continued:				
Gifts, noncapital	\$ 71,860	311,267	(51,456)	331,671
Investment loss, net	(334,395)	(110,523)	—	(444,918)
Endowment income (loss), net	11	(231,458)	—	(231,447)
Interest expense	(319,381)	(21,736)	—	(341,117)
Other nonoperating revenues (expenses)	(51,624)	32,393	2,342	(16,889)
Net nonoperating revenues (expenses)	8,637,873	(13,360)	(70,001)	8,554,512
Income (loss) before other revenues	1,373,177	(256,603)	73,933	1,190,507
State appropriations, capital	138	—	—	138
Grants and gifts, capital	132,011	42,238	(73,933)	100,316
Additions to permanent endowments	—	73,237	—	73,237
Increase (decrease) in net position	1,505,326	(141,128)	—	1,364,198
Net position:				
Net position at beginning of year	(15,468,891)	4,467,314	—	(11,001,577)
Net position at end of year	\$ (13,963,565)	4,326,186	—	(9,637,379)

See accompanying notes to financial statements.

CALIFORNIA STATE UNIVERSITY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	University
Cash flows from operating activities:	
Student tuition and fees	\$ 2,270,110
Federal grants and contracts	46,525
State grants and contracts	10,223
Local grants and contracts	4,479
Nongovernmental grants and contracts	10,555
Payments to suppliers	(2,170,923)
Payments to employees	(3,937,612)
Payments for benefits	(1,945,382)
Payments to students	(1,703,228)
Collections of student loans	2,361
Sales and services of educational activities	39,616
Sales and services of auxiliary enterprises	615,141
Other receipts	230,617
Net cash used in operating activities	<u>(6,527,518)</u>
Cash flows from noncapital financing activities:	
State appropriations	5,207,403
Federal financial aid grants	1,086,714
State financial aid grants	863,993
Nongovernmental and other financial aid grants	37,896
Other federal nonoperating grants	1,677,005
Gifts and grants received for other than capital purposes	71,019
Federal loan program receipts	1,156,104
Federal loan program disbursements	(1,158,154)
Monies received on behalf of others	68,074
Monies disbursed on behalf of others	(69,235)
Transfers to escrow agent	(98,097)
Proceeds from long-term debt	168,627
Principal paid on long-term debt	(19,035)
Interest paid on long-term debt	(16,339)
Issuance of notes receivable	(86,071)
Principal collections on notes receivable	37,472
Interest collections on notes receivable	18,256
Other noncapital financing activities	(84,825)
Net cash provided by noncapital financing activities	<u>8,860,807</u>

CALIFORNIA STATE UNIVERSITY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	<u>University</u>
Cash flows from capital and related financing activities:	
Proceeds from capital debt	\$ 1,769,683
State appropriations	6,887
Capital grants and gifts	133,843
Proceeds from sale of capital assets	14,405
Acquisition of capital assets	(1,173,176)
Transfers to escrow agent	(741,196)
Principal paid on capital debt and leases	(316,500)
Interest paid on capital debt and leases	(328,781)
Principal collection on leases receivable	83,943
Interest collection on leases receivable	4,667
Net cash used in capital and related financing activities	<u>(546,225)</u>
Cash flows from investing activities:	
Proceeds from sales of investments	10,277,495
Purchases of investments	(12,138,316)
Investment income proceeds	114,651
Net cash used in investing activities	<u>(1,746,170)</u>
Net increase in cash and cash equivalents	40,894
Cash and cash equivalents at beginning of year	7,512
Cash and cash equivalents at end of year	<u>\$ 48,406</u>
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 48,406
Total cash and cash equivalents at end of year	<u>\$ 48,406</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (7,264,696)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	616,502
Change in assets and liabilities:	
Accounts receivable, net	(45,048)
Student loans receivable, net	(369)
Prepaid expenses and other current assets	(14,932)
Other assets	(7,031)
Deferred outflows of resources	166,712
Accounts payable	62,107
Accrued salaries and benefits	34,401
Accrued compensated absences	(9,936)
Unearned revenues	(47,754)
Total other postemployment benefits liability	139,424

CALIFORNIA STATE UNIVERSITY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	University
Reconciliation of operating loss to net cash used in operating activities, continued:	
Net pension liability	\$ (2,800,631)
Other liabilities	(6,221)
Deferred inflows of resources	2,649,954
Net cash used in operating activities	<u>\$ (6,527,518)</u>

Supplemental schedule of noncash transactions:

Change in unrealized gain (loss) of investment	\$ 474,374
State's contribution for OPEB	389,094
Change in capital assets due to implementation of GASB 87	352,021
Acquisition of capital asset through long-term debt obligations	195,721
Other assets paid through long-term debt	82,378

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS



CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(1) Organization

California State University (the University) was established under the State of California Education Code as a public university to offer undergraduate and graduate instruction for professional and occupational goals emphasizing a broad liberal arts education. As an agency of the State of California (the State), the University is also included in the State's financial statements. Responsibility for the University is vested in the Trustees of California State University (the Trustees) who, in turn, appoint the Chancellor, who is the chief executive officer of the University, and the University presidents, who are the chief executive officers of the respective campuses. In addition to the Office of the Chancellor, the following 23 campuses comprise the California State University at June 30, 2022:

- California State University, Bakersfield
- California State University Channel Islands
- California State University, Chico
- California State University, Dominguez Hills
- California State University, East Bay
- California State University, Fresno
- California State University, Fullerton
- California State Polytechnic University, Humboldt (formerly Humboldt State University)
- California State University, Long Beach
- California State University, Los Angeles
- California State University Maritime Academy
- California State University, Monterey Bay
- California State University, Northridge
- California State Polytechnic University, Pomona
- California State University, Sacramento
- California State University, San Bernardino
- San Diego State University
- San Francisco State University
- San José State University
- California Polytechnic State University, San Luis Obispo
- California State University San Marcos
- Sonoma State University
- California State University, Stanislaus

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

The University provides instruction for baccalaureate, masters', doctorate, and certificate programs, and operates various auxiliary enterprises, such as student housing and parking facilities. In addition, the University administers a variety of financial aid programs that are funded primarily through state and federal programs.

(2) Summary of Significant Accounting Policies

(a) Financial Reporting Entity

In accordance with Governmental Accounting Standards Board (GASB) Statements No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities – an amendment of GASB Statement No. 34*, the accompanying financial statements present the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows of the 23 campuses and the Office of the Chancellor of the University.

In addition, the accompanying financial statements include the accounts of the 93 discretely presented component units, which are primarily University-related recognized auxiliary organizations. These discretely presented component units are legally separate entities that provide services primarily to the University and its students. Recognized auxiliary organizations include foundations, associated students, student unions, auxiliary services, university corporations, and similar organizations. Foundations, whose net position comprises approximately 80.50% of the discretely presented component unit totals, carry out a variety of campus-related activities. Such activities consist primarily of administering grants from governmental and private agencies for research, as well as soliciting and accepting donations, gifts, and bequests for University-related use. Separate financial statements are issued for each of the discretely presented component units and may be obtained from the individual campuses.

The discretely presented component units are as follows:

- California State University, Bakersfield Foundation
- Associated Students, California State University, Bakersfield, Inc.
- California State University, Bakersfield Student-centered Enterprises, Inc.
- California State University, Bakersfield, Auxiliary for Sponsored Programs Administration
- California State University Foundation
- California State University Institute
- California State University Risk Management Authority
- California State Student Association
- California State University, Channel Islands Foundation
- Associated Students of California State University Channel Islands, Inc.
- CI University Auxiliary Services, Inc.
- California State University Channel Islands Financing Authority
- California State University Channel Islands Site Authority
- Chico State Enterprises

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

- The University Foundation, California State University, Chico
- Associated Students of California State University, Chico
- California State University, Dominguez Hills Foundation*
- California State University, Dominguez Hills Philanthropic Foundation
- Associated Students, Inc., California State University, Dominguez Hills
- The Donald P. and Katherine B. Loker University Student Union, Inc., California State University, Dominguez Hills
- Cal State East Bay Educational Foundation, Inc.
- California State University, East Bay Foundation, Inc.
- Associated Students, Inc. of California State University, East Bay
- California State University, Fresno Foundation
- The Agricultural Foundation of California State University, Fresno
- The Bulldog Foundation (Fresno)
- Associated Students California State University, Fresno
- California State University, Fresno Athletic Corporation
- California State University, Fresno Association, Inc.
- Fresno State Programs for Children, Inc.
- Cal State Fullerton Philanthropic Foundation
- Associated Students, California State University, Fullerton, Inc.
- CSU Fullerton Auxiliary Services Corporation
- Humboldt State University Foundation
- Humboldt State University Sponsored Programs Foundation
- Associated Students of Humboldt State University
- Humboldt State University Center Board of Directors
- California State University, Long Beach Research Foundation
- CSULB 49er Foundation
- Associated Students, Inc., California State University, Long Beach
- Forty-Niner Shops, Inc. (Long Beach)
- California State University, Los Angeles Foundation
- Associated Students of California State University, Los Angeles, Inc.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

- University-Student Union at California State University, Los Angeles
- Cal State L.A. University Auxiliary Services, Inc.
- California Maritime Academy Foundation, Inc.
- Associated Students of the California Maritime Academy
- Cal Maritime Corporation **
- Foundation of California State University, Monterey Bay
- University Corporation at Monterey Bay
- Otter Student Union at CSU Monterey Bay
- California State University, Northridge Foundation
- Associated Students, California State University, Northridge, Inc.
- University Student Union California State University, Northridge
- The University Corporation (Northridge)
- North Campus - University Park Development Corporation (Northridge)
- Cal Poly Pomona Foundation, Inc.
- Associated Students, Inc., California State Polytechnic University, Pomona
- Cal Poly Pomona Philanthropic Foundation
- The University Foundation at Sacramento State
- Associated Students of California State University, Sacramento
- University Union Operation of California State University, Sacramento
- University Enterprises, Inc. (Sacramento)
- Capital Public Radio, Inc. (Sacramento)
- CSUSB Philanthropic Foundation
- Associated Students, Incorporated, California State University, San Bernardino
- Santos Manuel Student Union of California State University, San Bernardino
- University Enterprises Corporation at CSUSB
- San Diego State University Research Foundation
- The Campanile Foundation (San Diego)
- Associated Students of San Diego State University
- Aztec Shops, Ltd. (San Diego)
- San Francisco State University Foundation

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

- Associated Students of San Francisco State University
- The University Corporation, San Francisco State
- San José State University Research Foundation
- Tower Foundation of San José State University
- Associated Students of San José State University
- The Student Union of San José State University
- Spartan Shops, Inc. (San José)
- California Polytechnic State University Foundation (San Luis Obispo)
- Associated Students, Inc., California Polytechnic State University, San Luis Obispo
- Cal Poly Corporation (San Luis Obispo)
- California State University San Marcos Foundation
- Associated Students, Inc. of California State University San Marcos
- California State University San Marcos Corporation
- Sonoma State University Foundation
- Associated Students of Sonoma State University
- Sonoma State Enterprises, Inc.
- California State University, Stanislaus Foundation
- Associated Students Incorporated of California State University, Stanislaus
- University Student Center of California State University, Stanislaus
- California State University, Stanislaus Auxiliary and Business Services

**Name changed to CSUDH Toro Auxiliary Partners effective FY22-23.*

***New in FY21-22.*

These component units are presented in the accompanying financial statements as discretely presented component units of the University due to the nature and significance of their relationship with the University. The relationships are such that exclusion of these organizations from the reporting entity would render the financial statements incomplete, primarily due to their close affiliation with the University. These organizations are discretely presented to allow the financial statement users to distinguish between the University and the component units. None of the component units are considered individually significant to the total discretely presented component units. All significant nonexchange transactions between the University and discretely presented component units have been eliminated from these financial statements.

The accompanying financial statements also include the Stockton Center Site Authority, which is included as a blended component unit. This organization primarily provides services to the University in the areas of asset management. The University is financially accountable for this organization.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(b) Basis of Presentation

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

As a public institution, the University is considered a special-purpose government under the provisions of GASB Statements Nos. 34 and 35. The University records revenue in part from fees and other charges for services to external users and, accordingly, has chosen to present financial statements using the reporting model for special-purpose governments engaged in business-type activities. This model allows all financial information for the University to be reported in a single column in each of the financial statements, accompanied by aggregated financial information for the discretely presented component units, as discussed above. The effects of internal activities between funds or groups of funds have been eliminated from these financial statements.

(c) New Accounting Pronouncements

On July 1, 2021, the University implemented GASB Statement No. 87, "Leases." This Statement changed the accounting and financial reporting for leases, by establishing a single model for lease accounting based on the foundational principle that leases represent a financing transaction associated with the right to use an underlying asset. This Statement applies to contracts that convey the right to use a non-financial asset in an exchange or exchange-like transaction for a term exceeding 12 months. Lessees are now required to recognize a lease liability and an intangible right-to-use (ROU) lease asset, and lessors are required to recognize a lease receivable and a deferred inflow of resources.

Restatement of the Statement of Net Position as of June 30, 2021 resulted in the addition of \$474,156 to the University's assets (\$432,279 ROU assets added to "capital assets, net", \$11,377 added to "lease receivables, current portion", \$14,540 added to "lease receivable, net of current portion", \$685 added to "notes receivable, current portion", and \$15,275 added to "notes receivable, net of current portion"). GASB Statement No. 87 also added \$219,178 to the University's liabilities (\$39,410 of lease liabilities added to "lease liabilities, current portion" and \$176,999 of lease liabilities added to "lease liabilities, net of current portion", obligations for finance purchase arrangements of \$13,423 (current portion) and \$204,653 (net of current portion) were reclassified from lease liabilities to long-term debt, and \$2,768 added to "long-term debt, net of current portion", and \$248,812 added to "deferred inflows of resources".

On July 1, 2021, the University implemented GASB Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period." This Statement requires that interest costs incurred before the end of a construction period be recognized as expense in the period in which the cost incurred for financial statements prepared using the economic resources measurement focus. As a result, these costs are no longer included in the capitalized cost of capital assets reported by the University. This Statement has been applied on a prospective basis, and interest costs capitalized prior to implementation continue to be recognized as those assets are depreciated.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, effective for the University's fiscal year beginning July 1, 2022. This Statement is intended to improve financial reporting by addressing issues related to public-private and public-public partnership

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

arrangements (PPPs). The University is evaluating the effect GASB Statement No. 94 will have on its financial statements.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective for the University's fiscal year beginning July 1, 2022. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. The University is evaluating the effect GASB Statement No. 96 will have on its financial statements.

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*, provisions of which will be effective for the fiscal year ending June 30, 2023, and 2024. Requirements related to leases, PPPs, and SBITAs are effective for fiscal year ending June 30, 2023. Requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53 are effective for the fiscal year ending June 30, 2024. The University is currently assessing the impact of implementation of this Statement on its financial statements but does not expect it to have any material impact on its financial statements.

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*, which will be effective for the fiscal year ending June 30, 2023. This Statement is intended to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. It defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity. This Statement requires that (i) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (ii) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (iii) changes in accounting estimates be reported prospectively by recognizing the change in the current period.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*, which will be effective for the fiscal year ending June 30, 2025. This Statement will update the recognition and measurement guidance for compensated absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used, and (2) leave that has been used and not yet paid cash or settled through noncash means. This Statement amends the existing disclosure requirements to allow governments to disclose only the net change in the liability as long as they identify it as a net change.

(d) Classification of Current and Noncurrent Assets (Other than Investments) and Liabilities

The University considers assets to be current that can reasonably be expected, as part of its normal business operations, to be converted to cash and be available for liquidation of current liabilities within 12 months of the Statement of Net Position date. Liabilities that reasonably can be expected, as part of normal University business operations, to be liquidated within 12 months of the Statement of Net Position date are considered to be current. All other assets and liabilities are considered noncurrent. For classification of current and noncurrent investments, refer to note 2(f).

(e) Cash and Cash Equivalents and Statement of Cash Flows

The University considers highly liquid investments with an original maturity date of three months or less to be cash and cash equivalents. The University considers amounts included in the California State University (CSU) Consolidated Investment Pool to be investments.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

The Statement of Cash Flows does not include the cash flows of the discretely presented component units. Certain discretely presented component units are also participants in the CSU Consolidated Investment Pool. The University considers changes in the equity in the CSU Consolidated Investment Pool as investing cash flows of the University in the accompanying Statement of Cash Flows.

(f) Investments

Investments are reflected at fair value using quoted market prices. Realized and unrealized gains and losses are included in the accompanying Statement of Revenues, Expenses, and Changes in Net Position as a component of investment income (loss), net.

Investments that are used for current operations are classified as short-term investments. Investments that are restricted from withdrawal or use for other than current operations, designated or restricted for the acquisition or construction of noncurrent assets, designated or restricted for the liquidation of the noncurrent portion of long-term debt obligations, and restricted as to the liquidity of the investments are classified as other long-term investments.

The University invests in the Surplus Money Investment Fund (SMIF), an external investment pool. The State Treasurer invests the SMIF funds through the Pooled Money Investment Account (PMIA). PMIA policy sets as primary investment objectives safety, liquidity, and yield. The Investment Division of the State Treasurer's Office manages the PMIA under statutory authority granted by California Government Code Sections 16430 and 16480.4. The Pooled Money Investment Board governs the PMIA. The State Treasurer chairs this Board, which also includes the State Controller and the State Director of Finance.

(g) Accounts Receivable

The University maintains an allowance for doubtful accounts for estimated losses inherent in its accounts receivable based on types of receivables and expectations of repayment. In establishing the required allowance, management considers one or more of the following: types of receivables, state guidelines, historical losses adjusted to take into account current market conditions, the amount of receivable in dispute, the current receivable aging, and current payment patterns. The University reviews its allowance for doubtful accounts annually. Past-due balances over 90 days and over a specified amount are reviewed individually for collectibility.

(h) Capital Assets

Capital assets are stated at cost or estimated historical cost if purchased, or, if donated, at estimated acquisition value (an entry price) at date of donation. Capital assets, including infrastructure and intangible assets, with an original value of five thousand dollars or more and with a useful life of over one year, are capitalized. Title to all University assets, whether purchased, constructed, or donated, is held by the State. Although title is not with the University for land and buildings, the University has exclusive use of these assets and is responsible for the maintenance of these assets and thus has recorded the cost of these assets in the accompanying financial statements. Right of use leased assets are stated at the present value of payments expected to be made during the lease term, less accumulated amortization. Capital assets, with the exception of land and land improvements, works of art and historical treasures, construction work in progress, and certain intangible assets, are depreciated or amortized on a straight-line basis over their estimated useful lives, which ranges from 3 to 45 years. Library books, unless considered rare collections, are capitalized and depreciated over a 10-year period. Periodicals and subscriptions are expensed as purchased. Works of art and historical treasures are valued at cost, if purchased, or

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

the acquisition value (an entry price) at the date of donation, if contributed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are expensed as incurred.

Depreciation and amortization expense is shown separately in the Statement of Revenues, Expenses, and Changes in Net Position rather than being allocated among other categories of operating expenses.

(i) **Leases**

The University determines if an arrangement is a lease at inception of the lease contract. Lessee arrangements are included in capital assets and lease liabilities in the Statement of Net Position. Lease assets represent the University's right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized on a straight-line basis over the lease term. Lease liabilities represent the University's obligation to make lease payments arising from the lessee arrangement. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the University will exercise that option. The University recognized payments for short-term leases with a lease term of 12 months or less as expense as the payments are made.

Key Estimates and Judgments

Key estimates and judgments include how the University determines (1) the discount rate it uses to calculate the present value of the expected lease payments, (2) lease term, and (3) payments.

- The University generally uses its estimated incremental borrowing rate as the discount rate for leases unless the rate that the lessor/vendor charges is known. The University's incremental borrowing rate for leases is based on the rate of interest it would need to pay to borrow an amount equal to the lease payments, under similar terms at the commencement or remeasurement date.
- The lease term includes the noncancellable period of the lease plus any additional periods covered by either the University's or lessor's unilateral option to (1) extend for which it is reasonably certain to be exercised, or (2) terminate for which it is reasonably certain not to be exercised. Periods in which both the University and the lessor/vendor have an option to terminate (or if both parties have to agree to extend) are excluded from the lease term.
- Payments are evaluated by the University to determine if they should be included in the measurement of the lease liability including those payments that require a determination of whether they are reasonably certain of being made, such as purchase options, payments for termination penalties, and other payments.

Remeasurement of Lease Amounts

The University monitors changes in circumstances that may require remeasurement of a lease arrangement. When certain changes occur that are expected to significantly affect the amount of the lease liability, the liability is remeasured, and a corresponding adjustment is made to the lease asset.

Presentation in Statement of Net Position

Lease assets are reported with capital assets and lease liabilities are reported separately in the Statement of Net Position.

Lessor arrangements are included in lease receivables (current portion), lease receivables (net of current portion), and deferred inflows of resources in the Statement of Net Position. Lease receivables represent the University's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term on a straight-line basis. Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue on a straight-line basis over the lease term. The University recognized payments received for short-term leases with a lease term of 12 months or less as revenue as the payments are received. Lease revenues are included in the other operating revenue in the Statement of Revenues, Expenses, and Changes in Net Position.

(j) *Unearned Revenues*

Unearned revenues consist primarily of fees collected in advance for summer and fall terms and professional and continuing education programs.

(k) *Compensated Absences*

Compensated absences are recognized, as either current or noncurrent liabilities, when the right to receive the compensation is earned by the employees from vested unpaid vacation and other paid leave programs. Unused sick leave balances are not included in the compensated absences because they do not vest to employees. Vacation is accrued on a monthly basis. The University uses an employee's current pay rate as of July 1, 2022, to calculate the liability for accrued compensated absences. The University provides vacation based on length of service and job classifications.

(l) *Grants Refundable*

The University periodically receives contributions from the federal government in support of its operation of the Federal Perkins and Nursing Loan programs, both Title IV Loan programs. The federal government has the ability to terminate its support of these programs at any time and to request that the University return those contributions on a cumulative basis, such as the Federal Perkins Loan Program, which has expired in fiscal year 2018. Accordingly, the federal contributions received and retained by the University at year-end are considered liabilities of the University and are reflected as such in the accompanying Statement of Net Position.

(l) *Claims Liability for Losses and Loss Adjustment Expenses*

The claims liability for losses and loss adjustment expenses included in the aggregate discretely presented component units column of the financial statements includes California State University Risk Management Authority's (CSURMA) estimated ultimate cost of settling claims relating to events that have occurred on or before June 30, 2022. The liability includes the estimated amount that will be required for future payments of claims that have been reported and claims related to events that have occurred but have not been reported. The liability is also reduced by estimated amounts recoverable from the reinsurance that is related to the liabilities for unpaid claims and claim adjustment expenses. The liability is estimated through an actuarial calculation using individual case basis valuations and statistical analyses. The liability is not discounted.

Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. Adjustments to claim liabilities are charged or credited to expense in the periods in which they are made.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

In the estimate of the unpaid losses and loss adjustment expenses, CSURMA and its consulting actuary have employed methods and assumptions they considered reasonable and appropriate given the information currently available. Given the inherent uncertainty in the nature of such estimates, future losses may deviate from those estimates.

(m) *Deferred Outflows of Resources and Deferred Inflows of Resources*

The University classifies losses on debt refundings as deferred outflows of resources and amortizes it as a component of interest expense over the remaining life of the old debt or the new debt, whichever is shorter.

Changes in net pension liability not included in pension expenses are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date of the net pension liability are reported as deferred outflows of resources. Deferred outflows and inflows of resources related to differences between expected and actual experience are amortized over a closed period equal to the average employees' remaining service lives. The deferred outflows and inflows of resources related to differences between projected and actual earnings on pension plan investments are netted and amortized over a closed 5-year period.

Changes in total OPEB liability not included in OPEB expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date of the total OPEB liability are reported as deferred outflows of resources. Deferred outflows and inflows of resources related to differences between expected and actual experience and changes in assumptions are amortized over a closed period equal to the average employees' remaining service lives.

(n) *Net Position*

The University's net position is classified into the following categories:

- **Net Investment in Capital Assets:** Capital assets, net of accumulated depreciation, and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets and any related deferred outflows of resources.
- **Restricted:**
 - Nonexpendable: Net position subject to externally imposed conditions that the University retains in perpetuity. Net position in this category consists of endowments held by the University or its related discretely presented component units.
 - Expendable: Net position subject to externally imposed conditions that can be fulfilled by the actions of the University or by the passage of time.
- **Unrestricted:** All other categories of net position. In addition, unrestricted net position may have legislative or bond indenture requirements associated with their use or may be designated for use by management of the University. These requirements limit the area of operations for which expenditures of net position may be made and require that unrestricted net position be designated to support future operations in these areas. University housing programs are a primary example of operations that have unrestricted net position with designated uses.

Restricted or unrestricted resources are spent based upon a variety of factors, including funding restrictions, consideration of prior and future revenue sources, the type of expenses incurred, the University's budgetary policies surrounding the various revenue sources or whether the expense is a recurring cost. Unrestricted net

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

position is negative due primarily to liabilities for pension and other postemployment health benefits exceeding University assets available to pay such obligations.

(o) Classification of Revenues and Expenses

The University considers operating revenues and expenses in the Statement of Revenues, Expenses, and Changes in Net Position to be those revenues and expenses that result from exchange transactions and from other activities that are connected directly to the University's primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services. Certain other transactions are reported as nonoperating revenues and expenses in accordance with GASB Statement No. 35. These nonoperating activities include the University's capital and noncapital appropriations from the State, financial aid grants, net investment income, noncapital gifts, interest expense, capital grants and gifts, and changes in permanent endowments.

The State appropriates funds to the University on an annual basis. The appropriations are, in turn, allocated among the campuses by the Office of the Chancellor. Appropriations are recognized as revenue in general when authorization is received and are reported as either noncapital appropriations when used to support general operations or capital appropriations when used for capital projects.

Student tuition and fees revenue, and sales and services of auxiliary enterprises, including revenues from student housing programs, are presented net of scholarships and fellowships applied to student accounts. Certain other scholarship and fellowships are paid directly to, or refunded to, the student and are reflected as operating expenses.

(p) Total Other Postemployment Benefits (OPEB) Liability

The University's total OPEB liability is an actuarial accrued liability that reflects the present value of future healthcare benefits earned by employees up to June 30, 2021. The University's total OPEB liability is determined by discounting the projected benefit for current active employees and retirees based on the discount rate required by GASB Statement No. 75 for OPEB plans which do not have assets residing in a qualified trust. The University and the State fund their current OPEB expenses on a "pay-as-you-go" basis.

(q) Net Pension Liability

The University records a pension liability equal to the net pension liability for its proportionate share in the State's defined-benefit plans: the State's Miscellaneous Plan and the Peace Officers and Firefighters Plan (Agent Multiple-Employer Defined-Benefit Pension Plans). The net pension liability is measured as the University's proportionate share of the State's total pension liability, less the University's proportionate share of the pension plan's fiduciary net position. The fiduciary net position and changes in net position of the cost sharing defined-benefit plans has been measured consistent with the accounting policies used by the plans.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, information about the fiduciary net position of the pension plan, and additions to/ deductions from the pension plans' fiduciary net position have been determined on the same basis as they are reported by the California Public Employees' Retirement System (CalPERS) Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Pension plan investments are reported at fair value.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(r) Grant Revenues and Expenses

The University records grant revenue when all applicable grant eligibility requirements are met. Expenses are recorded as expenditures are incurred. Expenditure-driven grant revenue is recorded as the expenditures are incurred, in amounts equal to the expenditures.

(s) Internal Services Activities

Certain institutional internal service providers offer goods and services to University departments, as well as to external customers. These include activities such as copy centers, postal services, and telecommunications. All significant internal service activities provided to University departments have been eliminated in the accompanying financial statements. These eliminations are recorded by removing the revenue and expense in the internal service sales and service units and, if significant, allocating any residual balances to those departments receiving the goods and services during the fiscal year.

(t) Income Taxes

The University is an agency of the State and is treated as a governmental entity for tax purposes. As such, the University is generally not subject to federal or state income taxes. The component units are either exempt governmental entities or not-for-profit organizations exempt under IRC Section 501(c)(3). However, the University and its component units remain subject to income taxes on any net income that is derived from a trade or business, regularly carried on and not in furtherance of the purpose for which it was granted exemption. No income tax provision has been recorded. If there is net income from any unrelated trade or business, such provision, in the opinion of management, is not material to the financial statements taken as a whole.

(u) Eliminations

All significant nonexchange transactions between the University and its discretely presented component units have been eliminated from the total column and are separately presented in the eliminations column in the accompanying Statement of Revenues, Expenses, and Changes in Net Position.

(v) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts in the accompanying financial statements. Actual results could differ from those estimates.

(w) Risk and Uncertainties

The Coronavirus Disease 2019 (COVID-19) has negatively affected national, state, and local economies along with global financial markets and the higher education landscape in general. While the future impact of the COVID-19 pandemic cannot be quantified at this time, the University continues to monitor its course and, if necessary, is prepared to take additional measures to protect the health and welfare of the University.

(3) Cash, Cash Equivalents, and Investments

The University's cash, cash equivalents, and investments as of June 30, 2022, are classified in the accompanying Statement of Net Position as follows:

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

Cash and cash equivalents	\$	48,406
Total cash and cash equivalents		48,406
Short-term investments		4,669,441
Endowment investments		1,641
Other long-term investments:		
Restricted for capital projects expenditures		1,400,359
Others		1,546,678
Other long-term investments		2,947,037
Total investments		7,618,119
Total cash, cash equivalents, and investments	\$	7,666,525

(a) Cash and Cash Equivalents

At June 30, 2022, cash and cash equivalents consist of demand deposits held at the State Treasury, commercial banks, and petty cash. Total cash and cash equivalents of \$48,406.

Cash in demand deposit accounts is minimized by sweeping available cash balances into the CSU Consolidated Investment Pool on a daily basis.

(i) Custodial Credit Risk for Deposits

Custodial credit risk for deposits is the risk that in the event of the failure of the custodian, the deposits may not be returned to the University. The University deposits are maintained at financial institutions that are Federal Deposit Insurance Corporation secured. As a result, custodial credit risk for deposits is remote.

(b) Investments

The University's investment portfolio consists primarily of investments in the CSU Consolidated Investment Pool and SMIF. Separate accounting is maintained as to the amounts allocable to the various University funds and programs.

(i) Investment Policy

State law and regulations require that surplus monies of the University be invested. The objectives of the University's investment policy are to safeguard the principal, to meet liquidity needs of the University, and to obtain the best possible return commensurate with the degree of risk the University is willing to assume in obtaining such return. These objectives may be weighted or prioritized differently for individual portfolios depending on the purpose of the portfolio.

The University's investment policy authorizes funds held in local trust accounts under Education Code Sections 89721 and 89724 to be invested in any of the securities authorized by Government Code Section 16430, and Education Code Sections 89724 and 89725, subject to certain limitations. In general, the University's investment policy permits investments in obligations of the Federal and California state governments, certificates of deposit, high-quality domestic corporate fixed-income securities, and certain other investment instruments.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

Per the Education and Government Code of the State, the permitted investments include mutual funds, including equity mutual funds, subject to registration by, and under the regulatory authority of the United States Securities and Exchange Commission (SEC), or in United States registered real estate investment trusts, resulting in the establishment of the CSU Total Return Portfolio (TRP). Under State law, investment of funds in the TRP is subject to the University meeting certain conditions regarding investment oversight, reporting, and use of earnings, and may not exceed thirty percent of eligible investments thereafter. TRP investments amounted to \$1,374,368 as of June 30, 2022.

Additional earnings (if any) from TRP investments shall be used only for capital outlay or maintenance and shall not be used for ongoing operations.

(ii) Interest Rate Risk

Interest rate risk is the risk that fluctuations in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The University's investment guidelines for the Liquidity Portfolio manage its interest rate risk by limiting an eligible investment to maximum effective maturity and by limiting the average duration of the portfolio. The University's investment guidelines for the IDP manage its interest rate risk by generally maintaining the IDP's effective duration to plus or minus 25% of the effective duration of the benchmark for the IDP. There are no restrictions on the duration for the investments in the TRP. The effective maturity date reflects a bond with embedded options such as a call, put, or reset date, and prepayment speed resulting in the maturity of a bond being less than the final maturity date. Duration is a measure of the sensitivity of the price of an investment relative to fluctuations in market interest rates. Durations of the University's investment portfolio for each investment type, except for SMIF in which weighted average life is used, as of June 30, 2022, are presented in the following table:

Investment type	Fair value	Duration
Money market funds	\$ 141,874	—
Certificates of deposit	251,767	0.11986
U.S. agency securities	326,878	1.32794
U.S. Treasury securities	1,811,154	1.61571
Municipal bonds	28,026	5.49911
Corporate bonds	1,761,525	2.69923
Asset-backed securities	10,846	5.63374
Mortgage-backed securities	323,921	5.40606
Commercial paper	66,743	0.01128
Supranational	15,907	0.77960
Mutual funds:		
Fixed income	540,090	5.96492
Equity and real assets	834,276	N/A
SMIF	1,505,112	0.85205
Total	<u>\$ 7,618,119</u>	

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

Another way the University manages its exposure to interest rate risk is by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or nearing maturity over time as necessary to provide cash flow and liquidity needed for operations.

(iii) Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

The University, except for investments in the TRP, invests in low credit risk securities such as U.S. government securities, securities of federally sponsored agencies, highly rated domestic corporate bonds, prime-rated commercial paper, repurchase and reverse repurchase agreements, banker's acceptance, and negotiable certificates of deposit. Therefore, the credit risk is low and occurrence of default risk is remote.

Investments in the TRP include SEC registered mutual funds invested per a target asset allocation which includes investment grade bonds, higher credit risk bonds (i.e. high yield bonds, bank loans, and emerging market bonds), equities and real assets. Risk for the TRP is viewed holistically and in the context of the overall CSU Consolidated Investment Pool, incorporating quantitative and qualitative assessments into oversight of the TRP. The University accepts a level of risk commensurate with the long-term investment goals of the TRP. The mutual fund investment managers are responsible for assessing the credit risk of the individual securities held in the mutual funds for the TRP. Moreover, certain passive index funds in the TRP will seek to replicate the credit risk of the underlying indices to which the index funds are benchmarked.

Ratings of the University's investment portfolio for each investment type as of June 30, 2022 are presented in the following table:

Investment type	Fair value	AAA	AA	A	BBB	BB	B	Not rated
Money market funds	\$ 141,874	155	—	—	—	—	—	141,719
Certificates of deposit	251,767	76,655	—	175,112	—	—	—	—
U.S. agency securities	326,878	18,348	308,530	—	—	—	—	—
U.S. Treasury securities	1,811,154	193,212	1,617,942	—	—	—	—	—
Municipal bonds	28,026	—	21,857	6,169	—	—	—	—
Corporate bonds	1,761,525	18,791	222,805	1,514,217	5,712	—	—	—
Asset-backed securities	10,846	9,841	—	—	1,005	—	—	—
Mortgage-backed securities	323,921	267,758	56,163	—	—	—	—	—
Commercial paper	66,743	—	—	66,743	—	—	—	—
Supranational	15,907	15,907	—	—	—	—	—	—
Mutual funds:								
Fixed income	540,090	67,257	307,970	—	—	41,122	123,741	—
Equity and real assets	834,276	—	—	—	—	—	—	834,276
SMIF	1,505,112	—	—	—	—	—	—	1,505,112
Total	<u>\$7,618,119</u>	<u>667,924</u>	<u>2,535,267</u>	<u>1,762,241</u>	<u>6,717</u>	<u>41,122</u>	<u>123,741</u>	<u>2,481,107</u>

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

The mutual funds credit ratings are based on average credit ratings of the underlying mutual funds. Credit ratings for mutual funds related to equity and real assets are not applicable.

By law, the SMIF only invests in U.S. government securities, securities of federally sponsored agencies, domestic corporate bonds, interest-bearing time deposits in California banks, savings and loan associations and credit unions, prime-rated commercial paper, repurchase and reverse repurchase agreements, security loans, banker's acceptances, negotiable certificates of deposit, and loans to various bond funds.

(iv) Concentration Risk

Concentration risk rises as investments become concentrated relative to a portfolio characteristic such as issuance, issuer, market sector, counterparty, or sovereign nation, and is best mitigated by diversification. The University's investment policy has concentration limits that provide sufficient diversification. As such, the concentration risk is remote.

As of June 30, 2022, there were no investments (excluding U.S. Treasury securities, mutual funds, and external investment pools) that represented 5% or more of the University's investment portfolio.

(v) Risk and Uncertainties

The University may invest in various types of 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 the changes could materially affect the amounts reported in the Statement of Net Position.

The University, through the CSU Consolidated Investment Pool, invests in securities with contractual cash flows, such as asset-backed securities and mortgage-backed securities. The value, liquidity, and related income of these securities are sensitive to changes in economic conditions, including real estate values, delinquencies or defaults, or both, and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates.

(vi) Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the custodian, the investments may not be returned to the University. Substantially all of the University's securities are registered in the University's name by the custodial bank as an agent for the University. As a result, custodial credit risk for such investments is remote.

(vii) Fair Value Measurements

The University uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine the fair value disclosures. The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in certain instances where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including discount rates and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument. The University groups its assets and liabilities measured

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

at fair value in three levels, based on markets in which the asset and liabilities are traded, and the reliability of the assumptions used to determine fair value. The level in the fair value hierarchy with which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the University has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset and liability. This valuation is accomplished using management's best estimate of fair value, with inputs into the determination of fair value that require significant management judgment or estimation.

The following table presents investments that are measured at fair value on a recurring basis at June 30, 2022:

Investment type	Fair value	Level 2	NAV	Not required to be leveled
Money market funds	\$ 141,874	—	141,874	—
Certificates of deposit	251,767	251,767	—	—
U.S. agency securities	326,878	326,878	—	—
U.S. Treasury securities	1,811,154	1,811,154	—	—
Municipal bonds	28,026	28,026	—	—
Corporate bonds	1,761,525	1,761,525	—	—
Asset-backed securities	10,846	10,846	—	—
Mortgage-backed securities	323,921	323,921	—	—
Commercial paper	66,743	66,743	—	—
Supranational	15,907	15,907	—	—
Mutual funds:				
Fixed income	540,090	540,090	—	—
Equity and real asset	834,276	834,276	—	—
SMIF	1,505,112	—	—	1,505,112
Total	<u>\$ 7,618,119</u>	<u>5,971,133</u>	<u>141,874</u>	<u>1,505,112</u>

The following discussions describe the valuation methodologies used for financial assets and liabilities measured at fair value. The techniques utilized in estimating the fair value are affected by the assumptions used.

Investments are classified in Level 1 as fair value is obtained at the last sale price on the last business day of the current fiscal year, as quoted on a recognized exchange or an industry standard pricing, when available. Investments for which no sale was reported as of the close of the last business day of the current fiscal year

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

are valued at the quoted bid price provided by the University's external investment managers or their custodians. There were no investments classified in Level 1.

Investments are classified in Level 2 as fair value is calculated using valuations that include observable market quoted prices for similar assets or liabilities. Observable inputs other than quoted prices such as price services or indices, estimates, appraisals, assumptions, and other methods that are reviewed by management. Changes in market conditions and economic environments may impact on the net asset value (NAV) and consequently, the fair value of the University's interests in the funds.

There were no assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3).

Certain money market funds are not categorized under the fair value hierarchy and are shown at NAV. These investments are measured at amortized cost when calculating NAV per share (or its equivalent) of the investment.

(viii) Foreign Currency Risk

Foreign Currency Risk, also known as exchange rate risk, is the risk arising from fluctuations in the value of a base currency (U.S. dollar) against foreign currencies related to the underlying currency denomination of securities held for investment.

The majority of the Consolidated Investment Pool is invested in U.S. dollar denominated securities without foreign currency risk.

However, the TRP includes allocations to non-U.S. equities and non-dollar-denominated bonds in the underlying mutual funds for the TRP. The TRP Investment Policy includes an asset allocation policy with targets and acceptable ranges for each asset class included in the TRP, including non-U.S. equity and emerging markets bonds. Additionally, mutual funds utilized in other asset classes within the TRP may also have some foreign currency exposure. However, all mutual funds in the TRP are denominated in United States dollars.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(viii) Discretely Presented Component Units' Investments

Investments of the discretely presented component units at fair value consisted of the following at June 30, 2022:

Investment type	Current	Noncurrent	Total
Money market funds	\$ 60,341	55,097	115,438
Certificates of deposit	14,930	719	15,649
U.S. agency securities	7,204	9,752	16,956
U.S. Treasury securities	69,220	88,675	157,895
Municipal bonds	3,179	10,185	13,364
Corporate bonds	86,004	159,343	245,347
Asset-backed securities	1,902	2,006	3,908
Mortgage-backed securities	9,907	25,829	35,736
Commercial paper	1,206	29	1,235
Supranational	287	7	294
Mutual funds	235,123	961,824	1,196,947
Exchange-traded funds	56,340	340,371	396,711
Equity securities	71,388	543,868	615,256
Alternative investments:			
Private equity (including limited partnerships)	5,047	171,597	176,644
Hedge funds	10,522	177,050	187,572
Managed futures	—	4,145	4,145
Real estate investments (including real estate investment trust)	4,984	48,531	53,515
Commodities	—	20,776	20,776
Other alternative investments	2,730	65,141	67,871
Other external investment pools	—	39,048	39,048
Local Agency Investment Fund (LAIF)	289,136	2,201	291,337
Other investments	1,233	19,767	21,000
Total	\$ 930,683	2,745,961	3,676,644

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

The following table presents investments of the discretely presented component units that are measured at fair value on a recurring basis at June 30, 2022:

Investment type	Fair value	Level 1	Level 2	Level 3	NAV
Money market funds	\$ 115,438	98,890	10,836	233	5,479
Certificates of deposit	15,649	263	15,386	—	—
U.S. agency securities	16,956	1,604	15,352	—	—
U.S. Treasury securities	157,895	28,635	103,112	—	26,148
Municipal bonds	13,364	4,492	8,872	—	—
Corporate bonds	245,347	124,411	110,477	—	10,459
Asset-backed securities	3,908	—	3,908	—	—
Mortgage-backed securities	35,736	5,024	15,023	—	15,689
Commercial paper	1,235	—	1,235	—	—
Supranational	294	—	294	—	—
Mutual funds	1,196,947	1,121,931	45,509	—	29,507
Exchange-traded funds	396,711	396,210	501	—	—
Equity securities	615,256	582,666	17,951	10,926	3,713
Alternative investments:					
Private equity (including limited partnerships)	176,644	783	909	45,481	129,471
Hedge funds	187,572	6,048	15,879	11,077	154,568
Managed futures	4,145	—	—	—	4,145
Real estate investments					
(including real estate investment trust)	53,515	8,410	1,995	23,907	19,203
Commodities	20,776	10,334	—	—	10,442
Other alternative investments	67,871	285	1,119	—	66,467
Other external investment pools	39,048	—	—	39,048	—
LAIF	291,337	—	—	—	291,337
Other investments	21,000	12,472	1,264	1,076	6,188
Total	<u>\$ 3,676,644</u>	<u>2,402,458</u>	<u>369,622</u>	<u>131,748</u>	<u>772,816</u>

For additional information regarding the investments and investment policies of the individual discretely presented component units, refer to their separately issued financial statements.

Investments reported by the University of \$69,281 are invested under contractual agreements on behalf of the discretely presented component units of the University.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(4) Accounts Receivable

Accounts receivable of the University at June 30, 2022 consisted of the following:

	Current	Noncurrent	Total
State appropriations	\$ 166	2,116	2,282
State appropriations – SPWB Lease Revenue Bond program	—	835	835
Discretely presented component units	84,379	3,101	87,480
Student accounts	135,696	—	135,696
Government grants and contracts	97,857	—	97,857
Others	28,280	395	28,675
	346,378	6,447	352,825
Less allowance for doubtful accounts	(43,477)	—	(43,477)
Total accounts receivable, net	\$ 302,901	6,447	309,348

(5) Lease Receivable

The University leases building and ground space to its discretely presented component units or external parties. The leases expire at various dates through 2084 and provide renewal options ranging from one year to fifteen years. The University recognizes lease receivables and deferred inflows of resources based on the present value of expected receipts over the term of the respective leases. The expected received are discounted using implicit rate or the University's incremental borrowing rate. Variable payments are excluded from the valuations unless they are fixed in substance. The University recognized revenues related to lease agreements totaling \$19,334 for the year ended June 30, 2022, reported in other operating revenues in the Statements of Revenues, Expenses and Changes in Net Position.

Future minimum lease payments to be received under lessor arrangements as of June 30, 2022, are as follows:

Fiscal year ending June 30:	Principal	Interest	Total
2023	\$ 20,946	5,167	26,113
2024	18,540	4,659	23,199
2025	18,418	4,221	22,639
2026	16,121	3,822	19,943
2027	16,569	3,445	20,014
2028 - 2032	81,828	11,623	93,451
2033 - 2037	38,874	4,285	43,159
2038 - 2042	9,768	1,804	11,572
2043 - 2047	5,745	1,338	7,083
2048 - 2052	1,336	1,050	2,386
Thereafter	6,269	3,302	9,571
Total	\$ 234,414	44,716	279,130

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(6) Notes Receivable

The University has entered into note agreements primarily with certain discretely presented component units to finance its existing and newly constructed facilities. Notes receivable from discretely presented component units amounted to \$431,145. Interest rates range from 0.20% to 6.48%. Note payments are due twice a year, on May 1 and November 1.

Under the agreements, payments are due to the University as follows:

Fiscal year ending June 30:

2023	\$	33,241
2024		33,476
2025		34,731
2026		34,902
2027		34,575
2028 - 2032		161,728
2033 - 2037		132,888
2038 - 2042		89,992
2043 - 2047		67,762
2048 - 2052		27,649
2053 - thereafter		3,582
Total minimum note payments to be received		654,526
Less amounts representing interest		(213,066)
Present value of future minimum note payments to be received		441,460
Less current portion		(16,648)
Notes receivable, net of current portion		\$ 424,812

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(7) Capital Assets

Capital assets activity for the University for the year ended June 30, 2022, consisted of the following:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Ending balance</u>
Nondepreciable/nonamortizable capital assets:					
Land and land improvements	\$ 378,757	29,506	(4,700)	—	403,563
Works of art and historical treasures	57,058	1,061	—	—	58,119
Construction work in progress	1,840,741	956,389	(10,754)	(830,522)	1,955,854
Intangible assets	41,617	44,384	(6,220)	(1,268)	78,513
Total nondepreciable/ nonamortizable capital assets	<u>2,318,173</u>	<u>1,031,340</u>	<u>(21,674)</u>	<u>(831,790)</u>	<u>2,496,049</u>
Depreciable/amortizable capital assets:					
Buildings and building improvements	14,407,112	192,724	(147,901)	792,788	15,244,723
Improvements other than buildings	789,009	16,126	(1,348)	14,657	818,444
Infrastructure	1,326,398	42,919	(16,362)	18,811	1,371,766
Personal property:					
Equipment	978,677	45,438	(26,052)	4,266	1,002,329
Library books and materials	392,627	8,969	(2,695)	—	398,901
Intangible assets	296,870	19,558	(845)	1,268	316,851
Total depreciable/ amortizable capital assets	<u>18,190,693</u>	<u>325,734</u>	<u>(195,203)</u>	<u>831,790</u>	<u>19,153,014</u>
Total cost	<u>20,508,866</u>	<u>1,357,074</u>	<u>(216,877)</u>	<u>—</u>	<u>21,649,063</u>
Less accumulated depreciation/ amortization:					
Buildings and building improvements	(7,100,992)	(442,794)	44,271	—	(7,499,515)
Improvements other than buildings	(595,498)	(27,721)	409	—	(622,810)
Infrastructure	(624,398)	(38,872)	12,739	—	(650,531)
Personal property:					
Equipment	(766,297)	(54,614)	24,379	—	(796,532)
Library books and materials	(362,404)	(6,218)	2,328	—	(366,294)
Intangible assets	(270,062)	(10,491)	800	—	(279,753)
Total accumulated depreciation/amortization	<u>(9,719,651)</u>	<u>(580,710)</u>	<u>84,926</u>	<u>—</u>	<u>(10,215,435)</u>
Net capital assets, excluding right of use lease assets	<u>\$ 10,789,215</u>	<u>776,364</u>	<u>(131,951)</u>	<u>—</u>	<u>11,433,628</u>
Right of use asset, net					<u>310,209</u>
Net capital assets					<u>\$ 11,743,837</u>

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

As a result of implementing GASB Statement No. 87 on July 1, 2021, *Leases*, the University additions included \$209,703 assets re-established from existing lease arrangements as lessor. Further, the University's retirements include \$109,882 assets reclassified to right of use assets. This is part of the beginning balance of the right of use assets.

The University's right of use asset and related accumulated amortization for the year ended June 30, 2022 are as follows:

	Beginning balance	Additions	Reductions	Ending balance
Amortizable lease assets:				
Land and land improvements	\$ 6,757	202	—	6,959
Buildings and building improvements	320,071	9,448	(480)	329,039
Improvements other than buildings	757	77	—	834
Infrastructure	217	—	—	217
Personal property:				
Equipment	5,548	3,314	—	8,862
Total amortizable right of use assets	333,350	13,041	(480)	345,911
Less accumulated amortization:				
Land and land improvements	—	(472)	—	(472)
Buildings and building improvements	—	(32,663)	90	(32,573)
Improvements other than buildings	—	(260)	—	(260)
Infrastructure	—	(20)	—	(20)
Personal property:				
Equipment	—	(2,377)	—	(2,377)
Total accumulated amortization	—	(35,792)	90	(35,702)
Right of use asset, net	\$ 333,350	(22,751)	(390)	310,209

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

Capital assets activity of the discretely presented component units of the University for the year ended June 30, 2022 consisted of the following:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Ending balance</u>
Nondepreciable/nonamortizable capital assets:					
Land and land improvements	\$ 144,045	3,149	(106)	—	147,088
Works of art and historical treasures	12,230	199	(740)	—	11,689
Construction work in progress	27,472	76,873	(3,157)	(19,904)	81,284
Intangible assets	5,098	123	—	(123)	5,098
Total nondepreciable/ nonamortizable capital assets	188,845	80,344	(4,003)	(20,027)	245,159
Depreciable/amortizable capital assets:					
Buildings and building improvements	820,514	49,037	(133,798)	5,359	741,112
Improvements other than buildings	209,920	5,917	(31,091)	11,427	196,173
Infrastructure	67,693	—	(58,976)	—	8,717
Personal property:					
Equipment	233,192	34,121	(10,127)	3,118	260,304
Intangible assets	7,475	227	(1,502)	123	6,323
Total depreciable/ amortizable capital assets	1,338,794	89,302	(235,494)	20,027	1,212,629
Total cost	1,527,639	169,646	(239,497)	—	1,457,788
Less accumulated depreciation/ amortization:					
Buildings and building improvements	(372,233)	(26,853)	65,550	—	(333,536)
Improvements other than buildings	(113,900)	(13,142)	22,750	—	(104,292)
Infrastructure	(27,630)	(218)	24,653	—	(3,195)
Personal property:					
Equipment	(179,124)	(21,522)	8,375	—	(192,271)
Intangible assets	(6,475)	(209)	949	—	(5,735)
Total accumulated depreciation/amortization	(699,362)	(61,944)	122,277	—	(639,029)
Net capital assets excluding right of use lease asset	\$ 828,277	107,702	(117,220)	—	818,759
Right of use assets					175,152
Net capital assets					\$ 993,911

For additional information regarding the capital assets of the individual discretely presented component units of the University, refer to their separately issued financial statements.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

The University's discretely presented component units' right of use assets and related accumulated amortization for the year ended June 30, 2022 are as follows:

	Beginning balance	Additions	Reductions	Ending balance
Amortizable lease assets:				
Land and land improvements	\$ 21,410	8,435	—	29,845
Buildings and building improvements	—	124,101	—	124,101
Improvements other than buildings	—	38,373	—	38,373
Infrastructure	—	484	—	484
Personal property:				
Equipment	20	538	—	558
Total amortizable right of use assets	21,430	171,931	—	193,361
Less accumulated amortization:				
Land and land improvements	—	(1,856)	—	(1,856)
Buildings and building improvements	—	(13,862)	—	(13,862)
Improvements other than buildings	—	(2,257)	—	(2,257)
Infrastructure	—	(36)	—	(36)
Personal property:				
Equipment	—	(198)	—	(198)
Total accumulated amortization	—	(18,209)	—	(18,209)
Right of use asset, net	\$ 21,430	153,722	—	175,152

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(8) Lease Liabilities

The University leases land, building space and equipment for various terms under long-term, noncancellable lease agreements. The leases expire at various dates through 2083 and provide for renewal options ranging from one year to ten years. In accordance with GASB Statement No. 87, the University records right-to-use assets and lease liabilities based on the present value of expected payments over the lease term of the respective leases. The expected payments are discounted using the explicit rate or the University's incremental borrowing rate. Variable payments are excluded from the valuations unless they are fixed in substance. The University does not have any leases subject to a residual value guarantee. Lease liabilities were reported as "capital lease obligations" prior to implementation of GASB Statement No. 87.

	Beginning balance	Additions	Remeasurement	Reductions	Ending balance	Current portion
Lease liabilities	\$ 336,081	13,042	(1,666)	(47,568)	299,889	25,787

Future minimum lease payments of the University under lessee arrangements as of June 30, 2022 are as follows:

Fiscal year ending June 30:	Principal	Interest	Total
2023	\$ 25,787	7,378	33,165
2024	23,834	6,933	30,767
2025	22,671	6,484	29,155
2026	20,679	6,042	26,721
2027	17,668	5,618	23,286
2028 - 2032	18,765	5,300	24,065
2033 - 2037	41,866	13,283	55,149
2038 - 2042	52,580	15,318	67,898
2043 - 2047	47,932	8,302	56,234
2048 - 2052	18,621	3,307	21,928
Thereafter	9,486	537	10,023
Total	\$ 299,889	78,502	378,391

The University's aggregated discretely presented component units' lease liabilities as of June 30, 2022 are as follows:

	Beginning balance	Additions	Remeasurement	Reductions	Ending balance	Current portion
Lease liabilities	\$ 281,383	141,491	269	(182,324)	240,819	21,860

Future minimum lease payments of the University' discretely presented component units under lessee arrangements as of June 30, 2022 are as follows:

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

Fiscal year ending June 30:	Principal	Interest	Total
2023	\$ 21,860	7,390	29,250
2024	20,297	5,671	25,968
2025	20,589	5,125	25,714
2026	18,663	4,560	23,223
2027	19,002	4,005	23,007
2028 - 2032	84,260	13,484	97,744
2033 - 2037	43,841	4,102	47,943
2038 - 2042	4,428	1,314	5,742
2043 - 2047	1,236	1,069	2,305
2048 - 2052	544	956	1,500
Thereafter	6,099	3,325	9,424
Total	<u>\$ 240,819</u>	<u>51,001</u>	<u>291,820</u>

(9) Long-Term Debt Obligations

(a) State's General Obligation Bond Program

The General Obligation Bond program of the State has provided capital outlay funds for the three segments of California Higher Education through voter-approved bonds. Each of the approved bond programs provides a pool of available funds, which is allocated on a project-by-project basis among the University, the University of California, and the Community Colleges. Financing provided to the University through the State's General Obligation Bonds is not allocated to the University by the State. This debt remains as obligation of the State and is funded by state tax revenues. Accordingly, such debt is not reflected in the accompanying financial statements. The total General Obligation Bonds carried by the State related to the University projects is approximately \$1,815,868 as of June 30, 2022.

(b) Systemwide Revenue Bond Program

The State University Revenue Bond Act of 1947, Sections 90010 through 90091 of the Education Code of the State of California (the Bond Act) authorizes the Trustee to issue revenue bonds to finance projects that support the University's educational mission. The University's financing program, referred to as the SRB Program, is designed to provide lower cost debt and greater flexibility to finance projects at the University than would be possible if projects were financed separately. Rather than relying on specific pledged revenues to support specific debt obligations, the SRB program pools multiple sources of revenue as the security for the debt. The University's total outstanding balance of revenue bond indebtedness under the SRB program was \$8,760,030 at June 30, 2022. Under the Bond Act authority, the University has constructed or acquired facilities located at its 23 campuses and the Office of the Chancellor.

In 2014, the State enacted legislation that granted additional capital financing authorities to the University, leading to the SRB program expanding to allow the financing of academic facilities and energy conservation projects. Allowable academic projects include construction and equipping of new and existing academic facilities; infrastructure; deferred maintenance; and refunding of SPWB lease revenue bonds (which funded the construction of certain academic facilities of the University).

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

Systemwide Revenue Bonds are not secured by mortgages on the facilities constructed or acquired and therefore the facilities do not act as security for the debt. Revenues pledged under the SRB program include program fees from professional and continuing education, health center facilities, housing, parking, and student union; student tuition and fees; and designated auxiliary revenues, net of maintenance and operation expenses before extraordinary items (net income available for debt service), to repay the bonds.

The SRB Indenture (the Indenture) contains provisions that define events of default related to punctuality of the payment of the outstanding principal and interest. Additionally, the Indenture describes the process for which other events of default by the Board related to covenants, agreements, or conditions of the Indenture occur for a period of sixty (60) days after written notice by bondholders of not less than twenty-five percent (25%) in aggregate principal amount of the bonds outstanding) requiring remediation. Further, the Indenture specifies the process which the Trustees may undertake, at the request of the majority of the bondholders, to declare the principal of all of the bonds then outstanding and the interest accrued to be immediately due and payable.

(c) Bond Anticipation Notes

The Trustees have authorized the issuance of BANs to provide short-term financing to the University for certain projects. The BANs are purchased by CSU Institute with proceeds from the commercial paper issued by the Institute. The BANs are generally issued for periods of up to three years in anticipation of issuing permanent revenue bonds at a future date. State law was amended in 2008 to allow BAN maturities to extend beyond three years and the maturity date for the issuance of BANs to be determined by the Trustees. BAN interest is variable and changes based upon the cost of the Institute's commercial paper program. The maximum and minimum weighted average interest rates for the year ended June 30, 2022 were 1.40% and 0.06%, respectively. The University's BANs totaled \$115,370 at June 30, 2022. The authorized amounts totaled \$391,695, of which \$276,325 has not been issued and \$115,370 has been issued.

CSU Institute, a discretely presented component unit of the University, manages the commercial paper program. The commercial paper program is bound by certain agreements, including the Trust Indenture with the Trustee/ paying agent and the Reimbursement Agreement with the letter of credit banks. Under certain provision of the Trust Indenture, in the event of a default, the Trustees shall take actions set forth by the BAN Resolution to effect the sale of long-term bonds to refinance outstanding BANs. Upon the occurrence of certain events of default specified in the Reimbursement Agreement, the right of the CSU Institute and the University to issue notes may be terminated or be suspended by the banks.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

Long-term debt obligations of the University as of June 30, 2022 consisted of the following:

Description	Interest rate percentage	Final maturity date	Original issue amount	Amount outstanding
Systemwide Revenue Bonds:				
Series 2007-B	5.45-5.55	2037/38	\$ 13,165	7,905
Series 2007-C	5.00	2028/29	63,275	16,790
Series 2010-B	5.45-6.48	2041/42	205,145	205,145
Series 2012-A	4.00-5.00	2022/23	436,220	7,525
Series 2012-B	2.79-4.17	2036/37	16,700	13,195
Series 2013-A	3.00-5.00	2026/27	222,340	60,615
Series 2014-A	3.00-5.00	2044/45	106,270	30,300
Series 2015-A	2.25-5.00	2047/48	1,032,920	857,810
Series 2015-B	2.61-4.41	2035/36	29,305	14,220
Series 2016-A	2.50-5.00	2045/46	1,133,105	1,061,775
Series 2016B-1	1.60	2047/48	50,000	50,000
Series 2016B-2	0.55	2049/50	100,000	100,000
Series 2016B-3	4.00	2051/52	100,000	100,000
Series 2017-A	3.00-5.00	2047/48	812,030	743,620
Series 2017-B	2.11-3.90	2047/48	335,155	330,875
Series 2017-C	3.25-5.00	2037/38	49,175	40,685
Series 2018-A	5.00	2050/51	492,690	475,120
Series 2018-B	2.98-4.25	2050/51	171,000	167,510
Series 2019-A	4.00-5.00	2051/52	449,430	440,110
Series 2019-B	2.00-3.59	2051/52	81,335	76,020
Series 2020-A	5.00	2031/32	65,240	47,075
Series 2020-B	1.49-3.07	2042/43	829,425	823,665
Series 2020-C	2.25 - 5.00	2051/52	314,030	314,030
Series 2020-D	0.35 - 2.82	2042/43	528,575	528,575
Series 2020-E	0.48 - 3.27	2060/61	466,010	466,010
Series 2021-A	3.00-5.00	2052/53	124,235	117,370
Series 2021-B	0.20-2.94	2044/45	1,664,085	1,664,085
			<u>\$ 9,890,860</u>	<u>8,760,030</u>
Bond Anticipation Notes	Various			115,370
Due to State Public Works Board	Various			96,805
Others	Various			96,637
Total				<u>9,068,842</u>
Unamortized net bond premium				581,410
Total long-term debt				<u>9,650,252</u>
Less current portion				(232,066)
Long-term debt, net of current portion				<u>\$ 9,418,186</u>

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

Long-term debt principal and interest are payable in the following fiscal years:

	Principal	Interest
Fiscal year ending June 30:		
2023	\$ 232,066	331,700
2024	261,523	323,075
2025	269,495	313,652
2026	289,626	304,916
2027	310,875	310,495
2028 - 2032	1,503,790	1,334,872
2033 - 2037	1,486,760	1,036,701
2038 - 2042	1,560,278	736,227
2043 - 2047	1,636,560	415,422
2048 - 2052	1,328,525	135,358
Thereafter	189,344	18,801
	<u>\$ 9,068,842</u>	<u>5,261,219</u>

Long-term debt obligations of the individual discretely presented component units have been issued to purchase or construct facilities for University-related uses. For additional information regarding long-term debt obligations of the individual discretely presented component units, refer to their separately issued financial statements.

The Board of Trustees does not have a specified debt limit or debt margin, as noted in the University's Policy for Financing Activities. However, the Board finds it appropriate to establish the lowest cost debt financing programs for the University, and to use the limited debt capacity in the most prudent manner.

As of June 30, 2022, the Board had approved SRB and BANs that were authorized but unissued in the aggregate principal amount of \$264,240 for projects including academic, infrastructure, housing, and parking facilities. As of June 30, 2022, there are approximately \$96,805 of remaining authorized and unissued debt for the purpose of refunding certain bonds of the SPWB not previously refunded. The Board may issue all or a portion of these authorized bonds as well as other additional bonds for other new money projects or refunding purposes. The Board expects to authorize the issuance of additional Systemwide Revenue Bonds from time to time in the future. There is no limit on the amount of SRB that the Board may authorize.

The University participated in the State's State Public Works Board (SPWB) Lease Revenue Bond program since 1986 in connection with the construction of campus facilities and related equipment. As part of the annual budget process, the State of California Department of Finance augments the University's operating budget to provide additional funds for the required debt payments. The long-term debt due to SPWB is to be repaid by fiscal year 2034.

(10) Long-Term Debt Refunding

Current Year Refunding

In July 2021, the University issued SRB Series 2021A (Tax Exempt) and 2021B (Taxable), a portion of Series 2021B proceeds was applied for advance refunding a portion of the SRB Series 2013A (Tax Exempt) and a portion of the SRB series 2014A (Tax Exempt). The defeasance will reduce the University's total financing cost by approximately \$105,719

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

over the life of the refunded bonds. The economic gain (difference between net present values of the debt service payments on the old debt and new debt) from these transactions was approximately \$94,803. Accordingly, the refunded bonds have been considered defeased and, therefore, removed as a liability from the accompanying financial statements. The total par amount of bonds outstanding as of date of refunding totaled \$727,985 which remained outstanding as of June 30, 2022 .

Prior Year Refunding

In prior years, the University refunded a portion of SRB Series 2011A (Tax Exempt) and 2012A (Tax Exempt) by placing the proceeds from the issuance of SRB Series 2020B (Taxable) and 2020D (Taxable) in an irrevocable trust with the State Treasurer to provide for all future debt service payments on the defeased bonds. The proceeds were used to purchase U.S. federal, state, and local government securities that were placed in escrow accounts. The investments and fixed earnings from the investments are considered sufficient to fully service the refunded debt until the debt is called or matured. Accordingly, the trust account assets and liability for the refunded bonds are not included in the University's financial statements. The amount of refunded bonds outstanding totaled \$377,240 as of June 30, 2022

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(11) Long-Term Liabilities Activity

Long-term liabilities activity of the University for the year ended June 30, 2022 was as follows:

	Beginning balance	Additions	Reductions	Ending balance	Current portion
Accrued compensated absences	\$ 291,301	154,666	(164,601)	281,366	135,884
Long-term debt obligations (note 9):					
Systemwide revenue bonds	7,888,250	1,788,320	(916,540)	8,760,030	203,410
Bond anticipation notes	63,266	114,734	(62,630)	115,370	16,348
State Public Works Board	—	137,350	(40,545)	96,805	—
Other	8,070	99,064	(10,497)	96,637	12,308
	<u>7,959,586</u>	<u>2,139,468</u>	<u>(1,030,212)</u>	<u>9,068,842</u>	<u>232,066</u>
Unamortized net bond premium	669,351	23,528	(111,469)	581,410	—
Total long-term debt obligations	<u>8,628,937</u>	<u>2,162,996</u>	<u>(1,141,681)</u>	<u>9,650,252</u>	<u>232,066</u>
Total long-term liabilities, excluding lease liabilities	<u>\$ 8,920,238</u>	<u>2,317,662</u>	<u>(1,306,282)</u>	<u>9,931,618</u>	<u>367,950</u>
Lease Liabilities				299,889	25,787
Total long-term liabilities				<u>\$ 10,231,507</u>	<u>393,737</u>

Long-term liabilities activity of the aggregated discretely presented component units of the University for the year ended June 30, 2022, was as follows:

	Beginning balance	Additions	Reductions	Ending balance	Current portion
Accrued compensated absences	\$ 23,105	12,527	(12,346)	23,286	16,744
Claims liability for losses					
and loss adjustment expenses	54,811	48,004	(38,834)	63,981	21,401
Long-term debt obligations:					
Revenue bonds	17,790	—	(1,075)	16,715	1,140
Commercial paper, including principal rollovers	63,266	294,296	(265,724)	91,838	16,348
Notes payable	313,716	97,451	(12,217)	398,950	12,580
Other	87,262	54,657	(57,722)	84,197	12,284
	<u>482,034</u>	<u>446,404</u>	<u>(336,738)</u>	<u>591,700</u>	<u>42,352</u>
Unamortized net bond premium	33,428	5,296	(3,453)	35,271	—
Total long-term debt obligations	<u>515,462</u>	<u>451,700</u>	<u>(340,191)</u>	<u>626,971</u>	<u>42,352</u>
Total long-term liabilities, excluding lease liabilities	<u>\$ 593,378</u>	<u>512,231</u>	<u>(391,371)</u>	<u>714,238</u>	<u>80,497</u>
Lease liabilities				240,819	21,860
				<u>\$ 955,057</u>	<u>102,357</u>

The University has entered into note agreements with certain discretely presented component units to finance existing and newly constructed facilities, using proceeds from issuance of SRB and BANs, for the discretely presented

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

component units amounting to \$398,950 included in notes payable and \$48,585 in other long-term debt obligations as of June 30, 2022.

For additional information regarding the long-term liabilities of the individual discretely presented component units of the University, refer to their separately issued financial statements.

(12) Pension Plan

(a) Pension Plan Description

The University participates in the State's Public Employee's Retirement Fund A (PERF A). PERF A is comprised of agent multiple-employer plans, which includes the State. CalPERS acts as an investment and administrative agent for participating employers. State employees served by PERF A includes the University's Miscellaneous Tier 1 employees and Peace Officers and Firefighters.

(b) Benefits Provided

The plan also provides survivor, death, and disability benefits. Eligible employees are covered by the Public Employees' Medical and Hospital Care Act (PEMHCA) for medical benefits. The benefit provisions are established by the Public Employee's Retirement Law (PERL) and the Public Employees' Pension Reform Act of 2013 (PEPRA).

A full description of the pension plans regarding numbers of employees covered, benefit provision, assumptions, and membership information are listed in the June 30, 2020, State Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report.

In general, retirement benefits are based on a formula using member's years of service credit, age at retirement, and final compensation (average salary for a defined period of employment). Retirement formulas vary based on:

- Classification (e.g., miscellaneous or peace officers and firefighters)
- Membership category (pre-PEPRA and post-PEPRA); and
- Specific provisions in employees' contracts.

CalPERS issues a publicly available Actuarial Valuation Report and Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information. Copies of the CalPERS Actuarial Valuation Report and CAFR may be obtained at www.CalPERS.ca.gov or from the California Public Employees' Retirement System Executive Office, 400 P Street, Sacramento, CA 95814.

(c) Pensionable Compensation

For the University, the plan acts as cost sharing multiple-employer defined-benefit pension plan, which provides a defined-benefit pension and postretirement program for substantially all eligible University employees. The University's proportion of the State's net pension liability was calculated based on its proportionate share of the State's pensionable compensation. The pensionable compensation has a measurement period of July 1, 2020 through June 30, 2021.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(d) Contributions

Section 20814(c) of the PERL requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

For the measurement period ended June 30, 2021, the average State's active employee contribution rates for State Miscellaneous and Peace Officer and Firefighters Plans are 7.12% and 11.62% of annual payroll, respectively. For the measurement period ended June 30, 2021, the State's contribution rates for State Miscellaneous and Peace Officer and Firefighters Plans are 29.37% and 36.10% of annual payroll, respectively.

State Miscellaneous Plan members of the University are required to contribute 5% of their annual earnings in excess of \$513 per month to CalPERS. Effective January 1, 2013, all new University employees that are considered "new members" to CalPERS are required to contribute 50% of the normal cost for their category (e.g., State Miscellaneous Plan members contribute 7.25% of their annual earnings per month to CalPERS). The University is required to contribute at an actuarially determined rate.

State Peace Officers and Firefighters Plan members of the University are required to contribute 8% of their annual earnings in excess of \$238 per month to CalPERS. Effective January 1, 2013, all new University employees that are considered "new members" to CalPERS are required to contribute 50% of the normal cost for their category (e.g., State Peace Officers and Firefighters Plan members contribute 12% of their annual earnings per month to CalPERS). The University is required to contribute at an actuarially determined rate.

The contribution requirements of the plan members are established and may be amended by CalPERS. The contractual maximum contribution required for the University is determined by the annual CalPERS compensation limit(s), which are based on provisions of Assembly Bill (AB) 340 and the IRC 401(a) 17 limits. The University's contributions to CalPERS for the most recent three fiscal years ended June 30 were equal to the required contributions and were as follows:

	<u>University's contributions</u>	
Fiscal year ended June 30:		
2022	\$	963,723
2021		950,935
2020		1,011,518

In 2018, the State made a supplemental pension contribution of \$876,842 to CalPERS on behalf of the University as authorized by Government Code Section 20825. The University shall repay \$156,283 amount contributed through June 30, 2030, while the remainder was recognized as State appropriations, noncapital in 2018. As of June 30, 2022, the outstanding amount to be repaid by the University is \$58,153.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(e) **Actuarial Methods and Assumptions**

The total pension liability was measured as of June 30, 2021 (measurement date), by rolling forward the total pension liability determined by the June 30, 2020 actuarial valuation (valuation date), based on the following actuarial methods and assumptions:

Valuation date:	June 30, 2020
Actuarial cost method:	Entry age normal in accordance with the requirements of GASB Statement No. 68
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Salary increases	Varies by entry age and service
Investment rate of return	7.15%, net of pension plan investment expense but without reduction for administrative expenses including inflation
Mortality rate of return	Derived using CalPERS' membership data for all funds
Postretirement benefit increase:	The lesser of Contract cost of living allowance or 2.50% until purchasing power protection allowance floor on purchasing power applies; 2.50% thereafter

The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found at www.CalPERS.ca.gov under Forms and Publications.

(f) **Discount Rate**

The discount rate used to measure the total pension liability was 7.15%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress-tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the plans tested, none of the plan assets were exhausted. Therefore, the current 7.15% discount rate is appropriate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.15% is applied to all plans in the PERF. The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test result is presented in the GASB Crossover Testing Report, which can be obtained from www.CalPERS.ca.gov under GASB Statement No. 68 section.

(g) **Investment Rate of Return**

The long-term expected rate of return on pension plan investments of 7.15% was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, but without reduction for administrative expenses, and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations, as well as the expected pension fund cash flows. Taking into account historical returns

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

of all the PERF's asset classes (which includes the agent plan and two cost-sharing plans), expected compound (geometric) returns were calculated over the short term (first 10 years) and the long term (11– 60 years) using a building-block approach. Using the expected nominal returns for both short term and long term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation used to measure the total pension liability.

Asset class	Current target allocation %	years 1–10 ¹ %	years 11+ ² %
Global equity	50	4.80	5.98
Fixed income	28	1.00	2.62
Inflation assets	—	0.77	1.81
Private equity	8	6.30	7.23
Real estate	13	3.75	4.93
Liquidity	1	—	(0.92)
Total	100		

¹ An expected inflation of 2% used for this period

² An expected inflation of 2.92% used for this period

(h) Sensitivity of the University's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the University's proportionate share of net pension liability of the State Miscellaneous and Peace Officers and Firefighters Plans (collectively the Plans) as of the measurement date, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower (6.15%) or one-percentage point higher (8.15%) than the current rate:

Plan	Discount rate -1% (6.15%)	Current discount rate (7.15%)	Discount rate + 1% (8.15%)
Miscellaneous Plan	\$ 9,296,202	5,516,848	2,348,538
Peace Officers and Firefighters Plan	185,517	101,834	33,107
Net pension liability	\$ 9,481,719	5,618,682	2,381,645

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(i) *Changes in Net Pension Liability*

The University reported a liability of \$5,618,682 for its proportionate share of the State's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined based on an actuarial valuation as of June 30, 2020 rolled forward to the measurement date. The University's proportion of the State's net pension liability was calculated based on its proportionate share of the State's pensionable compensation. The State considered this a practical, systematic, and rational approach. At measurement date June 30, 2021, the University's proportionate share of the total State net pension liability for the State Miscellaneous and Peace Officers and Firefighters Plans were 24.75083% and 1.10385%, respectively.

	State Miscellaneous Plan	State Peace Officers and Firefighters Plan	Total
Balance at June 30, 2020 (measurement date)	\$ 8,270,213	149,100	8,419,313
Changes in proportionate share	333,587	6,345	339,932
Balance at June 30, 2020, adjusted	8,603,800	155,445	8,759,245
Changes recognized for the measurement period:			
Service cost	547,558	12,273	559,831
Interest on total pension liability	2,129,370	41,340	2,170,710
Recognized difference between expected and actual experience	155,520	6,465	161,985
Plan to plan resource movement	633	1	634
Employer contributions	(935,194)	(14,471)	(949,665)
Employee contributions	(229,725)	(4,681)	(234,406)
Projected earnings on pension plan assets	(1,521,821)	(29,950)	(1,551,771)
Investment earnings greater than projected earnings	(3,254,866)	(65,013)	(3,319,879)
Administrative expenses	21,574	424	21,998
Net changes	(3,086,951)	(53,612)	(3,140,563)
Balance at June 30, 2021 (measurement date)	\$ 5,516,849	101,833	5,618,682

(j) *Pension Plan Fiduciary Net Position*

The plan fiduciary net position disclosed in the GASB Statement No. 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. For example, for the accounting valuations, CalPERS must keep items such as deficiency reserves and fiduciary self-insurance included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation.

(k) *Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pension*

The University recognized pension expense of \$470,728 for State Miscellaneous Plan and State Peace Officers and Firefighters Plan, which were reported as benefits expense.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

The following table presents deferred outflows and inflows of resources as of June 30, 2022. Deferred outflows and inflows of resources are recognized for the difference between expected and actual experience and changes in assumptions. Deferred outflows of resources are recognized for the University's retirement contributions made subsequent to the measurement date of June 30, 2021, which will be recognized as a reduction of the net pension liability in the next measurement date. Net deferred outflows of resources are recognized for the aggregate difference (positive and negative) between projected and actual earnings on pension plan investments arising in different measurement periods.

	Deferred outflows of resources	Deferred inflows of resources
University's retirement contributions subsequent to the measurement date	\$ 963,723	—
Differences due to changes in assumptions	1,108	8,371
Net differences between projected and actual earnings on pension plan investments	—	2,377,239
Differences due to changes in proportionate share	244,195	—
Differences between expected and actual experience	363,238	122
Total	<u>\$ 1,572,264</u>	<u>2,385,732</u>

The deferred outflows of resources will be recognized as pension expense as follows:

(i) Schedule of Differences due to Changes in Assumptions

Measurement Period ended June 30	Initial differences*	Recognition period (year)	Increase in pension expense arising from the recognition of the effects of changes in assumptions (measurement dates)	
			2022	Total
Peace Officers and Firefighters Plan:				
2017	28,797	5.2	1,108	1,108
Increase in pension expense			\$ 1,108	1,108

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(ii) Schedule of Differences between Expected and Actual Experience

Measurement Period ended June 30	Initial differences*	Recognition period (year)	Increase in pension expense arising from the recognition of the effects of differences between expected and actual experience (measurement date)					
			2022	2023	2024	2025	Total	
Miscellaneous Plan:								
2018	\$ 110,325	4.1	\$ 2,691	—	—	—	2,691	
2019	503,051	4.1	122,695	12,270	—	—	134,965	
2020	183,770	4.2	43,755	43,755	8,751	—	96,261	
2021	155,520	4.3	36,167	36,167	36,167	10,850	119,351	
Peace Officers and Firefighters Plan:								
2018	3,909	5	782	—	—	—	782	
2019	7,334	5	1,467	1,467	—	—	2,934	
2020	1,901	4.8	396	396	317	—	1,109	
2021	6,465	4.9	1,319	1,319	1,319	1,188	5,145	
Increase in pension expense			\$ 207,953	94,055	45,235	10,850	363,238	

(iii) Schedule of Differences due to Changes in Proportionate Share

Measurement Period ended June 30	Initial differences*	Recognition period (year)	Increase in pension expense arising from the recognition of the effects of differences dues to change in proportionate share				
			2022	2023	2024	2025	Total
Miscellaneous Plan:							
2021	\$ 312,344	4.3	\$ 72,638	72,638	72,638	21,791	239,705
Peace Officers and Firefighters Plan:							
2021	5,640	5.1	1,151	1,151	1,151	1,037	4,490
Increase in pension expense			\$ 73,789	73,789	73,789	22,828	244,195

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

The deferred inflows of resources will be recognized as pension expense as follows:

(iv) Schedule of Differences between Projected and Actual Earnings on Pension Plan Investments

Measurement Period ended June 30	Initial differences*	Recognition period (year)	Decrease (increase) in pension expense arising from the recognition of the differences between projected and actual earnings on pension plan investments (measurement dates)				
			2022	2023	2024	2025	Total
Miscellaneous Plan:							
2018	\$ 226,293	5	\$ 45,259	—	—	—	45,259
2019	(123,125)	5	(24,625)	(24,625)	—	—	(49,250)
2020	(449,376)	5	(89,875)	(89,875)	(89,875)	—	(269,625)
2021	3,254,866	5	650,973	650,973	650,973	650,972	2,603,891
Peace Officers and Firefighters Plan:							
2018	4,115	5.0	823	—	—	—	823
2019	(2,165)	5.0	(433)	(433)	—	—	(866)
2020	(8,341)	5.0	(1,668)	(1,668)	(1,668)	—	(5,004)
2021	65,013	5.0	13,003	13,003	13,003	13,002	52,011
Decrease in pension expense			\$ 593,457	547,375	572,433	663,974	2,377,239

(v) Schedule of Differences between Expected and Actual Experience

Measurement Period ended June 30	Initial differences*	Recognition period (year)	Decrease in pension expense arising from the recognition of the differences between projected and actual earnings on pension plan investments (measurement dates)	
			2022	Total
Peace Officers and Firefighters Plan:				
2017	\$ 3,163	5.2	\$ 122	122
Decrease in pension expense			\$ 122	122

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(vi) Schedule of Differences due to Changes in Assumptions

Measurement Period ended June 30	Initial differences*	Recognition period (year)	Decrease in pension expense arising from the recognition of the effects of changes in assumptions (measurement dates)	
			2022	Total
Miscellaneous Plan:				
2018	\$ 340,957	4.1	8,316	8,316
Peace Officers and Firefighters Plan:				
2018	277	5	55	55
Decrease in pension expense			8,371	8,371

*Adjusted for any changes in University's proportionate share

(13) Other Postemployment Benefits (OPEB)

(a) OPEB Plan Description

The State provides retiree health and dental benefits to annuitants of retirement systems through an agent multiple-employer defined benefit plan which operates as a single-employer defined benefit plan for the University. The design of health and dental benefit plans can be amended by CalPERS Board of Administration. To be eligible, employees must retire within 120 days of separation from employment and have met the health and dental vesting period to be eligible to receive these benefits.

(b) Benefits Provided

For healthcare benefits, CalPERS offers Preferred Provider Organizations (PPOs), Health Maintenance Organizations (HMOs), and Exclusive Provider Organizations (EPOs) (limited to members in certain California counties). For dental benefits, a Dental Maintenance Organization (DMO) and dental indemnity plans are offered to the University's retirees. Health plans offered, covered benefits, monthly rates, and co-payments are determined by the CalPERS Board of Administration, which reviews health plan contracts annually. At measurement date, the count of retired and active employees covered by the benefit terms were:

	Headcount
Retirees elected to receive healthcare benefits	33,242
Active employees	49,146
Total	82,388

(c) Contributions

The contribution requirements of retirees and the State are established and may be amended by the State legislature. For healthcare benefits, the State makes a contribution toward the retiree's monthly health premiums, with the retirees covering the difference between the State's contribution and the actual healthcare premium

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

amount. The State contribution is normally established through collective bargaining agreements. No retiree contribution is required for dental benefits.

For healthcare benefits, responsibility for funding the cost of the employer share of premiums is apportioned between the State and the University based on "billable" and "nonbillable" accounts. Billable accounts have special revenue sources such as fees, licenses, penalties, assessments, and interest, which offset the costs incurred by a State department during the year. The University reimburses the State for retiree's health benefit costs allocated to billable accounts but not for costs allocated to nonbillable accounts. The University is responsible for funding the costs of the billable accounts on a pay-as-you-go basis as part of the statewide general administrative costs charged to the University. The State is responsible for funding the cost of the employer share of healthcare premiums of retirees for all nonbillable accounts. Historically, the State has funded approximately 95% of the cost of the benefits.

The University is responsible for paying the cost of dental benefits for all University retirees using funds provided by the State through general fund appropriations. The University makes payments directly to Delta Dental for the retiree's monthly dental premiums. The University is paying these benefits on a pay-as-you-go basis. The State's contribution to the retirees' health benefits are recorded as State appropriations, noncapital.

In addition to the explicit University contribution provided to retirees, there is an "implicit rate subsidy." The gross premium for retired members not eligible for Medicare who are charged a premium based on the experience of both active and retired members will be receiving a subsidy because the average healthcare costs of retired members is generally higher than the blended average costs of a group comprised of both active and retired members. The subsidy is referred to as the implicit rate subsidy. The implicit subsidy associated with the retiree health costs paid during the past year is also considered to be a contribution from the University.

(d) Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are consistent with a long-term perspective and involve estimates of the value of reported benefits and assumptions about the probability of occurrence of events far into the future.

Significant actuarial methods and assumptions used to calculate the University's total OPEB liability were:

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

Valuation date:	June 30, 2021
Actuarial cost method:	Entry Age Normal Actuarial Cost Method and the blended discount rates in accordance with the requirements of GASB Statement No. 74 and 75.
Actuarial assumptions:	
Discount rate	1.92%
Price inflation	2.30%
Wage inflation	2.80%
Healthcare-related:	Assumptions were updated based on the 2018 Experience Review for the Years July 1, 2014, to June 30, 2018, performed by State Actuary and were first adopted beginning with the June 30, 2019 actuarial valuation.
Healthcare trend rate:	
Pre-Medicare cost trend rate	Select and ultimate trend rates were set at actual increases for 2022, 7.50 percent in 2023 grading down to 4.50 percent in 2029, 4.50 percent from 2030 to 2037, and 4.25 percent on after 2038.
Post-Medicare cost trend rate	Select and ultimate trend rates were set at actual increases for 2022, 7.50 percent in 2023 grading down to 4.50 percent in 2029, 4.50 percent from 2030 to 2037, and 4.25 percent on after 2038.
Participation rate	On average approximately 95% of all eligible retirees elect healthcare coverage.
Per capita claim costs	Per capita claim costs – Costs were developed for pre-Medicare and post-Medicare coverage at each respective age and gender, using overall average costs adjusted for morbidity.
Pension-related:	Assumptions are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions and were first adopted beginning with the actuarial valuation as of June 30, 2021. Key assumptions include: salary increase rates, termination rates, disability rates, retirement rates, and mortality rates.

The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 CalPERS Experience Study and Review of Actuarial Assumptions report (Experience Study), based on CalPERS demographic data from 1997 to 2015. The Experience Study report can be obtained from www.CalPERS.ca.gov under Forms and Publications.

(e) **Sensitivity of the University's Total OPEB Liability to Changes in the Healthcare Cost Trend Rate**

One of the key assumptions influencing costs is the assumed growth or trend in healthcare costs. The healthcare trend assumption for OPEB actuarial valuations spans over the lifetime of a covered retiree, which could extend to over 30 years. This is in contrast to the short-term healthcare inflation used to develop premiums for the next fiscal year. This long-term healthcare assumption is by far the most difficult to set.

The following table presents the University's total OPEB liability as of the measurement date, calculated using the healthcare cost trend rates that are one-percentage-point lower of (6.5% decreasing to 3.25%) or one-percentage-point higher (8.5% decreasing to 5.25%) than the current healthcare cost trend rate:

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

	Trend rate -1% (6.5% decreasing to 3.25%)	Current trend rate (7.5% decreasing to 4.25%)	Trend rate + 1% (8.5% decreasing to 5.25%)
Total OPEB liability	\$ 12,986,433	15,434,384	18,613,710

(f) Discount Rate

The discount rate used to estimate the total OPEB liability as of measurement dates June 30, 2021 and 2020 was 1.92% and 2.45%, respectively. The discount rates were based on Fidelity Index's 20-Year Municipal GO AA Index since the University has no plan assets sufficient to make benefit payments.

(g) Sensitivity of the University's Total OPEB Liability to Changes in the Discount Rate

The following table presents the University's total OPEB liability as of the measurement date, calculated using the discount rate of 1.92%, as well as what the total other postemployment benefits liability would be if it were calculated using a discount rate that is one-percentage point lower (0.92%) or one-percentage point higher (2.92%) than the current rate:

	Discount rate -1% (0.92%)	Current discount rate (1.92%)	Discount rate + 1% (2.92%)
Total OPEB liability	\$ 18,191,326	15,434,384	13,221,238

(h) Changes in Total OPEB Liability

The following table presents the changes in total OPEB liability of the University recognized over the measurement period:

Balance at June 30, 2020 (Measurement Date)	\$ 15,323,276
Changes recognized for the measurement period:	
Service cost	768,498
Interest on total OPEB liability	389,155
Recognized changes of assumptions	437,934
Differences between expected and actual experience (non-investment)	(1,066,155)
Employer contribution	(418,324)
Net changes	111,108
Balance at June 30, 2021 (Measurement Date)	\$ 15,434,384

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(i) OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

The University recognized OPEB expense of \$708,171 which was reported as benefits expense.

The following table presents deferred outflows and inflows of resources. Deferred outflows of resources are recognized for the University's retirement contributions made subsequent to the measurement date of June 30, 2021 which will be recognized as a reduction of total OPEB liability on the subsequent measurement date. The deferred inflows of resources are recognized for the change in assumptions.

	Deferred outflows of resources	Deferred inflows of resources
University's contributions subsequent to the measurement date	\$ 400,463	—
Differences due to changes in assumptions	1,243,765	681,505
Differences between expected and actual experience (non-investment)	—	1,809,109
Total	<u>\$ 1,644,228</u>	<u>2,490,614</u>

The University's contributions subsequent to the measurement date includes \$389,094 contributed by the State on behalf of the University as authorized by Government Code Section 22871. The State's contributions are recognized as State appropriations, noncapital.

The deferred outflows of resources due to changes in assumptions will be recognized as OPEB expense as follows:

			Increase in OPEB expenses from changes of assumptions (measurement dates)							
Measurement Period ended June 30	Initial difference	Recognition period (year)	2022	2023	2024	2025	2026	2027	2028	Total
2019	\$ 751,688	7.25	\$ 103,631	103,631	103,631	103,631	26,271	—	—	440,795
2020	585,190	7.30	80,110	80,110	80,110	80,110	80,110	24,420	—	424,970
2021	437,934	7.31	59,934	59,934	59,934	59,934	59,934	59,934	18,396	378,000
Increase in OPEB expenses			<u>\$ 183,741</u>	<u>183,741</u>	<u>183,741</u>	<u>183,741</u>	<u>166,315</u>	<u>84,354</u>	<u>18,396</u>	<u>1,243,765</u>

The deferred inflows of resources will be recognized as OPEB expense as follows:

			Decrease in OPEB expenses arising from changes in assumptions (measurement dates)				
Measurement Period ended June 30	Initial difference	Recognition period (year)	2022	2023	2024	2025	Total
2017	\$ 1,663,194	6.86	\$ 242,299	209,400	—	—	451,699
2018	519,714	7.17	72,477	72,477	72,477	12,375	229,806
Decrease in OPEB expenses			<u>\$ 314,776</u>	<u>281,877</u>	<u>72,477</u>	<u>12,375</u>	<u>681,505</u>

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

Decrease in OPEB expenses arising from differences between expected and actual experience (non investment) (measurement dates)

Measurement Period ended June 30	Initial difference	Recognition period (year)	2022	2023	2024	2025	2026	2027	2028	Total
2018	\$ 1,111,239	7.17	\$ 154,968	154,968	154,968	26,463	—	—	—	491,367
2019	94,145	7.25	12,979	12,979	12,979	12,979	3,292	—	—	55,208
2020	471,337	7.30	64,524	64,524	64,524	64,524	64,524	19,669	—	342,289
2021	1,066,155	7.31	145,910	145,910	145,910	145,910	145,910	145,910	44,785	920,245
Decrease in OPEB expenses			<u>\$ 378,381</u>	<u>378,381</u>	<u>378,381</u>	<u>249,876</u>	<u>213,726</u>	<u>165,579</u>	<u>44,785</u>	<u>1,809,109</u>

(14) Deferred Outflows and Inflows of Resources

The composition of deferred outflows and inflows of resources at June 30, 2022 is summarized as follows:

	Deferred outflows of resources	Deferred inflows of resources
Related to:		
Net pension liability (note 12)	\$ 1,572,264	2,385,732
Total other postemployment benefits liability (note 13)	1,644,228	2,490,614
Unamortized loss on SRB debt refunding	95,579	—
Unamortized gain on SRB debt refunding	—	4,262
Nonexchange transactions	—	908
Leases	—	234,390
Others	25	—
Total	<u>\$ 3,312,096</u>	<u>5,115,906</u>

(15) Claims Liability for Losses and Loss Adjustment Expenses

The University and certain auxiliary organizations have established the CSURMA, a discretely presented component unit of the University, to centrally manage workers' compensation, general liability, industrial and nonindustrial disability, unemployment insurance coverage, and other risk-related programs. The claims liability included in the discretely presented component unit column reflects the estimated ultimate cost of settling claims related to events that have occurred on or before June 30, 2022. The liability includes estimated amounts that will be required for future payments of claims that have been reported and claims related to events that have occurred but have not yet been reported. The liability is also reduced by estimated amounts recoverable from the reinsurer that are related to the liabilities for unpaid claims and claim adjustment expenses. The liability is estimated through an actuarial calculation using individual case basis valuations and statistical analyses. Although considerable variability is inherent in such estimates, management believes that the liability is a reasonable estimate at June 30, 2022.

The information of the change in claims liability for losses and loss adjustment expenses may be obtained from the separate financial statements issued for CSURMA.

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

(16) Commitments and Contingencies

The University is a defendant in multiple lawsuits involving matters not covered by the CSURMA as discussed in note 15. Management of the University is of the opinion that the liabilities, if any, arising from litigation will not have a material effect on the financial position of the University.

Federal grant programs are subject to review by the grantor agencies, which could result in requests for reimbursement to grantor agencies for disallowed expenditures. Management believes that it has adhered to the terms of its grants and that any disallowed expenditures resulting from such reviews would not have a material effect on the financial position of the University.

Authorized but unexpended costs for construction projects as of June 30, 2022 totaled \$934,164. These expenditures will be funded primarily by State appropriations and bond proceeds.

In order to secure access to electricity used for normal operation, the University participates in forward purchase contract of electricity operated by Shell Energy North America. The University's obligations under these special purchase arrangements require it to purchase an estimated total of \$38,601 of electricity at fixed prices through December 2023. The University estimates that the special purchase contract in place represent approximately 42.40% of its total annual electricity expenses.

(17) Classification of Operating Expenses

The University has elected to report operating expenses by functional classification in the Statement of Revenues, Expenses, and Changes in Net Position, and to provide the natural classification of those expenses as an additional disclosure. For the year ended June 30, 2022, operating expenses by natural classification consisted of the following:

CALIFORNIA STATE UNIVERSITY

Notes to Financial Statements

June 30, 2022

(In thousands)

	Salaries	Benefits	Scholarships and fellowships expense	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	\$ 2,168,499	1,216,098	—	192,829	—	3,577,426
Research	32,321	11,141	—	20,421	—	63,883
Public service	23,476	(1,610)	—	12,520	—	34,386
Academic support	449,395	256,738	—	231,875	—	938,008
Student services	484,873	274,085	—	455,587	—	1,214,545
Institutional support	464,135	315,905	—	456,857	—	1,236,897
Operation and maintenance of plant	244,496	89,293	—	468,680	—	802,469
Student grants and scholarships	—	—	1,706,130	—	—	1,706,130
Auxiliary enterprise expenses	91,832	(47,537)	—	360,106	—	404,401
Depreciation and amortization	—	—	—	—	616,502	616,502
Total	<u>\$ 3,959,027</u>	<u>2,114,113</u>	<u>1,706,130</u>	<u>2,198,875</u>	<u>616,502</u>	<u>10,594,647</u>

(18) Transactions with Related Entities

The University is an agency of the State and receives approximately 44.88% of total revenues through state appropriations. State appropriations allocated to the University aggregated \$5,596,626 for the year ended June 30, 2022. State appropriations receivable is \$3,116 at June 30, 2022.

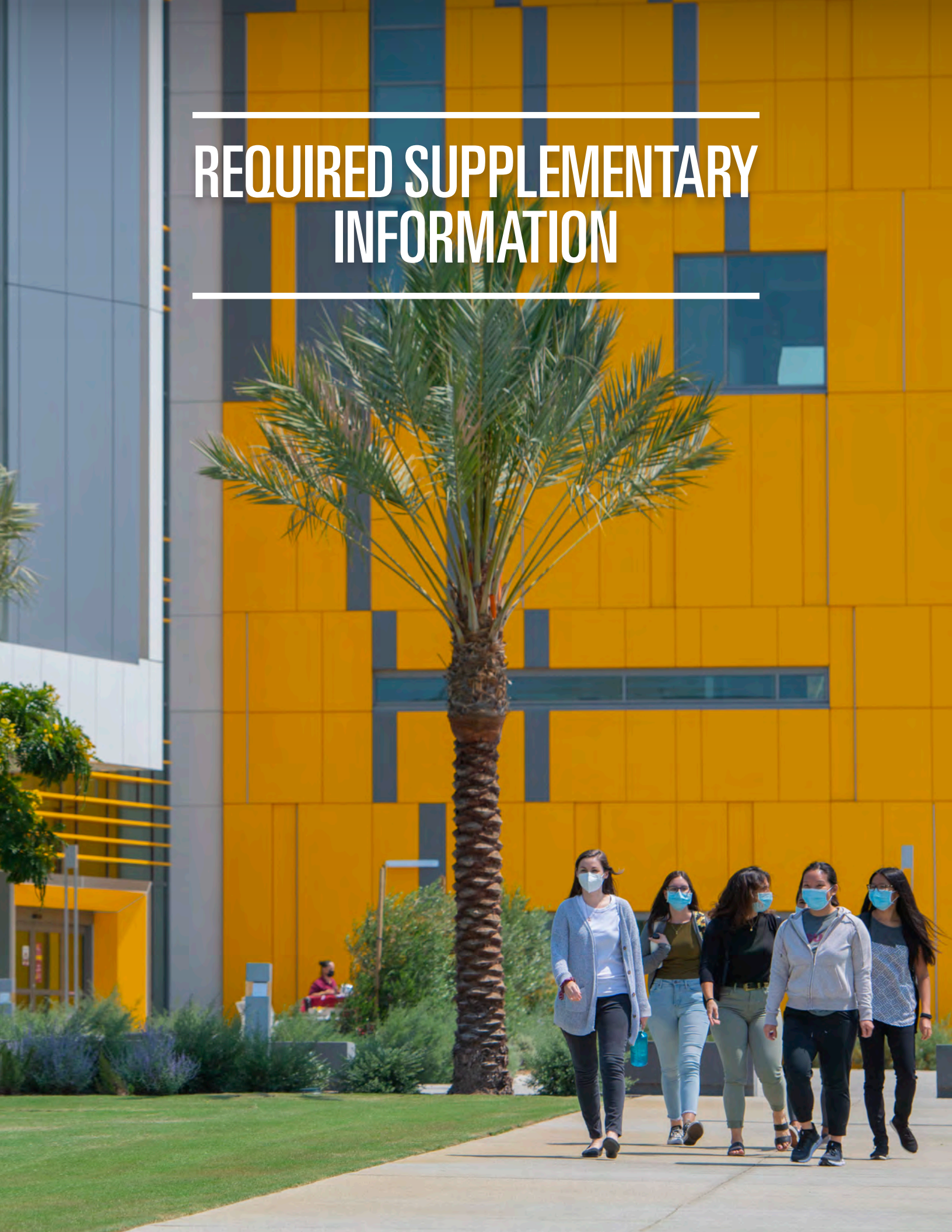
State appropriations allocated to the University for the year ended June 30, 2022. consisted of the following:

	2022
State appropriations, general fund	\$ 5,207,394
State's contribution on behalf of the University for OPEB	389,094
State appropriation, noncapital	5,596,488
State appropriations, capital	138
Total state appropriations	<u>\$ 5,596,626</u>

(19) Subsequent Events

In January 2023, the University issued BAN amounting to \$14,315 for the Science Replacement Building at San Francisco State University.

REQUIRED SUPPLEMENTARY INFORMATION



CALIFORNIA STATE UNIVERSITY

Schedule of University's Proportionate Share of the Net Pension Liability and Related Ratios

June 30, 2022

(In thousands)

Last Ten Fiscal Years⁽¹⁾

State of California Miscellaneous Plan	2021⁽²⁾	2020⁽²⁾	2019⁽²⁾	2018⁽²⁾	2017⁽²⁾	2016⁽²⁾	2015⁽²⁾	2014⁽²⁾
University's proportion of the net pension liability	24.75083 %	23.79119 %	23.85065 %	24.09757 %	23.87558 %	22.87662 %	22.84970 %	22.72891 %
University's proportionate share of the net pension liability	\$ 5,516,848	8,270,213	8,022,235	7,570,176	8,723,068	7,575,326	6,453,200	5,411,439
University's proportionate share of covered payroll	\$ 3,441,594	3,152,983	3,002,439	2,900,140	2,780,552	2,567,251	2,407,821	2,209,786
University's proportionate share of the net pension liability as a percentage of covered payroll	160.29921 %	262.29805 %	267.19061 %	261.02795 %	313.71711 %	295.07539 %	268.00996 %	244.88521 %
Plan fiduciary net position as a percentage of the total pension liability	82.39493 %	71.51054 %	71.34328 %	71.82994 %	66.41644 %	66.81100 %	70.68274 %	74.17418 %

State of California Peace Officers and Firefighters Plan

University's proportion of the net pension liability	1.10385 %	1.05879 %	1.14289 %	1.17223 %	1.15890 %	1.15882 %	1.07094 %	1.00623 %
University's proportionate share of the net pension liability	\$ 101,834	149,100	168,535	163,075	176,894	158,599	124,994	102,216
University's proportionate share of covered payroll	\$ 43,493	39,417	41,367	41,153	38,632	37,528	33,341	30,160
University's proportionate share of the net pension liability as a percentage of covered payroll	234.13883 %	378.26319 %	407.41440 %	396.26516 %	457.89066 %	422.61507 %	374.89140 %	338.91247 %
Plan fiduciary net position as a percentage of the total pension liability	83.34760 %	73.18576 %	70.56276 %	70.53476 %	65.89199 %	66.09678 %	69.61241 %	72.18915 %

⁽¹⁾ The University implemented GASB Statement No. 68 effective July 1, 2014, therefore, no information is available for the measurement periods prior to June 30, 2014.

⁽²⁾ The date in the column heading represents the end of the measurement period of the net pension liability, which is one year prior to the reporting period.

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY

Schedule of Employer Contributions Related to Pension

Year ended June 30, 2022

(In thousands)

Last Ten Fiscal Years⁽¹⁾

State of California Miscellaneous Plan	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 943,908	1,014,772	1,000,772	902,330	836,450	737,766	641,710	588,353
Contributions in relation to the actuarially determined contributions	(950,453)	(936,487)	(992,004)	(909,834)	(839,367)	(740,571)	(644,679)	(589,385)
Contribution deficiency (excess)	<u>\$ (6,545)</u>	<u>78,285</u>	<u>8,768</u>	<u>(7,504)</u>	<u>(2,917)</u>	<u>(2,805)</u>	<u>(2,969)</u>	<u>(1,032)</u>
University's covered payroll	\$ 3,241,442	3,195,126	3,230,694	3,079,834	2,953,043	2,768,770	2,559,878	2,431,410
Contributions as a percentage of covered payroll	29.32192 %	29.30986 %	30.70560 %	29.54166 %	28.42380 %	26.74729 %	25.18397 %	24.24046 %

State of California Peace Officers and Firefighters Plan

Actuarially determined contribution	\$ 12,465	19,601	19,512	\$ 18,374	17,762	15,858	14,027	11,737
Contributions in relation to the actuarially determined contributions	(13,270)	(14,448)	(19,514)	(19,153)	(18,442)	(16,600)	(14,647)	(13,610)
Contribution deficiency (excess)	<u>\$ (805)</u>	<u>5,153</u>	<u>(2)</u>	<u>\$ (779)</u>	<u>(680)</u>	<u>(742)</u>	<u>(620)</u>	<u>(1,873)</u>
University's covered payroll	\$ 39,966	40,060	41,342	\$ 42,022	41,696	39,372	37,568	33,363
Contributions as a percentage of covered payroll	33.20322 %	36.06590 %	47.20139 %	45.57851 %	44.22966 %	42.16194 %	38.98797 %	40.79369 %

⁽¹⁾ The University implemented GASB Statement No. 68 effective July 1, 2014, therefore, no information is available for the measurement periods prior to June 30, 2014.

CALIFORNIA STATE UNIVERSITY

Schedule of Employer Contributions Related to Pension

Year ended June 30, 2022

Notes to required supplementary information schedule for the most recent fiscal year presented:

Valuation date	Actuarially calculated contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which contributions are reported.
Methods and assumption used to determine contribution rates:	
Actuarial cost method	Entry age normal in accordance with the requirement of GASB Statement No. 68.
Amortization method/period	For details, see June 30, 2020 Funding Valuation Report.
Asset valuation method	Actuarial Value of Assets. For details, see June 30, 2020 Funding Valuation Report.
Inflation	2.5%
Salary increases	Varies by entry age and duration of service
Payroll growth	2.75%
Investment rate of return	7%, net of pension plan investment and administrative expenses; includes inflation.
Retirement age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details, please refer to the 2017 CalPERS Experience Study and Review of Actuarial Assumptions report.
Significant factors affecting contribution rates	For details, see June 30, 2020 Funding Valuation Report.

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY

Schedule of University's Total Other Postemployment Benefits Liability and Related Ratios

June 30, 2022

(In thousands)

Last Ten Fiscal Years ⁽¹⁾

	2021 ⁽²⁾	2020 ⁽²⁾	2019 ⁽²⁾	2018 ⁽²⁾	2017 ⁽²⁾
University's total other postemployment benefits liability at beginning of the year	15,323,276	14,498,545	\$ 13,128,996	13,918,525	14,683,420
Changes recognized for the measurement period:					
Service cost	768,498	643,745	603,049	680,934	795,696
Interest on total other postemployment benefits liability	389,155	467,733	490,260	513,512	436,431
Recognized changes of assumptions	437,934	585,190	751,688	(519,714)	(1,663,194)
(Non-Investment)	(1,066,155)	(471,337)	(94,145)	(1,111,239)	—
Employer contributions	(418,324)	(400,600)	(381,303)	(353,022)	(333,828)
Net changes	111,108	824,731	1,369,549	(789,529)	(764,895)
University's total other postemployment benefits liability at end of the year	15,434,384	15,323,276	\$ 14,498,545	13,128,996	13,918,525
University's covered payroll	3,281,408	3,235,186	3,272,036	3,121,856	2,994,739
University's total other postemployment benefits liability as a percentage of covered payroll	470.35858 %	473.64436 %	443.10469 %	420.55098 %	464.76588 %

⁽¹⁾ The University implemented GASB Statement No. 75 effective July 1, 2017, therefore, no information is available for the measurement periods prior to June 30, 2017.

⁽²⁾ The date in the column heading represents the end of the measurement period of the total OPEB liability, which is one year prior to the reporting period.

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY

Schedule of Employer Contributions Related to Other Postemployment Benefits

Year ended June 30, 2022

(In thousands)

Last Ten Fiscal Years ⁽¹⁾

	2022	2021	2020	2019	2018
Actuarially determined contributions	\$ 744,383	771,153	786,426	743,648	754,550
Contributions in relation to the actuarially determined contributions	(400,463)	(390,008)	(404,389)	(362,260)	(349,487)
Contribution deficiency	343,920	381,145	382,037	381,388	405,063
University's covered payroll	\$ 3,281,408	3,235,186	3,272,036	3,121,856	2,994,739
Contributions as a percentage of covered payroll	12.20400 %	12.05520 %	12.35894 %	11.60399 %	11.67003 %

Notes to required supplementary information schedule for the most recent fiscal year presented:

Valuation date

Actuarially calculated contribution rates are calculated as of July 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumption used to determine actuarially determined contributions:

Actuarial cost method

Entry Age Normal Actuarial Cost Method and the blended discount rates as required by GASB Statements No. 74 and 75. The Normal Cost and Actuarial Accrued Liability for purpose of calculating the Actuarially Determined Contribution were developed using the Entry Age Normal Actuarial Cost Method and a full-funding discount rate of 6.00 percent.

Inflation 2.3%

Payroll growth 2.80%

Retirement age

The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.

Mortality

The mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board. The pre-retirement and postretirement mortality assumptions include generational mortality improvement and the rates are projected using 80 percent of scale MP-2020 published by the Society of Actuaries.

⁽¹⁾ The University implemented GASB Statement No. 75 effective July 1, 2017, therefore, no information is available for the measurement periods prior to June 30, 2017.

See accompanying independent auditors' report.

SUPPLEMENTARY INFORMATION



CALIFORNIA STATE UNIVERSITY

Systemwide Revenue Bond Program's Net Income Available for Debt Service

Year ended June 30, 2022

(In thousands)

Gross revenues:

Tuition fees	\$	3,364,117
Student housing		594,671
Student unions/recreation centers		267,225
Parking		80,390
Health centers		9,450
Professional and continuing education		427,045
Auxiliary organizations ¹		607,007
Other related entity ²		5,728
Total gross revenues		<u>5,355,633</u>

Maintenance and operation expenses³:

Academic facilities		491,755
Student housing		360,565
Student unions/recreation centers		140,809
Parking		33,320
Health centers		3,598
Professional and continuing education		373,482
Auxiliary organizations ¹		489,025
Total maintenance and operation expenses		<u>1,892,554</u>
Net income available for debt service	\$	<u>3,463,079</u>

Debt service:

Systemwide revenue bonds debt	\$	487,613
Designated auxiliary organizations debt		2,007
Total debt service	\$	<u>489,620</u>

The purpose of this schedule is to meet bond reporting covenants covering the operations of the projects showing the gross revenues and expenses for the fiscal year.

- (1) This includes gross revenues and maintenance and operations expenses of 17 auxiliary organizations that have financed with SRB through lease or loan arrangements. This excludes research grants and contracts activity and restricted gifts. Gross revenues under the SRB Indenture are a smaller amount derived from payments under certain leases or with the Board of Trustees.
- (2) This includes gross revenues derived from leases with California State University, Channel Islands Site Authority which are used solely to pay debt service. The maintenance and operations expense are excluded as these are not paid by the pledged gross revenues.
- (3) Maintenance and operation expenses for the year ended June 30, 2022 include extraordinary maintenance and repair projects, which are generally paid from existing program fund balance of \$105 million, other postemployment benefits expense of \$708.17 million pursuant to GASB Statement No. 75, and pension expense of \$12.2 million pursuant to GASB Statement No. 68.

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY

Systemwide Revenue Bond Program's Residence and Dining Halls Operating Data by Campus ⁽¹⁾

Year ended June 30, 2022

	(In thousands)						
	Operating and other revenues	Operating expenditures	Excess of revenues over expenditures	Design capacity	Operational capacity ⁽²⁾	Average number of spaces occupied	% of spaces occupied ⁽³⁾
California State University, Bakersfield	\$ 4,852	5,639	(787)	500	496	276	56%
California State University Channel Islands	16,303	13,904	2,399	1,529	1,526	1,116	73%
California State University, Chico	23,610	(4,726)	28,336	2,239	2,308	1,922	83%
California State University, Dominguez Hills	5,179	3,324	1,855	1,155	1,023	580	57%
California State University, East Bay	12,895	6,820	6,075	1,296	1,634	970	59%
California State University, Fullerton	27,984	12,024	15,960	1,918	2,040	1,974	97%
California State Polytechnic University, Humboldt	24,943	18,311	6,632	2,069	2,095	1,426	68%
California State University, Long Beach	38,974	27,567	11,408	2,296	2,507	2,376	95%
California State University, Los Angeles	18,267	10,031	8,236	2,570	2,565	1,474	57%
California State University Maritime Academy	8,527	3,544	4,984	823	823	701	85%
California State University, Northridge	19,833	4,824	15,009	3,623	3,440	2,365	69%
California State Polytechnic University, Pomona	38,821	20,805	18,016	2,862	2,884	2,263	78%
California State University, Sacramento	24,243	15,384	8,859	2,088	2,172	1,737	80%
California State University, San Bernardino	7,133	3,562	3,571	1,934	1,475	743	50%
San Diego State University ⁽⁵⁾	102,951	70,597	32,355	6,354	6,139	5,969	97%
San Francisco State University ⁽⁶⁾	59,112	37,097	22,015	4,552	4,332	3,180	73%
San José State University	57,107	44,840	12,267	3,740	4,261	3,665	86%
California Polytechnic State University, San Luis Obispo	85,651	34,695	50,955	7,755	8,187	7,988	98%
Sonoma State University ⁽⁷⁾	28,964	14,877	14,086	3,244	3,389	2,023	60%
California State University, Stanislaus	4,234	4,220	14	460	470	285	61%
	\$ 609,583	347,339	262,245	53,007	53,766	43,033	80%
Interest loss	(14,912)	—	(14,912)				
Total	\$ 594,671	347,339	247,333				

CALIFORNIA STATE UNIVERSITY

Systemwide Revenue Bond Program's Residence and Dining Halls Operating Data by Campus ⁽¹⁾
Year ended June 30, 2022

	Average annual rates per academic year ⁽⁴⁾								
	Residence Halls			Apartments			Suites		
	Single	Double	Triple	Single	Double	Triple	Single	Double	Triple
California State University, Bakersfield	\$ 7,500	9,000	12,600						
California State University Channel Islands	10,820	9,740		12,670			11,660	11,060	
California State University, Chico	10,428	8,609	7,262	10,428	8,608				
California State University, Dominguez Hills	11,235	9,630	8,828	12,305	9,095				
California State University, East Bay		9,723		11,632	10,111				
California State University, Fullerton		12,918	11,318	13,764	10,386				
California State Polytechnic University, Humboldt	8,216	6,638	4,938	8,216	6,638				
California State University, Long Beach	9,590	8,590	7,590				10,590		
California State University, Los Angeles	12,574	9,712	8,502	13,669	10,558	8,501	11,908		
California State University Maritime Academy	8,250	6,342							
California State University, Northridge				12,449	7,316			7,050	
California State Polytechnic University, Pomona	11,988	10,461	9,552	13,824	11,406				
California State University, Sacramento	8,352	7,744	5,250	9,840	8,610		9,219	8,306	
California State University, San Bernardino	7,644	7,644		10,352		11,272	9,652		
San Diego State University (5)	14,744	12,824	11,136						
San Francisco State University ⁽⁶⁾		10,134		10,872	9,720	10,656			
San José State University	10,328	9,062	7,601	14,457	11,492	10,456	17,198	11,467	10,022
California Polytechnic State University, San Luis Obispo		9,642	9,159	12,465	11,331				
Sonoma State University ⁽⁷⁾	10,634	7,798	5,689	12,731	8,773	5,958			
California State University, Stanislaus	7,895	6,970	4,813	8,409	6,790				
Average annual rates	\$ 10,013	9,115	8,160	11,755	9,345	9,369	11,705	9,471	10,022

⁽¹⁾ Does not include housing facilities at the Fresno, Monterey Bay and San Marcos campuses that are operated by Auxiliary Organizations.

⁽²⁾ This column reflects capacity adjusted for increase or decrease in permanent conversions and temporary adjustments.

⁽³⁾ Percent (%) of spaces occupied is based on Operational Capacity. The percentages represent the average academic year occupancy, which was impacted by the COVID-19 pandemic.

⁽⁴⁾ This section primarily reflects an average of the more traditional rates to students. Each campus has different rates depending on accommodations, such as super doubles, cluster occupancy, etc.

⁽⁵⁾ Includes housing facilities owned and operated by the campus housing program and Auxiliary Organization.

⁽⁶⁾ The operational capacity does not include 1,914 apartment units, of which 1,417 units were occupied by students, faculty and staff. The monthly rates for the one-bedroom, two-bedroom or three-bedroom units (not bed-spaces) vary between \$2,250 and \$4,325.

⁽⁷⁾ The operational capacity does not include 103 apartment units, of which 93 units were occupied by faculty and staff.

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY

Systemwide Revenue Bond Program's Statement of Insurance Coverage

Year ended June 30, 2022

(In thousands)

Expiration date ⁽¹⁾	Insurance Coverage	Coverage Limit	Insurance Company	Policy number
Property Insurance				
July 1, 2022	CSU Master Property Policy, "All Risk" Building, Equipment, Rental Income (excluding earthquake)	\$1,000,000 per occurrence	Alliant Property Insurance Program	Multiple
July 1, 2022	CSU Master Property Policy, Boiler & Machinery	100,000	Alliant Property Insurance Program	Multiple
General Liability Insurance				
July 1, 2022	Bodily Injury & Property Damage Liability (Primary)	10,000	CSU Risk Management Authority (self-insured portion)	CSURMA-LIAB-2122
July 1, 2022	Bodily Injury & Property Damage Liability (Reinsurance)	2,000 xs 8,000	SiriusPoint Bermuda Insurance Co. Ltd (Arcadian)	ARCGL98072021
July 1, 2022	Bodily Injury & Property Damage Liability (Reinsurance)	3,000 xs 5,000	Continental Indemnity (Applied)/Upland	CI21NPX-01046-01 USXPE0021521
July 1, 2022	Bodily Injury & Property Damage Liability (Reinsurance)	4,500 xs 500	Great American Insurance Company	1827309
July 1, 2022	Bodily Injury & Property Damage Liability (Reinsurance)	5,000 xs 10,000	Everest Reinsurance Company	FC10044208-2021
July 1, 2022	Bodily Injury & Property Damage Liability (Excess)	10,000 xs 15,000	Allied World National Assurance Company	0312-4050
July 1, 2022	Bodily Injury & Property Damage Liability (Excess)	5,000 xs 25,000	Liberty Surplus Insurance Corporation	1000479134-01
July 1, 2022	Bodily Injury & Property Damage Liability (Excess)	5,000 xs 30,000	Hallmark Specialty Insurance Company	77PEF210136
July 1, 2022	Bodily Injury & Property Damage Liability (Excess)	10,000 xs 35,000	Gemini Insurance Company	CEX09600368-08
July 1, 2022	Bodily Injury & Property Damage Liability (Excess)	5,000 xs 45,000	Hamilton Re	CX21-6549
July 1, 2022	Bodily Injury & Property Damage Liability (Excess)	5,000 xs 50,000	Group Ark Insurance Limited	YLZ21-00302
July 1, 2022	Bodily Injury & Property Damage Liability (Excess)	5,000 xs 55,000	Howden Insurance Brokers Limited/Arcadian	B0180PN2105698
July 1, 2022	Bodily Injury & Property Damage Liability (Excess)	25,000 xs 60,000	Multiple	Multiple
July 1, 2022	Bodily Injury & Property Damage Liability (Excess)	15,000 xs 85,000	Multiple	Multiple
July 1, 2022	Bodily Injury & Property Damage Liability (Excess)	30,000 xs 100,000	Multiple	Multiple
July 1, 2022	Bodily Injury & Property Damage Liability (Excess)	30,000 xs 130,000	Multiple	Multiple
July 1, 2022	Bodily Injury & Property Damage Liability (Excess)	65,000 xs 160,000	Multiple	Multiple
Workers' Compensation and Employer's Liability Insurance:				
July 1, 2022	Workers' Compensation and Employer's Liability	2,500	PRISM	PRISM-PE 21 EWC-143
July 1, 2022	Workers' Compensation and Employer's Liability	in excess of 2,500 up to California Workers' Compensation Statutes	Safety National Casualty Corporation	SP 4064889

⁽¹⁾ Additional insurance policies are maintained for the period from July 1, 2022 through July 1, 2023. These policies provide the same coverage indicated above.

See accompanying independent auditors' report.

CAMPUSES' SUPPLEMENTAL INFORMATION



CALIFORNIA STATE UNIVERSITY, BAKERSFIELD

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

Assets	Campus	Discretely presented component units	Total
Current assets:			
Cash and cash equivalents	\$ 107	22,209	22,316
Short-term investments	107,841	—	107,841
Accounts receivable, net	9,099	2,669	11,768
Lease receivables, current portion	—	—	—
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	3,151	3,151
Prepaid expenses and other current assets	220	1	221
Total current assets	<u>117,267</u>	<u>28,030</u>	<u>145,297</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	—	—
Accounts receivable, net	125	—	125
Lease receivables, net of current portion	—	—	—
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	1,055	—	1,055
Pledges receivable, net	—	4,748	4,748
Endowment investments	—	32,218	32,218
Other long-term investments	26,097	1,550	27,647
Capital assets, net	144,963	1,163	146,126
Other assets	10	3	13
Total noncurrent assets	<u>172,250</u>	<u>39,682</u>	<u>211,932</u>
Total assets	<u>289,517</u>	<u>67,712</u>	<u>357,229</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>76,901</u>	<u>—</u>	<u>76,901</u>
Liabilities			
Current liabilities:			
Accounts payable	4,563	2,152	6,715
Accrued salaries and benefits	10,524	224	10,748
Accrued compensated absences, current portion	2,782	59	2,841
Unearned revenues	1,478	785	2,263
Lease liabilities, current portion	82	—	82
Long-term debt obligations, current portion	1,387	—	1,387
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	19	—	19
Other liabilities	2,104	2,446	4,550
Total current liabilities	<u>22,939</u>	<u>5,666</u>	<u>28,605</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	4,069	—	4,069
Unearned revenues	—	—	—
Grants refundable	1,353	—	1,353
Lease liabilities, net of current portion	165	—	165
Long-term debt obligations, net of current portion	46,666	—	46,666
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	320,348	766	321,114
Net pension liability	128,620	—	128,620
Other liabilities	4	—	4
Total noncurrent liabilities	<u>501,225</u>	<u>766</u>	<u>501,991</u>
Total liabilities	<u>524,164</u>	<u>6,432</u>	<u>530,596</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>106,354</u>	<u>—</u>	<u>106,354</u>
Net Position			
Net position:			
Net investment in capital assets	98,292	1,163	99,455
Restricted for:			
Nonexpendable – endowments	—	26,976	26,976
Expendable:			
Scholarships and fellowships	144	5,626	5,770
Research	—	—	—
Loans	240	—	240
Capital projects	5,416	—	5,416
Debt service	10	—	10
Others	3,816	18,650	22,466
Unrestricted	(372,018)	8,865	(363,153)
Total net position	<u>\$ (264,100)</u>	<u>61,280</u>	<u>(202,820)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$49,402)	\$ 38,806	—	—	38,806
Grants and contracts, noncapital:				
Federal	774	7,795	—	8,569
State	61	642	—	703
Local	—	112	—	112
Nongovernmental	746	128	—	874
Sales and services of educational activities	1,719	—	(16)	1,703
Sales and services of auxiliary enterprises (net of scholarship allowances of \$740)	5,049	—	—	5,049
Other operating revenues	1,660	15,564	(32)	17,192
Total operating revenues	48,815	24,241	(48)	73,008
Expenses:				
Operating expenses:				
Instruction	80,836	1,505	(3)	82,338
Research	221	2,721	(201)	2,741
Public service	267	705	(35)	937
Academic support	21,691	6,977	(168)	28,500
Student services	30,732	9,696	(1,058)	39,370
Institutional support	29,406	6,841	(5,050)	31,197
Operation and maintenance of plant	16,826	—	—	16,826
Student grants and scholarships	52,556	4,214	—	56,770
Auxiliary enterprise expenses	4,050	1,020	—	5,070
Depreciation and amortization	11,368	240	—	11,608
Total operating expenses	247,953	33,919	(6,515)	275,357
Operating loss	(199,138)	(9,678)	6,467	(202,349)
Nonoperating revenues (expenses):				
State appropriations, noncapital	121,617	—	—	121,617
Federal financial aid grants, noncapital	30,839	—	—	30,839
State financial aid grants, noncapital	24,661	—	—	24,661
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	—	—	—	—
Other federal nonoperating grants, noncapital	41,659	—	—	41,659
Gifts, noncapital	1,365	7,886	(186)	9,065
Investment loss, net	(7,495)	(863)	—	(8,358)
Endowment loss, net	—	(3,985)	—	(3,985)
Interest expense	(1,457)	—	—	(1,457)
Other nonoperating revenues (expenses)	8,885	(207)	—	8,678
Net nonoperating income	220,074	2,831	(186)	222,719
Income (loss) before other revenues	20,936	(6,847)	6,281	20,370
State appropriations, capital	—	—	—	—
Grants and gifts, capital	7,754	—	(6,281)	1,473
Additions to permanent endowments	—	2,973	—	2,973
Increase (decrease) in net position	28,690	(3,874)	—	24,816
Net position:				
Net position at beginning of year	(292,790)	65,154	—	(227,636)
Net position at end of year	\$ (264,100)	61,280	—	(202,820)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 39,744
Federal grants and contracts	310
State grants and contracts	59
Local grants and contracts	—
Nongovernmental grants and contracts	132
Payments to suppliers	(37,547)
Payments to employees	(91,259)
Payments for benefits	(44,756)
Payments to students	(52,576)
Collections of student loans	24
Sales and services of educational activities	1,719
Sales and services of auxiliary enterprises	4,420
Other receipts	2,749
Net cash used in operating activities	(176,981)
Cash flows from noncapital financing activities:	
State appropriations	113,636
Federal financial aid grants	30,839
State financial aid grants	24,661
Nongovernmental and other financial aid grants	—
Other federal nonoperating grants	44,327
Gifts and grants received for other than capital purposes	1,365
Federal loan program receipts	25,245
Federal loan program disbursements	(24,983)
Monies received on behalf of others	590
Monies disbursed on behalf of others	(1,141)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	7,665
Net cash provided by noncapital financing activities	222,204
Cash flows from capital and related financing activities:	
Proceeds from capital debt	28,360
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	5,626
Proceeds from sale of capital assets	106
Acquisition of capital assets	(9,220)
Transfers to escrow agent	(28,269)
Principal paid on capital debt and leases	(1,549)
Interest paid on capital debt and leases	(1,843)
Principal collection on leases receivable	—
Interest collection on leases receivable	—
Net cash used in capital and related financing activities	(6,789)

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	<u>Campus</u>
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 323,346
Purchases of investments	(364,413)
Investment income proceeds	2,415
Net cash used in investing activities	(38,652)
Net decrease in cash and cash equivalents	(218)
Cash and cash equivalents at beginning of year	325
Cash and cash equivalents at end of year	\$ 107
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 107
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 107
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (199,138)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	11,368
Change in assets and liabilities:	
Accounts receivable, net	1,181
Student loans receivable, net	(7)
Pledges receivable, net	—
Prepaid expenses and other current assets	23
Other assets	(10)
Deferred outflows of resources	(1,587)
Accounts payable	(942)
Accrued salaries and benefits	(289)
Accrued compensated absences	(244)
Unearned revenues	(1,242)
Depository accounts	—
Total other postemployment benefits liability	8,584
Net pension liability	(57,150)
Other liabilities	1,179
Deferred inflows of resources	61,293
Net cash used in operating activities	\$ (176,981)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (9,910)
State's contribution for OPEB	7,981
Change in capital assets due to implementation of GASB 87	329
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, BAKERSFIELD

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 2,923
Payments from discretely presented component units for other than salaries	13,054
Payments to discretely presented component units for services, space, and programs	5,646
Gifts in kind from discretely presented component units	—
Gifts (cash or assets) from discretely presented component units	—
Accounts receivable from discretely presented component units	3,226
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	(772)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	167
Payments to the Office of the Chancellor for state pro rata charges	49
Accounts receivable from the Office of the Chancellor	1,179
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	2
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	971
Other interagency payments (receipts) for services, space, and programs	(119)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 3	9,135	9,138
Short-term investments	165,902	1,786	167,688
Accounts receivable, net	7,001	2,123	9,124
Lease receivables, current portion	2,135	—	2,135
Notes receivable, current portion	2,290	—	2,290
Pledges receivable, net	—	29,664	29,664
Prepaid expenses and other current assets	1,455	80	1,535
Total current assets	<u>178,786</u>	<u>42,788</u>	<u>221,574</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	20,236	20,236
Accounts receivable, net	—	—	—
Lease receivables, net of current portion	34,940	—	34,940
Notes receivable, net of current portion	51,070	161	51,231
Student loans receivable, net	17	—	17
Pledges receivable, net	—	981	981
Endowment investments	—	21,140	21,140
Other long-term investments	1,247	21,490	22,737
Capital assets, net	361,921	37,285	399,206
Other assets	8,788	—	8,788
Total noncurrent assets	<u>457,983</u>	<u>101,293</u>	<u>559,276</u>
Total assets	<u>636,769</u>	<u>144,081</u>	<u>780,850</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>53,212</u>	<u>5,571</u>	<u>58,783</u>
Liabilities			
Current liabilities:			
Accounts payable	6,414	1,923	8,337
Accrued salaries and benefits	1,259	72	1,331
Accrued compensated absences, current portion	2,129	104	2,233
Unearned revenues	3,659	317	3,976
Lease liabilities, current portion	33	2,219	2,252
Long-term debt obligations, current portion	7,065	2,304	9,369
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	—	138	138
Other liabilities	2,862	857	3,719
Total current liabilities	<u>23,421</u>	<u>7,934</u>	<u>31,355</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	3,194	68	3,262
Unearned revenues	—	—	—
Grants refundable	—	—	—
Lease liabilities, net of current portion	340	35,304	35,644
Long-term debt obligations, net of current portion	199,737	51,217	250,954
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	217,124	—	217,124
Net pension liability	105,370	—	105,370
Other liabilities	—	—	—
Total noncurrent liabilities	<u>525,765</u>	<u>86,589</u>	<u>612,354</u>
Total liabilities	<u>549,186</u>	<u>94,523</u>	<u>643,709</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>116,517</u>	<u>—</u>	<u>116,517</u>
Net Position			
Net position:			
Net investment in capital assets	210,671	2,733	213,404
Restricted for:			
Nonexpendable – endowments	—	16,295	16,295
Expendable:			
Scholarships and fellowships	—	3,823	3,823
Research	—	473	473
Loans	44	—	44
Capital projects	41	16,497	16,538
Debt service	13	3,330	3,343
Others	1,715	26,089	27,804
Unrestricted	(188,206)	(14,111)	(202,317)
Total net position	<u>\$ 24,278</u>	<u>55,129</u>	<u>79,407</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$22,960)	\$ 28,390	—	—	28,390
Grants and contracts, noncapital:				
Federal	4,009	—	—	4,009
State	1,194	—	—	1,194
Local	76	—	—	76
Nongovernmental	446	—	20	466
Sales and services of educational activities	106	—	—	106
Sales and services of auxiliary enterprises (net of scholarship allowances of \$1,022)	16,922	—	—	16,922
Other operating revenues	6,960	16,531	—	23,491
Total operating revenues	58,103	16,531	20	74,654
Expenses:				
Operating expenses:				
Instruction	51,837	568	5	52,410
Research	2,784	74	—	2,858
Public service	661	15	—	676
Academic support	27,848	409	27	28,284
Student services	15,787	1,713	—	17,500
Institutional support	21,446	1,233	—	22,679
Operation and maintenance of plant	12,839	—	—	12,839
Student grants and scholarships	25,363	918	—	26,281
Auxiliary enterprise expenses	15,164	10,978	—	26,142
Depreciation and amortization	16,420	2,757	—	19,177
Total operating expenses	190,149	18,665	32	208,846
Operating loss	(132,046)	(2,134)	(12)	(134,192)
Nonoperating revenues (expenses):				
State appropriations, noncapital	115,399	—	—	115,399
Federal financial aid grants, noncapital	16,330	—	—	16,330
State financial aid grants, noncapital	13,727	—	—	13,727
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	—	51	—	51
Other federal nonoperating grants, noncapital	19,646	—	—	19,646
Gifts, noncapital	50	34,994	—	35,044
Investment loss, net	(5,983)	(3,406)	—	(9,389)
Endowment loss, net	—	(1,222)	—	(1,222)
Interest expense	(6,823)	(2,534)	—	(9,357)
Other nonoperating revenues	8,558	2,382	—	10,940
Net nonoperating income	160,904	30,265	—	191,169
Income before other revenues	28,858	28,131	(12)	56,977
State appropriations, capital	—	—	—	—
Grants and gifts, capital	12	—	12	24
Additions to permanent endowments	—	7,210	—	7,210
Increase in net position	28,870	35,341	—	64,211
Net position:				
Net position at beginning of year	(4,592)	19,788	—	15,196
Net position at end of year	\$ 24,278	55,129	—	79,407

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 27,459
Federal grants and contracts	4,099
State grants and contracts	1,125
Local grants and contracts	114
Nongovernmental grants and contracts	665
Payments to suppliers	(38,754)
Payments to employees	(75,812)
Payments for benefits	(34,909)
Payments to students	(25,387)
Collections of student loans	4
Sales and services of educational activities	106
Sales and services of auxiliary enterprises	16,331
Other receipts	4,350
Net cash used in operating activities	(120,609)
Cash flows from noncapital financing activities:	
State appropriations	110,154
Federal financial aid grants	16,432
State financial aid grants	13,377
Nongovernmental and other financial aid grants	—
Other federal nonoperating grants	23,821
Gifts and grants received for other than capital purposes	50
Federal loan program receipts	18,044
Federal loan program disbursements	(17,387)
Monies received on behalf of others	—
Monies disbursed on behalf of others	—
Transfers to escrow agent	(49,075)
Proceeds from long-term debt	52,609
Principal paid on long-term debt	(3,250)
Interest paid on long-term debt	(840)
Issuance of notes receivable	(6,690)
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	1,915
Interest collections on notes receivable	2,478
Other noncapital financing activities	9,202
Net cash provided by noncapital financing activities	170,840
Cash flows from capital and related financing activities:	
Proceeds from capital debt	—
State appropriations	74
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	24
Proceeds from sale of capital assets	—
Acquisition of capital assets	(8,441)
Transfers to escrow agent	—
Principal paid on capital debt and leases	(3,244)
Interest paid on capital debt and leases	(7,038)
Principal collection on leases receivable	2,189
Interest collection on leases receivable	1,065
Net cash used in capital and related financing activities	(15,371)

CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	<u>Campus</u>
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 266,019
Purchases of investments	(304,220)
Investment income proceeds	3,340
Net cash used in investing activities	(34,861)
Net decrease in cash and cash equivalents	(1)
Cash and cash equivalents at beginning of year	4
Cash and cash equivalents at end of year	<u>\$ 3</u>
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 3
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	<u>\$ 3</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (132,046)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	16,420
Change in assets and liabilities:	
Accounts receivable, net	(1,317)
Student loans receivable, net	4
Pledges receivable, net	—
Prepaid expenses and other current assets	(117)
Other assets	(3,549)
Deferred outflows of resources	8,985
Accounts payable	3,336
Accrued salaries and benefits	608
Accrued compensated absences	82
Unearned revenues	902
Depository accounts	—
Total other postemployment benefits liability	(2,015)
Net pension liability	(57,377)
Other liabilities	(13)
Deferred inflows of resources	45,488
Net cash used in operating activities	<u>\$ (120,609)</u>
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (12,963)
State's contribution for OPEB	5,246
Change in capital assets due to implementation of GASB 87	397
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 877
Payments from discretely presented component units for other than salaries	7,123
Payments to discretely presented component units for services, space, and programs	11,365
Gifts in kind from discretely presented component units	24
Gifts (cash or assets) from discretely presented component units	8
Accounts receivable from discretely presented component units	1,092
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	(775)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	97
Payments to the Office of the Chancellor for state pro rata charges	53
Accounts receivable from the Office of the Chancellor	312
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	9
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	750
Other interagency payments (receipts) for services, space, and programs	(65)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, CHICO

Schedule 8

Statement of Net Position
June 30, 2022
(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 8	10,216	10,224
Short-term investments	140,668	45,980	186,648
Accounts receivable, net	9,040	18,072	27,112
Lease receivables, current portion	—	—	—
Notes receivable, current portion	—	193	193
Pledges receivable, net	—	2,558	2,558
Prepaid expenses and other current assets	3,083	868	3,951
Total current assets	<u>152,799</u>	<u>77,887</u>	<u>230,686</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	470	470
Accounts receivable, net	110	—	110
Lease receivables, net of current portion	—	—	—
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	963	—	963
Pledges receivable, net	—	3,585	3,585
Endowment investments	—	79,281	79,281
Other long-term investments	59,664	16,435	76,099
Capital assets, net	349,115	14,637	363,752
Other assets	261	878	1,139
Total noncurrent assets	<u>410,113</u>	<u>115,286</u>	<u>525,399</u>
Total assets	<u>562,912</u>	<u>193,173</u>	<u>756,085</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>128,925</u>	<u>1,007</u>	<u>129,932</u>
Liabilities			
Current liabilities:			
Accounts payable	11,291	6,650	17,941
Accrued salaries and benefits	15,088	2,619	17,707
Accrued compensated absences, current portion	4,567	945	5,512
Unearned revenues	4,671	3,584	8,255
Lease liabilities, current portion	223	14	237
Long-term debt obligations, current portion	5,491	155	5,646
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	—	—	—
Other liabilities	1,668	1,288	2,956
Total current liabilities	<u>42,999</u>	<u>15,255</u>	<u>58,254</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	3,683	334	4,017
Unearned revenues	—	3,814	3,814
Grants refundable	2,540	—	2,540
Lease liabilities, net of current portion	251	32	283
Long-term debt obligations, net of current portion	118,259	1,830	120,089
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	684,158	924	685,082
Net pension liability	195,977	—	195,977
Other liabilities	—	474	474
Total noncurrent liabilities	<u>1,004,868</u>	<u>7,408</u>	<u>1,012,276</u>
Total liabilities	<u>1,047,867</u>	<u>22,663</u>	<u>1,070,530</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>193,753</u>	<u>859</u>	<u>194,612</u>
Net Position			
Net position:			
Net investment in capital assets	233,610	9,406	243,016
Restricted for:			
Nonexpendable – endowments	—	73,490	73,490
Expendable:			
Scholarships and fellowships	201	2,640	2,841
Research	—	4,597	4,597
Loans	646	—	646
Capital projects	259	4,919	5,178
Debt service	16	—	16
Others	580	30,993	31,573
Unrestricted	(785,095)	44,613	(740,482)
Total net position	<u>\$ (549,783)</u>	<u>170,658</u>	<u>(379,125)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, CHICO
Statement of Revenues, Expenses, and Changes in Net Position
Year ended June 30, 2022
(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$57,778)	\$ 72,832	—	—	72,832
Grants and contracts, noncapital:				
Federal	—	32,854	—	32,854
State	10	9,028	—	9,038
Local	—	1,537	—	1,537
Nongovernmental	—	3,099	—	3,099
Sales and services of educational activities	140	3,542	—	3,682
Sales and services of auxiliary enterprises (net of scholarship allowances of \$3,674)	21,045	10,829	—	31,874
Other operating revenues	6,594	7,249	—	13,843
Total operating revenues	100,621	68,138	—	168,759
Expenses:				
Operating expenses:				
Instruction	117,161	3,595	(30)	120,726
Research	1,224	3,244	—	4,468
Public service	1,560	28,121	(106)	29,575
Academic support	39,958	3,344	(491)	42,811
Student services	44,594	7,256	(441)	51,409
Institutional support	35,767	10,380	(467)	45,680
Operation and maintenance of plant	51,648	4,018	(161)	55,505
Student grants and scholarships	63,106	5,025	(1,915)	66,216
Auxiliary enterprise expenses	(5,060)	9,015	—	3,955
Depreciation and amortization	19,951	1,875	—	21,826
Total operating expenses	369,909	75,873	(3,611)	442,171
Operating loss	(269,288)	(7,735)	3,611	(273,412)
Nonoperating revenues (expenses):				
State appropriations, noncapital	178,339	—	—	178,339
Federal financial aid grants, noncapital	32,347	—	—	32,347
State financial aid grants, noncapital	24,982	—	—	24,982
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	4,101	—	(2,051)	2,050
Other federal nonoperating grants, noncapital	49,870	—	—	49,870
Gifts, noncapital	1,046	7,233	(1,046)	7,233
Investment loss, net	(13,116)	(5,440)	—	(18,556)
Endowment loss, net	—	(8,020)	—	(8,020)
Interest expense	(4,562)	(25)	—	(4,587)
Other nonoperating revenues (expenses)	5,980	(125)	—	5,855
Net nonoperating income (loss)	278,987	(6,377)	(3,097)	269,513
Income (loss) before other revenues	9,699	(14,112)	514	(3,899)
State appropriations, capital	—	—	—	—
Grants and gifts, capital	524	428	(514)	438
Additions to permanent endowments	—	2,306	—	2,306
Increase (decrease) in net position	10,223	(11,378)	—	(1,155)
Net position:				
Net position at beginning of year	(560,006)	182,036	—	(377,970)
Net position at end of year	\$ (549,783)	170,658	—	(379,125)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, CHICO

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 71,470
Federal grants and contracts	—
State grants and contracts	17
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(75,179)
Payments to employees	(129,690)
Payments for benefits	(66,785)
Payments to students	(63,319)
Collections of student loans	193
Sales and services of educational activities	140
Sales and services of auxiliary enterprises	20,059
Other receipts	5,694
Net cash used in operating activities	(237,400)
Cash flows from noncapital financing activities:	
State appropriations	160,997
Federal financial aid grants	32,347
State financial aid grants	24,855
Nongovernmental and other financial aid grants	4,101
Other federal nonoperating grants	48,220
Gifts and grants received for other than capital purposes	1,046
Federal loan program receipts	37,458
Federal loan program disbursements	(37,549)
Monies received on behalf of others	3,015
Monies disbursed on behalf of others	(3,017)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	8,518
Net cash provided by noncapital financing activities	279,991
Cash flows from capital and related financing activities:	
Proceeds from capital debt	—
State appropriations	479
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	654
Proceeds from sale of capital assets	9
Acquisition of capital assets	(14,402)
Transfers to escrow agent	—
Principal paid on capital debt and leases	(5,744)
Interest paid on capital debt and leases	(4,905)
Principal collection on leases receivable	—
Interest collection on leases receivable	—
Net cash used in capital and related financing activities	(23,909)

CALIFORNIA STATE UNIVERSITY, CHICO

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	<u>Campus</u>
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 431,466
Purchases of investments	(453,881)
Investment income proceeds	3,735
Net cash used in investing activities	(18,680)
Net increase in cash and cash equivalents	2
Cash and cash equivalents at beginning of year	6
Cash and cash equivalents at end of year	<u>\$ 8</u>
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 8
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	<u>\$ 8</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (269,288)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	19,951
Change in assets and liabilities:	
Accounts receivable, net	(1,302)
Student loans receivable, net	7
Pledges receivable, net	—
Prepaid expenses and other current assets	(554)
Other assets	(245)
Deferred outflows of resources	10,297
Accounts payable	6,603
Accrued salaries and benefits	534
Accrued compensated absences	(420)
Unearned revenues	(1,132)
Depository accounts	—
Total other postemployment benefits liability	4,739
Net pension liability	(103,283)
Other liabilities	700
Deferred inflows of resources	95,993
Net cash used in operating activities	<u>\$ (237,400)</u>
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (16,852)
State's contribution for OPEB	17,342
Change in capital assets due to implementation of GASB 87	699
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, CHICO

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 2,279
Payments from discretely presented component units for other than salaries	3,874
Payments to discretely presented component units for services, space, and programs	15,231
Gifts in kind from discretely presented component units	158
Gifts (cash or assets) from discretely presented component units	1,401
Accounts receivable from discretely presented component units	1,840
Other amounts receivable from discretely presented component units	110
Accounts payable to discretely presented component units	(797)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	110
Payments to the Office of the Chancellor for state pro rata charges	45
Accounts receivable from the Office of the Chancellor	1,919
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	2
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	1,618
Other interagency payments (receipts) for services, space, and programs	431

See accompanying independent auditors' report.



NATION'S LARGEST

four-year public
university



CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

Assets	Campus	Discretely presented component units	Total
Current assets:			
Cash and cash equivalents	\$ 4	12,876	12,880
Short-term investments	96,755	5,889	102,644
Accounts receivable, net	28,696	6,348	35,044
Lease receivables, current portion	—	—	—
Notes receivable, current portion	—	184	184
Pledges receivable, net	—	2,833	2,833
Prepaid expenses and other current assets	588	255	843
Total current assets	126,043	28,385	154,428
Noncurrent assets:			
Restricted cash and cash equivalents	—	2,326	2,326
Accounts receivable, net	—	274	274
Lease receivables, net of current portion	—	—	—
Notes receivable, net of current portion	—	1,227	1,227
Student loans receivable, net	510	—	510
Pledges receivable, net	—	512	512
Endowment investments	—	20,123	20,123
Other long-term investments	64,047	5,245	69,292
Capital assets, net	358,749	1,407	360,156
Other assets	26	179	205
Total noncurrent assets	423,332	31,293	454,625
Total assets	549,375	59,678	609,053
Deferred Outflows of Resources			
Deferred outflows of resources	103,840	1,002	104,842
Liabilities			
Current liabilities:			
Accounts payable	8,831	1,779	10,610
Accrued salaries and benefits	13,335	427	13,762
Accrued compensated absences, current portion	3,691	470	4,161
Unearned revenues	9,699	3,400	13,099
Lease liabilities, current portion	200	—	200
Long-term debt obligations, current portion	2,511	1,174	3,685
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	915	—	915
Other liabilities	5,038	3,451	8,489
Total current liabilities	44,220	10,701	54,921
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	6,023	34	6,057
Unearned revenues	—	—	—
Grants refundable	273	—	273
Lease liabilities, net of current portion	299	—	299
Long-term debt obligations, net of current portion	69,587	1,258	70,845
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	427,879	1,513	429,392
Net pension liability	173,403	260	173,663
Other liabilities	—	—	—
Total noncurrent liabilities	677,464	3,065	680,529
Total liabilities	721,684	13,766	735,450
Deferred Inflows of Resources			
Deferred inflows of resources	142,737	1,540	144,277
Net Position			
Net position:			
Net investment in capital assets	287,011	1,407	288,418
Restricted for:			
Nonexpendable – endowments	—	22,480	22,480
Expendable:			
Scholarships and fellowships	103	8,572	8,675
Research	—	—	—
Loans	484	—	484
Capital projects	830	—	830
Debt service	12	—	12
Others	—	274	274
Unrestricted	(499,646)	12,641	(487,005)
Total net position	\$ (211,206)	45,374	(165,832)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS

Statement of Revenues , Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$72,265)	\$ 52,991	—	—	52,991
Grants and contracts, noncapital:				
Federal	—	11,116	—	11,116
State	—	1,277	—	1,277
Local	—	—	—	—
Nongovernmental	—	686	—	686
Sales and services of educational activities	162	—	—	162
Sales and services of auxiliary enterprises (net of scholarship allowances of \$1,800)	5,501	3,415	—	8,916
Other operating revenues	11,433	11,423	—	22,856
Total operating revenues	70,087	27,917	—	98,004
Expenses:				
Operating expenses:				
Instruction	101,238	3,428	—	104,666
Research	80	4,324	—	4,404
Public service	2,402	—	—	2,402
Academic support	26,616	5,786	—	32,402
Student services	27,948	4,842	(485)	32,305
Institutional support	61,561	959	—	62,520
Operation and maintenance of plant	33,751	—	—	33,751
Student grants and scholarships	69,394	1,014	(805)	69,603
Auxiliary enterprise expenses	5,062	10,371	(591)	14,842
Depreciation and amortization	16,079	365	—	16,444
Total operating expenses	344,131	31,089	(1,881)	373,339
Operating loss	(274,044)	(3,172)	1,881	(275,335)
Nonoperating revenues (expenses):				
State appropriations, noncapital	207,463	—	—	207,463
Federal financial aid grants, noncapital	48,062	—	—	48,062
State financial aid grants, noncapital	33,765	—	—	33,765
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	—	—	—	—
Other federal nonoperating grants, noncapital	69,529	—	—	69,529
Gifts, noncapital	1,290	7,521	(1,290)	7,521
Investment loss, net	(7,749)	(628)	—	(8,377)
Endowment loss, net	—	(2,621)	—	(2,621)
Interest expense	(2,449)	(44)	—	(2,493)
Other nonoperating revenues	3,767	337	—	4,104
Net nonoperating income	353,678	4,565	(1,290)	356,953
Income before other revenues	79,634	1,393	591	81,618
State appropriations, capital	—	—	—	—
Grants and gifts, capital	791	—	(591)	200
Additions (reductions) to permanent endowments	—	—	—	—
Increase in net position	80,425	1,393	—	81,818
Net position:				
Net position at beginning of year	(291,631)	43,981	—	(247,650)
Net position at end of year	\$ (211,206)	45,374	—	(165,832)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 58,256
Federal grants and contracts	—
State grants and contracts	—
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(58,741)
Payments to employees	(126,535)
Payments for benefits	(59,312)
Payments to students	(69,395)
Collections of student loans	9
Sales and services of educational activities	162
Sales and services of auxiliary enterprises	5,630
Other receipts	7,434
Net cash used in operating activities	(242,492)
Cash flows from noncapital financing activities:	
State appropriations	196,424
Federal financial aid grants	31,934
State financial aid grants	35,942
Nongovernmental and other financial aid grants	—
Other federal nonoperating grants	69,542
Gifts and grants received for other than capital purposes	1,290
Federal loan program receipts	34,907
Federal loan program disbursements	(35,075)
Monies received on behalf of others	2,377
Monies disbursed on behalf of others	(1,970)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	862
Net cash provided by noncapital financing activities	336,233
Cash flows from capital and related financing activities:	
Proceeds from capital debt	14,250
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	791
Proceeds from sale of capital assets	75
Acquisition of capital assets	(21,213)
Transfers to escrow agent	(14,209)
Principal paid on capital debt and leases	(3,484)
Interest paid on capital debt and leases	(2,736)
Principal collection on leases receivable	—
Interest collection on leases receivable	—
Net cash used in capital and related financing activities	(26,526)

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	<u>Campus</u>
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 435,324
Purchases of investments	(505,401)
Investment income proceeds	2,863
Net cash used in investing activities	(67,214)
Net increase in cash and cash equivalents	1
Cash and cash equivalents at beginning of year	3
Cash and cash equivalents at end of year	\$ 4
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 4
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 4
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (274,044)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	16,079
Change in assets and liabilities:	
Accounts receivable, net	1,644
Student loans receivable, net	(26)
Pledges receivable, net	—
Prepaid expenses and other current assets	(167)
Other assets	(8)
Deferred outflows of resources	(4,246)
Accounts payable	(415)
Accrued salaries and benefits	808
Accrued compensated absences	(299)
Unearned revenues	780
Depository accounts	—
Total other postemployment benefits liability	8,898
Net pension liability	(74,770)
Other liabilities	1,113
Deferred inflows of resources	82,161
Net cash used in operating activities	\$ (242,492)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (10,612)
State's contribution for OPEB	11,040
Change in capital assets due to implementation of GASB 87	688
Acquisition of capital asset through long-term debt obligations	3,300
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 502
Payments from discretely presented component units for other than salaries	2,995
Payments to discretely presented component units for services, space, and programs	13,337
Gifts in kind from discretely presented component units	—
Gifts (cash or assets) from discretely presented component units	443
Accounts receivable from discretely presented component units	3,485
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	(3,190)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	127
Payments to the Office of the Chancellor for state pro rata charges	101
Accounts receivable from the Office of the Chancellor	415
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	1,430
Other interagency payments (receipts) for services, space, and programs	550

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, EAST BAY

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 18	4,925	4,943
Short-term investments	154,428	23,591	178,019
Accounts receivable, net	17,169	4,817	21,986
Lease receivables, current portion	335	110	445
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	1,260	1,260
Prepaid expenses and other current assets	2,675	—	2,675
Total current assets	<u>174,625</u>	<u>34,703</u>	<u>209,328</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	—	—
Accounts receivable, net	—	—	—
Lease receivables, net of current portion	578	453	1,031
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	699	—	699
Pledges receivable, net	—	1,846	1,846
Endowment investments	—	15,589	15,589
Other long-term investments	8,193	—	8,193
Capital assets, net	284,728	3,770	288,498
Other assets	9	—	9
Total noncurrent assets	<u>294,207</u>	<u>21,658</u>	<u>315,865</u>
Total assets	<u>468,832</u>	<u>56,361</u>	<u>525,193</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>108,885</u>	<u>1,685</u>	<u>110,570</u>
Liabilities			
Current liabilities:			
Accounts payable	14,190	3,166	17,356
Accrued salaries and benefits	14,903	30	14,933
Accrued compensated absences, current portion	5,661	70	5,731
Unearned revenues	6,650	2,105	8,755
Lease liabilities, current portion	1,026	—	1,026
Long-term debt obligations, current portion	3,555	295	3,850
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	31	—	31
Other liabilities	1,785	6	1,791
Total current liabilities	<u>47,801</u>	<u>5,672</u>	<u>53,473</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	3,180	—	3,180
Unearned revenues	—	—	—
Grants refundable	695	—	695
Lease liabilities, net of current portion	2,477	—	2,477
Long-term debt obligations, net of current portion	83,465	683	84,148
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	551,148	3,697	554,845
Net pension liability	180,401	4,472	184,873
Other liabilities	—	—	—
Total noncurrent liabilities	<u>821,366</u>	<u>8,852</u>	<u>830,218</u>
Total liabilities	<u>869,167</u>	<u>14,524</u>	<u>883,691</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>166,429</u>	<u>5,117</u>	<u>171,546</u>
Net Position			
Net position:			
Net investment in capital assets	197,681	2,188	199,869
Restricted for:			
Nonexpendable – endowments	—	15,589	15,589
Expendable:			
Scholarships and fellowships	1,395	1,241	2,636
Research	—	—	—
Loans	623	—	623
Capital projects	423	4,500	4,923
Debt service	8	—	8
Others	3,430	4,779	8,209
Unrestricted	(661,439)	10,108	(651,331)
Total net position	<u>\$ (457,879)</u>	<u>38,405</u>	<u>(419,474)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, EAST BAY

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$53,453)	\$ 75,911	—	—	75,911
Grants and contracts, noncapital:				
Federal	32	11,792	—	11,824
State	—	1,110	—	1,110
Local	4	—	—	4
Nongovernmental	—	1,565	—	1,565
Sales and services of educational activities	68	—	—	68
Sales and services of auxiliary enterprises (net of scholarship allowances of \$3,013)	11,659	—	—	11,659
Other operating revenues	8,788	2,115	—	10,903
Total operating revenues	96,462	16,582	—	113,044
Expenses:				
Operating expenses:				
Instruction	106,803	1,474	—	108,277
Research	1,768	4,506	—	6,274
Public service	2,463	6,414	—	8,877
Academic support	39,772	1,223	—	40,995
Student services	30,788	850	—	31,638
Institutional support	33,345	—	—	33,345
Operation and maintenance of plant	28,186	—	—	28,186
Student grants and scholarships	45,949	216	—	46,165
Auxiliary enterprise expenses	7,995	7,175	(2,228)	12,942
Depreciation and amortization	15,879	194	—	16,073
Total operating expenses	312,948	22,052	(2,228)	332,772
Operating loss	(216,486)	(5,470)	2,228	(219,728)
Nonoperating revenues (expenses):				
State appropriations, noncapital	148,138	—	—	148,138
Federal financial aid grants, noncapital	28,161	—	—	28,161
State financial aid grants, noncapital	19,864	—	—	19,864
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	720	—	—	720
Other federal nonoperating grants, noncapital	55,695	—	—	55,695
Gifts, noncapital	1,362	3,477	(2,104)	2,735
Investment loss, net	(10,058)	(5,198)	—	(15,256)
Endowment income, net	—	186	—	186
Interest expense	(3,347)	(8)	—	(3,355)
Other nonoperating revenues	42,662	260	—	42,922
Net nonoperating revenues (expenses)	283,197	(1,283)	(2,104)	279,810
Income (loss) before other revenues	66,711	(6,753)	124	60,082
State appropriations, capital	—	—	—	—
Grants and gifts, capital	125	4,156	(124)	4,157
Additions to permanent endowments	—	943	—	943
Increase (decrease) in net position	66,836	(1,654)	—	65,182
Net position:				
Net position at beginning of year	(524,715)	40,059	—	(484,656)
Net position at end of year	\$ (457,879)	38,405	—	(419,474)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, EAST BAY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 75,925
Federal grants and contracts	32
State grants and contracts	—
Local grants and contracts	4
Nongovernmental grants and contracts	—
Payments to suppliers	(67,960)
Payments to employees	(118,700)
Payments for benefits	(58,558)
Payments to students	(46,049)
Collections of student loans	14
Sales and services of educational activities	68
Sales and services of auxiliary enterprises	11,659
Other receipts	8,904
Net cash used in operating activities	(194,661)
Cash flows from noncapital financing activities:	
State appropriations	134,399
Federal financial aid grants	28,212
State financial aid grants	19,864
Nongovernmental and other financial aid grants	720
Other federal nonoperating grants	50,437
Gifts and grants received for other than capital purposes	1,362
Federal loan program receipts	39,688
Federal loan program disbursements	(39,783)
Monies received on behalf of others	199
Monies disbursed on behalf of others	(217)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	42,592
Net cash provided by noncapital financing activities	277,473
Cash flows from capital and related financing activities:	
Proceeds from capital debt	25,965
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	125
Proceeds from sale of capital assets	3
Acquisition of capital assets	(44,998)
Transfers to escrow agent	(25,889)
Principal paid on capital debt and leases	(5,919)
Interest paid on capital debt and leases	(3,388)
Principal collection on leases receivable	302
Interest collection on leases receivable	7
Net cash used in capital and related financing activities	(53,792)

CALIFORNIA STATE UNIVERSITY, EAST BAY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	<u>Campus</u>
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 477,729
Purchases of investments	(509,576)
Investment income proceeds	2,829
Net cash used in investing activities	(29,018)
Net increase (decrease) in cash and cash equivalents	—
Cash and cash equivalents at beginning of year	18
Cash and cash equivalents at end of year	<u>\$ 18</u>
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 18
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	<u>\$ 18</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (216,486)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	15,879
Change in assets and liabilities:	
Accounts receivable, net	140
Student loans receivable, net	(26)
Pledges receivable, net	—
Prepaid expenses and other current assets	(1,859)
Other assets	11
Deferred outflows of resources	8,139
Accounts payable	1,453
Accrued salaries and benefits	540
Accrued compensated absences	(531)
Unearned revenues	243
Depository accounts	—
Total other postemployment benefits liability	3,694
Net pension liability	(92,144)
Other liabilities	(102)
Deferred inflows of resources	86,388
Net cash used in operating activities	<u>\$ (194,661)</u>
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (12,895)
State's contribution for OPEB	13,739
Change in capital assets due to implementation of GASB 87	6,227
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, EAST BAY

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 4,752
Payments from discretely presented component units for other than salaries	2,088
Payments to discretely presented component units for services, space, and programs	1,815
Gifts in kind from discretely presented component units	—
Gifts (cash or assets) from discretely presented component units	2,228
Accounts receivable from discretely presented component units	2,514
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	—
Other amounts payable to discretely presented component units	(563)
Payments to the Office of the Chancellor for administrative activities	156
Payments to the Office of the Chancellor for state pro rata charges	87
Accounts receivable from the Office of the Chancellor	13,214
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	40
Accounts payable to campuses other than the Office of the Chancellor	(2)
State lottery allocation received	1,363
Other interagency payments (receipts) for services, space, and programs	(96)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, FRESNO

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 10	30,041	30,051
Short-term investments	124,915	89,823	214,738
Accounts receivable, net	9,470	26,526	35,996
Lease receivables, current portion	7,933	—	7,933
Notes receivable, current portion	289	5	294
Pledges receivable, net	—	6,832	6,832
Prepaid expenses and other current assets	715	2,468	3,183
Total current assets	<u>143,332</u>	<u>155,695</u>	<u>299,027</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	710	710
Accounts receivable, net	—	323	323
Lease receivables, net of current portion	34,383	—	34,383
Notes receivable, net of current portion	2,413	—	2,413
Student loans receivable, net	1,326	378	1,704
Pledges receivable, net	—	12,328	12,328
Endowment investments	634	194,854	195,488
Other long-term investments	60,138	15,406	75,544
Capital assets, net	314,109	66,142	380,251
Other assets	—	455	455
Total noncurrent assets	<u>413,003</u>	<u>290,596</u>	<u>703,599</u>
Total assets	<u>556,335</u>	<u>446,291</u>	<u>1,002,626</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>145,535</u>	<u>1,294</u>	<u>146,829</u>
Liabilities			
Current liabilities:			
Accounts payable	15,176	7,871	23,047
Accrued salaries and benefits	23,968	2,343	26,311
Accrued compensated absences, current portion	5,349	198	5,547
Unearned revenues	5,365	11,624	16,989
Lease liabilities, current portion	386	6,263	6,649
Long-term debt obligations, current portion	8,536	2,839	11,375
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	246	201	447
Other liabilities	23,573	1,612	25,185
Total current liabilities	<u>82,599</u>	<u>32,951</u>	<u>115,550</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	6,134	521	6,655
Unearned revenues	—	160	160
Grants refundable	1,031	—	1,031
Lease liabilities, net of current portion	567	32,306	32,873
Long-term debt obligations, net of current portion	123,492	3,521	127,013
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	3,588	3,588
Total other postemployment benefits liability	746,728	9,324	756,052
Net pension liability	255,575	1,720	257,295
Other liabilities	8,350	6,808	15,158
Total noncurrent liabilities	<u>1,141,877</u>	<u>57,948</u>	<u>1,199,825</u>
Total liabilities	<u>1,224,476</u>	<u>90,899</u>	<u>1,315,375</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>269,753</u>	<u>4,497</u>	<u>274,250</u>
Net Position			
Net position:			
Net investment in capital assets	167,766	30,761	198,527
Restricted for:			
Nonexpendable – endowments	634	195,159	195,793
Expendable:			
Scholarships and fellowships	1,169	8,137	9,306
Research	—	—	—
Loans	961	2,202	3,163
Capital projects	589	222	811
Debt service	16	—	16
Others	489	75,404	75,893
Unrestricted	(963,983)	40,304	(923,679)
Total net position	<u>\$ (792,359)</u>	<u>352,189</u>	<u>(440,170)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, FRESNO

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$111,225)	\$ 79,401	—	—	79,401
Grants and contracts, noncapital:				
Federal	2	24,441	—	24,443
State	602	21,294	—	21,896
Local	—	—	—	—
Nongovernmental	—	5,287	—	5,287
Sales and services of educational activities	366	—	—	366
Sales and services of auxiliary enterprises (net of scholarship allowances of \$6,285)	7,681	62,561	—	70,242
Other operating revenues	15,211	8,274	—	23,485
Total operating revenues	103,263	121,857	—	225,120
Expenses:				
Operating expenses:				
Instruction	195,263	21,550	—	216,813
Research	2,807	9,894	—	12,701
Public service	1,757	18,306	—	20,063
Academic support	37,083	191	(258)	37,016
Student services	56,525	966	—	57,491
Institutional support	46,896	294	—	47,190
Operation and maintenance of plant	31,393	1,633	—	33,026
Student grants and scholarships	113,671	12,544	(5,748)	120,467
Auxiliary enterprise expenses	6,319	69,240	(2,576)	72,983
Depreciation and amortization	18,555	4,976	—	23,531
Total operating expenses	510,269	139,594	(8,582)	641,281
Operating loss	(407,006)	(17,737)	8,582	(416,161)
Nonoperating revenues (expenses):				
State appropriations, noncapital	261,398	—	—	261,398
Federal financial aid grants, noncapital	71,192	—	—	71,192
State financial aid grants, noncapital	54,076	—	—	54,076
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	—	—	—	—
Other federal nonoperating grants, noncapital	76,618	2,852	—	79,470
Gifts, noncapital	6,736	16,212	(6,388)	16,560
Investment loss, net	(6,200)	(7,307)	—	(13,507)
Endowment income (loss), net	12	(7,657)	—	(7,645)
Interest expense	(4,486)	(83)	—	(4,569)
Other nonoperating revenues	5,781	3,918	—	9,699
Net nonoperating revenues	465,127	7,935	(6,388)	466,674
Income (loss) before other revenues	58,121	(9,802)	2,194	50,513
State appropriations, capital	—	—	—	—
Grants and gifts, capital	2,482	60	(2,194)	348
Additions to permanent endowments	—	9,225	—	9,225
Increase (decrease) in net position	60,603	(517)	—	60,086
Net position:				
Net position at beginning of year	(852,962)	352,706	—	(500,256)
Net position at end of year	\$ (792,359)	352,189	—	(440,170)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, FRESNO

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 80,168
Federal grants and contracts	2
State grants and contracts	602
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(96,547)
Payments to employees	(182,663)
Payments for benefits	(89,356)
Payments to students	(113,328)
Collections of student loans	68
Sales and services of educational activities	366
Sales and services of auxiliary enterprises	8,091
Other receipts	13,936
Net cash used in operating activities	(378,661)
Cash flows from noncapital financing activities:	
State appropriations	242,652
Federal financial aid grants	71,362
State financial aid grants	54,076
Nongovernmental and other financial aid grants	—
Other federal nonoperating grants	85,942
Gifts and grants received for other than capital purposes	6,736
Federal loan program receipts	40,598
Federal loan program disbursements	(40,655)
Monies received on behalf of others	3,746
Monies disbursed on behalf of others	(3,764)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	298
Interest collections on notes receivable	—
Other noncapital financing activities	16,978
Net cash provided by noncapital financing activities	477,969
Cash flows from capital and related financing activities:	
Proceeds from capital debt	10,750
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	2,000
Proceeds from sale of capital assets	67
Acquisition of capital assets	(49,904)
Transfers to escrow agent	(10,713)
Principal paid on capital debt and leases	(5,784)
Interest paid on capital debt and leases	(4,733)
Principal collection on leases receivable	2,721
Interest collection on leases receivable	1,303
Net cash used in capital and related financing activities	(54,293)

CALIFORNIA STATE UNIVERSITY, FRESNO

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	<u>Campus</u>
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 688,981
Purchases of investments	(738,399)
Investment income proceeds	4,403
Net cash used in investing activities	(45,015)
Net increase (decrease) in cash and cash equivalents	—
Cash and cash equivalents at beginning of year	10
Cash and cash equivalents at end of year	<u>\$ 10</u>
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 10
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	<u>\$ 10</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (407,006)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	18,555
Change in assets and liabilities:	
Accounts receivable, net	2,689
Student loans receivable, net	(44)
Pledges receivable, net	—
Prepaid expenses and other current assets	152
Other assets	60
Deferred outflows of resources	15,334
Accounts payable	2,311
Accrued salaries and benefits	1,913
Accrued compensated absences	(641)
Unearned revenues	287
Depository accounts	—
Total other postemployment benefits liability	920
Net pension liability	(133,918)
Other liabilities	3,432
Deferred inflows of resources	117,295
Net cash used in operating activities	<u>\$ (378,661)</u>
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (11,881)
State's contribution for OPEB	19,099
Change in capital assets due to implementation of GASB 87	1,496
Acquisition of capital asset through long-term debt obligations	28,537
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, FRESNO

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 2,789
Payments from discretely presented component units for other than salaries	4,103
Payments to discretely presented component units for services, space, and programs	13,990
Gifts in kind from discretely presented component units	311
Gifts (cash or assets) from discretely presented component units	2,020
Accounts receivable from discretely presented component units	1,844
Other amounts receivable from discretely presented component units	2,702
Accounts payable to discretely presented component units	(1,072)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	363
Payments to the Office of the Chancellor for state pro rata charges	50
Accounts receivable from the Office of the Chancellor	580
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	5
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	2,713
Other interagency payments (receipts) for services, space, and programs	393

See accompanying independent auditors' report.



3.9 MILLION

living alumni
and counting



CALIFORNIA STATE UNIVERSITY, FULLERTON

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 8	49,785	49,793
Short-term investments	309,476	31,031	340,507
Accounts receivable, net	21,589	12,186	33,775
Lease receivables, current portion	118	1,488	1,606
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	2,827	2,827
Prepaid expenses and other current assets	11,956	2,552	14,508
Total current assets	<u>343,147</u>	<u>99,869</u>	<u>443,016</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	10,636	10,636
Accounts receivable, net	23	—	23
Lease receivables, net of current portion	659	11,903	12,562
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	1,328	—	1,328
Pledges receivable, net	—	4,454	4,454
Endowment investments	—	123,855	123,855
Other long-term investments	88,799	12,885	101,684
Capital assets, net	622,000	42,114	664,114
Other assets	4,309	952	5,261
Total noncurrent assets	<u>717,118</u>	<u>206,799</u>	<u>923,917</u>
Total assets	<u>1,060,265</u>	<u>306,668</u>	<u>1,366,933</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>220,612</u>	<u>—</u>	<u>220,612</u>
Liabilities			
Current liabilities:			
Accounts payable	21,626	6,321	27,947
Accrued salaries and benefits	36,253	1,185	37,438
Accrued compensated absences, current portion	6,962	868	7,830
Unearned revenues	11,570	4,190	15,760
Lease liabilities, current portion	1,750	—	1,750
Long-term debt obligations, current portion	9,295	1,260	10,555
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	131	4,532	4,663
Other liabilities	10,604	239	10,843
Total current liabilities	<u>98,191</u>	<u>18,595</u>	<u>116,786</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	9,614	433	10,047
Unearned revenues	—	4,872	4,872
Grants refundable	2,421	—	2,421
Lease liabilities, net of current portion	22,971	—	22,971
Long-term debt obligations, net of current portion	342,208	23,216	365,424
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	992,141	2,635	994,776
Net pension liability	375,746	6,362	382,108
Other liabilities	67	748	815
Total noncurrent liabilities	<u>1,745,168</u>	<u>38,266</u>	<u>1,783,434</u>
Total liabilities	<u>1,843,359</u>	<u>56,861</u>	<u>1,900,220</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>321,442</u>	<u>—</u>	<u>321,442</u>
Net Position			
Net position:			
Net investment in capital assets	253,183	32,873	286,056
Restricted for:			
Nonexpendable – endowments	—	76,231	76,231
Expendable:			
Scholarships and fellowships	—	6,434	6,434
Research	—	—	—
Loans	949	—	949
Capital projects	—	—	—
Debt service	1,878	—	1,878
Others	276	65,790	66,066
Unrestricted	(1,140,210)	68,479	(1,071,731)
Total net position	<u>\$ (883,924)</u>	<u>249,807</u>	<u>(634,117)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, FULLERTON

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$136,521)	\$ 179,517	—	—	179,517
Grants and contracts, noncapital:				
Federal	76	20,744	—	20,820
State	—	7,706	—	7,706
Local	—	1,574	—	1,574
Nongovernmental	—	1,439	—	1,439
Sales and services of educational activities	1,562	—	—	1,562
Sales and services of auxiliary enterprises (net of scholarship allowances of \$3,504)	40,817	25,959	—	66,776
Other operating revenues	7,013	36,970	—	43,983
Total operating revenues	228,985	94,392	—	323,377
Expenses:				
Operating expenses:				
Instruction	258,006	5,732	—	263,738
Research	794	6,604	—	7,398
Public service	3,475	9,969	—	13,444
Academic support	36,857	794	—	37,651
Student services	71,396	26,420	—	97,816
Institutional support	83,993	2,139	—	86,132
Operation and maintenance of plant	52,760	7,070	—	59,830
Student grants and scholarships	143,501	10,972	—	154,473
Auxiliary enterprise expenses	17,171	26,340	(1,603)	41,908
Depreciation and amortization	35,177	2,179	—	37,356
Total operating expenses	703,130	98,219	(1,603)	799,746
Operating loss	(474,145)	(3,827)	1,603	(476,369)
Nonoperating revenues (expenses):				
State appropriations, noncapital	297,531	—	—	297,531
Federal financial aid grants, noncapital	89,329	—	—	89,329
State financial aid grants, noncapital	67,206	—	—	67,206
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	—	—	—	—
Other federal nonoperating grants, noncapital	157,947	—	—	157,947
Gifts, noncapital	683	12,516	(681)	12,518
Investment loss, net	(22,162)	(14,181)	—	(36,343)
Endowment income, net	—	1,945	—	1,945
Interest expense	(12,874)	(986)	—	(13,860)
Other nonoperating revenues (expenses)	18,986	(23)	—	18,963
Net nonoperating income (loss)	596,646	(729)	(681)	595,236
Income (loss) before other revenues	122,501	(4,556)	922	118,867
State appropriations, capital	—	—	—	—
Grants and gifts, capital	1,109	—	(922)	187
Additions to permanent endowments	—	6,871	—	6,871
Increase in net position	123,610	2,315	—	125,925
Net position:				
Net position at beginning of year	(1,007,534)	247,492	—	(760,042)
Net position at end of year	\$ (883,924)	249,807	—	(634,117)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, FULLERTON

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 177,107
Federal grants and contracts	154
State grants and contracts	—
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(145,325)
Payments to employees	(257,576)
Payments for benefits	(125,497)
Payments to students	(141,193)
Collections of student loans	—
Sales and services of educational activities	1,562
Sales and services of auxiliary enterprises	40,264
Other receipts	5,413
Net cash used in operating activities	(445,091)
Cash flows from noncapital financing activities:	
State appropriations	272,564
Federal financial aid grants	89,371
State financial aid grants	67,318
Nongovernmental and other financial aid grants	—
Other federal nonoperating grants	165,925
Gifts and grants received for other than capital purposes	683
Federal loan program receipts	74,821
Federal loan program disbursements	(75,955)
Monies received on behalf of others	5,405
Monies disbursed on behalf of others	(5,298)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	18,128
Net cash provided by noncapital financing activities	612,962
Cash flows from capital and related financing activities:	
Proceeds from capital debt	8,385
State appropriations	82
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	1,109
Proceeds from sale of capital assets	—
Acquisition of capital assets	(113,122)
Transfers to escrow agent	(8,362)
Principal paid on capital debt and leases	(10,115)
Interest paid on capital debt and leases	(14,935)
Principal collection on leases receivable	93
Interest collection on leases receivable	34
Net cash used in capital and related financing activities	(136,831)

CALIFORNIA STATE UNIVERSITY, FULLERTON

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	<u>Campus</u>
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 1,084,696
Purchases of investments	(1,122,801)
Investment income proceeds	7,063
Net cash used in investing activities	(31,042)
Net decrease in cash and cash equivalents	(2)
Cash and cash equivalents at beginning of year	10
Cash and cash equivalents at end of year	<u>\$ 8</u>
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 8
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	<u>\$ 8</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (474,145)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	35,177
Change in assets and liabilities:	
Accounts receivable, net	(1,673)
Student loans receivable, net	(42)
Pledges receivable, net	—
Prepaid expenses and other current assets	(4,701)
Other assets	362
Deferred outflows of resources	13,481
Accounts payable	(4,330)
Accrued salaries and benefits	1,659
Accrued compensated absences	(1,675)
Unearned revenues	(1,193)
Depository accounts	—
Total other postemployment benefits liability	(486)
Net pension liability	(186,390)
Other liabilities	2,580
Deferred inflows of resources	176,285
Net cash used in operating activities	<u>\$ (445,091)</u>
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (29,338)
State's contribution for OPEB	24,967
Change in capital assets due to implementation of GASB 87	26,436
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, FULLERTON

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 3,083
Payments from discretely presented component units for other than salaries	7,835
Payments to discretely presented component units for services, space, and programs	40,974
Gifts in kind from discretely presented component units	—
Gifts (cash or assets) from discretely presented component units	1,788
Accounts receivable from discretely presented component units	2,564
Other amounts receivable from discretely presented component units	1,299
Accounts payable to discretely presented component units	(2,819)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	319
Payments to the Office of the Chancellor for state pro rata charges	150
Accounts receivable from the Office of the Chancellor	1,499
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	2,943
Other interagency payments (receipts) for services, space, and programs	(723)

See accompanying independent auditors' report.

CALIFORNIA STATE POLYTECHNIC UNIVERSITY, HUMBOLDT

Schedule 8

Statement of Net Position
June 30, 2022
(In thousands)

Assets	Campus	Discretely presented component units	Total
Current assets:			
Cash and cash equivalents	\$ 13	8,014	8,027
Short-term investments	159,474	7,983	167,457
Accounts receivable, net	2,185	15,275	17,460
Lease receivables, current portion	28	295	323
Notes receivable, current portion	—	—	—
Pledges receivable, net	2,000	669	2,669
Prepaid expenses and other current assets	1,797	36	1,833
Total current assets	<u>165,497</u>	<u>32,272</u>	<u>197,769</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	—	—
Accounts receivable, net	93	—	93
Lease receivables, net of current portion	1,403	4,589	5,992
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	1,286	—	1,286
Pledges receivable, net	—	1,727	1,727
Endowment investments	993	28,972	29,965
Other long-term investments	314	7,229	7,543
Capital assets, net	209,073	13,377	222,450
Other assets	24	3,143	3,167
Total noncurrent assets	<u>213,186</u>	<u>59,037</u>	<u>272,223</u>
Total assets	<u>378,683</u>	<u>91,309</u>	<u>469,992</u>
Deferred Outflows of Resources			
Deferred outflows of resources	75,480	920	76,400
Liabilities			
Current liabilities:			
Accounts payable	11,884	2,969	14,853
Accrued salaries and benefits	9,375	740	10,115
Accrued compensated absences, current portion	3,525	271	3,796
Unearned revenues	2,669	3,124	5,793
Lease liabilities, current portion	424	57	481
Long-term debt obligations, current portion	3,002	—	3,002
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	163	2	165
Other liabilities	600	4,131	4,731
Total current liabilities	<u>31,642</u>	<u>11,294</u>	<u>42,936</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	2,505	130	2,635
Unearned revenues	—	241	241
Grants refundable	1,484	—	1,484
Lease liabilities, net of current portion	3,325	276	3,601
Long-term debt obligations, net of current portion	43,702	—	43,702
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	439,869	—	439,869
Net pension liability	116,573	—	116,573
Other liabilities	418	—	418
Total noncurrent liabilities	<u>607,876</u>	<u>647</u>	<u>608,523</u>
Total liabilities	<u>639,518</u>	<u>11,941</u>	<u>651,459</u>
Deferred Inflows of Resources			
Deferred inflows of resources	122,391	9,175	131,566
Net Position			
Net position:			
Net investment in capital assets	163,030	13,377	176,407
Restricted for:			
Nonexpendable – endowments	993	26,008	27,001
Expendable:			
Scholarships and fellowships	2,241	—	2,241
Research	—	—	—
Loans	1,119	—	1,119
Capital projects	1,202	—	1,202
Debt service	6	—	6
Others	505	12,280	12,785
Unrestricted	(476,842)	19,448	(457,394)
Total net position	<u>\$ (307,746)</u>	<u>71,113</u>	<u>(236,633)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE POLYTECHNIC UNIVERSITY, HUMBOLDT

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$26,461)	\$ 24,509	—	—	24,509
Grants and contracts, noncapital:				
Federal	93	13,504	—	13,597
State	632	12,744	—	13,376
Local	—	2,093	—	2,093
Nongovernmental	—	4,987	—	4,987
Sales and services of educational activities	215	4	—	219
Sales and services of auxiliary enterprises (net of scholarship allowances of \$9,022)	9,379	8	—	9,387
Other operating revenues	24,961	5,506	—	30,467
Total operating revenues	59,789	38,846	—	98,635
Expenses:				
Operating expenses:				
Instruction	58,308	277	—	58,585
Research	275	13,346	—	13,621
Public service	9	19,876	—	19,885
Academic support	15,846	786	—	16,632
Student services	36,069	743	—	36,812
Institutional support	27,254	183	—	27,437
Operation and maintenance of plant	17,297	76	—	17,373
Student grants and scholarships	22,675	358	(135)	22,898
Auxiliary enterprise expenses	18,923	3,168	—	22,091
Depreciation and amortization	10,016	280	—	10,296
Total operating expenses	206,672	39,093	(135)	245,630
Operating loss	(146,883)	(247)	135	(146,995)
Nonoperating revenues (expenses):				
State appropriations, noncapital	180,965	—	—	180,965
Federal financial aid grants, noncapital	14,915	—	—	14,915
State financial aid grants, noncapital	10,006	—	—	10,006
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	10	—	—	10
Other federal nonoperating grants, noncapital	30,436	—	—	30,436
Gifts, noncapital	1,380	6,370	878	8,628
Investment loss, net	(8,231)	(775)	—	(9,006)
Endowment income (loss), net	—	(3,525)	—	(3,525)
Interest expense	(1,663)	(12)	—	(1,675)
Other nonoperating revenues (expenses)	4,352	(1,539)	(897)	1,916
Net nonoperating income	232,170	519	(19)	232,670
Income before other revenues	85,287	272	116	85,675
State appropriations, capital	—	—	—	—
Grants and gifts, capital	355	12	(116)	251
Additions to permanent endowments	—	133	—	133
Increase in net position	85,642	417	—	86,059
Net position:				
Net position at beginning of year	(393,388)	70,696	—	(322,692)
Net position at end of year	<u>\$ (307,746)</u>	<u>71,113</u>	<u>—</u>	<u>(236,633)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE POLYTECHNIC UNIVERSITY, HUMBOLDT

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 24,647
Federal grants and contracts	129
State grants and contracts	632
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(45,488)
Payments to employees	(82,666)
Payments for benefits	(40,605)
Payments to students	(22,706)
Collections of student loans	12
Sales and services of educational activities	215
Sales and services of auxiliary enterprises	8,977
Other receipts	24,031
Net cash used in operating activities	(132,822)
Cash flows from noncapital financing activities:	
State appropriations	169,692
Federal financial aid grants	14,915
State financial aid grants	10,006
Nongovernmental and other financial aid grants	10
Other federal nonoperating grants	31,094
Gifts and grants received for other than capital purposes	1,380
Federal loan program receipts	19,933
Federal loan program disbursements	(20,185)
Monies received on behalf of others	4,279
Monies disbursed on behalf of others	(4,228)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	3,946
Net cash provided by noncapital financing activities	230,842
Cash flows from capital and related financing activities:	
Proceeds from capital debt	—
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	—
Proceeds from sale of capital assets	—
Acquisition of capital assets	(14,835)
Transfers to escrow agent	—
Principal paid on capital debt and leases	(2,534)
Interest paid on capital debt and leases	(1,794)
Principal collection on leases receivable	544
Interest collection on leases receivable	—
Net cash used in capital and related financing activities	(18,619)

CALIFORNIA STATE POLYTECHNIC UNIVERSITY, HUMBOLDT

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 245,887
Purchases of investments	(327,312)
Investment income proceeds	2,023
Net cash used in investing activities	(79,402)
Net decrease in cash and cash equivalents	(1)
Cash and cash equivalents at beginning of year	14
Cash and cash equivalents at end of year	\$ 13
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 13
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 13
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (146,883)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	10,016
Change in assets and liabilities:	
Accounts receivable, net	201
Student loans receivable, net	(32)
Pledges receivable, net	—
Prepaid expenses and other current assets	(465)
Other assets	96
Deferred outflows of resources	9,786
Accounts payable	3,777
Accrued salaries and benefits	487
Accrued compensated absences	(92)
Unearned revenues	220
Depository accounts	—
Total other postemployment benefits liability	(850)
Net pension liability	(65,707)
Other liabilities	(506)
Deferred inflows of resources	57,130
Net cash used in operating activities	\$ (132,822)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (10,255)
State's contribution for OPEB	11,273
Change in capital assets due to implementation of GASB 87	4,397
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE POLYTECHNIC UNIVERSITY, HUMBOLDT

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 2,267
Payments from discretely presented component units for other than salaries	5,295
Payments to discretely presented component units for services, space, and programs	387
Gifts in kind from discretely presented component units	618
Gifts (cash or assets) from discretely presented component units	(5)
Accounts receivable from discretely presented component units	2,480
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	(16)
Other amounts payable to discretely presented component units	(418)
Payments to the Office of the Chancellor for administrative activities	83
Payments to the Office of the Chancellor for state pro rata charges	44
Accounts receivable from the Office of the Chancellor	497
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	893
Other interagency payments (receipts) for services, space, and programs	197

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, LONG BEACH

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 19	11,487	11,506
Short-term investments	238,224	83,148	321,372
Accounts receivable, net	27,425	10,929	38,354
Lease receivables, current portion	93	1,348	1,441
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	2,861	2,861
Prepaid expenses and other current assets	3,251	1,441	4,692
Total current assets	<u>269,012</u>	<u>111,214</u>	<u>380,226</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	—	—
Accounts receivable, net	1,356	16,414	17,770
Lease receivables, net of current portion	727	75,953	76,680
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	3,027	—	3,027
Pledges receivable, net	—	4,761	4,761
Endowment investments	—	108,178	108,178
Other long-term investments	76,058	14,199	90,257
Capital assets, net	622,723	48,345	671,068
Other assets	373	1,068	1,441
Total noncurrent assets	<u>704,264</u>	<u>268,918</u>	<u>973,182</u>
Total assets	<u>973,276</u>	<u>380,132</u>	<u>1,353,408</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>244,620</u>	<u>5,857</u>	<u>250,477</u>
Liabilities			
Current liabilities:			
Accounts payable	18,980	2,895	21,875
Accrued salaries and benefits	38,995	2,975	41,970
Accrued compensated absences, current portion	9,523	2,607	12,130
Unearned revenues	22,260	7,363	29,623
Lease liabilities, current portion	1,426	63	1,489
Long-term debt obligations, current portion	5,385	1,350	6,735
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	118	1,423	1,541
Other liabilities	3,715	5,136	8,851
Total current liabilities	<u>100,402</u>	<u>23,812</u>	<u>124,214</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	9,794	—	9,794
Unearned revenues	10	—	10
Grants refundable	3,019	—	3,019
Lease liabilities, net of current portion	15,751	145	15,896
Long-term debt obligations, net of current portion	241,798	24,717	266,515
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	1,086,372	8,783	1,095,155
Net pension liability	406,738	3,259	409,997
Other liabilities	—	6,424	6,424
Total noncurrent liabilities	<u>1,763,482</u>	<u>43,328</u>	<u>1,806,810</u>
Total liabilities	<u>1,863,884</u>	<u>67,140</u>	<u>1,931,024</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>348,734</u>	<u>98,540</u>	<u>447,274</u>
Net Position			
Net position:			
Net investment in capital assets	375,213	22,074	397,287
Restricted for:			
Nonexpendable – endowments	—	100,182	100,182
Expendable:			
Scholarships and fellowships	176	7,188	7,364
Research	—	5,430	5,430
Loans	811	—	811
Capital projects	932	1,170	2,102
Debt service	133	—	133
Others	—	48,570	48,570
Unrestricted	(1,371,987)	35,695	(1,336,292)
Total net position	<u>\$ (994,722)</u>	<u>220,309</u>	<u>(774,413)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, LONG BEACH

Statement of Revenues , Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$151,606)	\$ 164,532	—	—	164,532
Grants and contracts, noncapital:				
Federal	1,156	23,270	—	24,426
State	—	8,719	—	8,719
Local	—	234	—	234
Nongovernmental	—	2,202	—	2,202
Sales and services of educational activities	3,222	101	—	3,323
Sales and services of auxiliary enterprises (net of scholarship allowances of \$5,195)	43,450	31,457	—	74,907
Other operating revenues	12,196	25,171	(335)	37,032
Total operating revenues	224,556	91,154	(335)	315,375
Expenses:				
Operating expenses:				
Instruction	297,881	9,305	—	307,186
Research	3,726	11,431	—	15,157
Public service	592	4,624	—	5,216
Academic support	79,631	6,056	—	85,687
Student services	84,707	17,902	(1,278)	101,331
Institutional support	58,679	16,051	(10,058)	64,672
Operation and maintenance of plant	58,700	548	(470)	58,778
Student grants and scholarships	163,542	7,631	(8,019)	163,154
Auxiliary enterprise expenses	29,031	22,253	(94)	51,190
Depreciation and amortization	35,245	2,674	—	37,919
Total operating expenses	811,734	98,475	(19,919)	890,290
Operating loss	(587,178)	(7,321)	19,584	(574,915)
Nonoperating revenues (expenses):				
State appropriations, noncapital	307,191	—	—	307,191
Federal financial aid grants, noncapital	89,309	—	—	89,309
State financial aid grants, noncapital	75,014	—	—	75,014
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	7,727	—	(7,727)	—
Other federal nonoperating grants, noncapital	144,436	2,000	—	146,436
Gifts, noncapital	1,648	13,049	(1,328)	13,369
Investment loss, net	(15,496)	(11,528)	—	(27,024)
Endowment loss, net	—	(14,354)	—	(14,354)
Interest expense	(8,508)	(926)	—	(9,434)
Other nonoperating revenues (expenses)	6,505	(57)	—	6,448
Net nonoperating income (loss)	607,826	(11,816)	(9,055)	586,955
Income (loss) before other revenues	20,648	(19,137)	10,529	12,040
State appropriations, capital	—	—	—	—
Grants and gifts, capital	9,331	—	(10,529)	(1,198)
Additions to permanent endowments	—	16,907	—	16,907
Increase (decrease) in net position	29,979	(2,230)	—	27,749
Net position:				
Net position at beginning of year	(1,024,701)	222,539	—	(802,162)
Net position at end of year	<u>\$ (994,722)</u>	<u>220,309</u>	<u>—</u>	<u>(774,413)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, LONG BEACH

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 165,463
Federal grants and contracts	1,156
State grants and contracts	—
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(134,930)
Payments to employees	(299,493)
Payments for benefits	(140,146)
Payments to students	(163,642)
Collections of student loans	17
Sales and services of educational activities	3,222
Sales and services of auxiliary enterprises	42,375
Other receipts	9,457
Net cash used in operating activities	(516,521)
Cash flows from noncapital financing activities:	
State appropriations	279,685
Federal financial aid grants	89,471
State financial aid grants	75,014
Nongovernmental and other financial aid grants	7,716
Other federal nonoperating grants	144,790
Gifts and grants received for other than capital purposes	1,392
Federal loan program receipts	86,365
Federal loan program disbursements	(86,615)
Monies received on behalf of others	10,694
Monies disbursed on behalf of others	(10,510)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	9,934
Net cash provided by noncapital financing activities	607,936
Cash flows from capital and related financing activities:	
Proceeds from capital debt	61,933
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	8,805
Proceeds from sale of capital assets	588
Acquisition of capital assets	(55,818)
Transfers to escrow agent	(11,022)
Principal paid on capital debt and leases	(55,882)
Interest paid on capital debt and leases	(9,161)
Principal collection on leases receivable	89
Interest collection on leases receivable	67
Net cash used in capital and related financing activities	(60,401)

CALIFORNIA STATE UNIVERSITY, LONG BEACH

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 1,517,724
Purchases of investments	(1,556,619)
Investment income proceeds	7,223
Net cash used in investing activities	(31,672)
Net decrease in cash and cash equivalents	(658)
Cash and cash equivalents at beginning of year	677
Cash and cash equivalents at end of year	\$ 19
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 19
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 19
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (587,178)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	35,245
Change in assets and liabilities:	
Accounts receivable, net	(1,154)
Student loans receivable, net	(121)
Pledges receivable, net	—
Prepaid expenses and other current assets	804
Other assets	(154)
Deferred outflows of resources	5,941
Accounts payable	3,746
Accrued salaries and benefits	3,472
Accrued compensated absences	(772)
Unearned revenues	890
Depository accounts	—
Total other postemployment benefits liability	24,784
Net pension liability	(194,988)
Other liabilities	(1,641)
Deferred inflows of resources	194,605
Net cash used in operating activities	\$ (516,521)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (22,696)
State's contribution for OPEB	27,161
Change in capital assets due to implementation of GASB 87	18,541
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	(256)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, LONG BEACH

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 3,549
Payments from discretely presented component units for other than salaries	20,600
Payments to discretely presented component units for services, space, and programs	25,756
Gifts in kind from discretely presented component units	597
Gifts (cash or assets) from discretely presented component units	18,028
Accounts receivable from discretely presented component units	5,727
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	(734)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	310
Payments to the Office of the Chancellor for state pro rata charges	143
Accounts receivable from the Office of the Chancellor	93
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	3,125
Other interagency payments (receipts) for services, space, and programs	958

See accompanying independent auditors' report.



NEARLY HALF

of the state's bachelor's
degrees are awarded
by the CSU



CALIFORNIA STATE UNIVERSITY, LOS ANGELES

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 7	4,826	4,833
Short-term investments	149,054	24,024	173,078
Accounts receivable, net	14,286	6,037	20,323
Lease receivables, current portion	1,946	934	2,880
Notes receivable, current portion	—	21	21
Pledges receivable, net	—	1,054	1,054
Prepaid expenses and other current assets	7,108	224	7,332
Total current assets	<u>172,401</u>	<u>37,120</u>	<u>209,521</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	8,902	8,902
Accounts receivable, net	178	—	178
Lease receivables, net of current portion	23,729	4,030	27,759
Notes receivable, net of current portion	—	21	21
Student loans receivable, net	1,063	—	1,063
Pledges receivable, net	—	4,363	4,363
Endowment investments	—	58,659	58,659
Other long-term investments	139,554	—	139,554
Capital assets, net	627,215	37,065	664,280
Other assets	264	258	522
Total noncurrent assets	<u>792,003</u>	<u>113,298</u>	<u>905,301</u>
Total assets	<u>964,404</u>	<u>150,418</u>	<u>1,114,822</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>148,444</u>	<u>503</u>	<u>148,947</u>
Liabilities			
Current liabilities:			
Accounts payable	20,729	1,547	22,276
Accrued salaries and benefits	23,877	2,607	26,484
Accrued compensated absences, current portion	8,245	470	8,715
Unearned revenues	21,966	9,342	31,308
Lease liabilities, current portion	1,679	1,191	2,870
Long-term debt obligations, current portion	8,055	221	8,276
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	—	—	—
Other liabilities	5,085	—	5,085
Total current liabilities	<u>89,636</u>	<u>15,378</u>	<u>105,014</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	4,046	89	4,135
Unearned revenues	—	—	—
Grants refundable	227	—	227
Lease liabilities, net of current portion	7,875	14,611	22,486
Long-term debt obligations, net of current portion	313,340	5,304	318,644
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	6	—	6
Total other postemployment benefits liability	689,028	640	689,668
Net pension liability	263,096	—	263,096
Other liabilities	—	1	1
Total noncurrent liabilities	<u>1,277,618</u>	<u>20,645</u>	<u>1,298,263</u>
Total liabilities	<u>1,367,254</u>	<u>36,023</u>	<u>1,403,277</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>248,737</u>	<u>6,744</u>	<u>255,481</u>
Net Position			
Net position:			
Net investment in capital assets	310,949	8,994	319,943
Restricted for:			
Nonexpendable – endowments	—	44,252	44,252
Expendable:			
Scholarships and fellowships	1,843	24,143	25,986
Research	—	—	—
Loans	1,208	—	1,208
Capital projects	203	—	203
Debt service	33	—	33
Others	1,619	—	1,619
Unrestricted	(818,998)	30,765	(788,233)
Total net position	<u>\$ (503,143)</u>	<u>108,154</u>	<u>(394,989)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, LOS ANGELES

Statement of Revenues , Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$127,339)	\$ 73,704	—	—	73,704
Grants and contracts, noncapital:				
Federal	—	14,935	—	14,935
State	—	1,062	—	1,062
Local	—	1,567	—	1,567
Nongovernmental	—	2,551	—	2,551
Sales and services of educational activities	69	1,936	—	2,005
Sales and services of auxiliary enterprises (net of scholarship allowances of \$3,146)	19,797	2,697	—	22,494
Other operating revenues	7,277	8,019	(327)	14,969
Total operating revenues	100,847	32,767	(327)	133,287
Expenses:				
Operating expenses:				
Instruction	147,133	11,627	—	158,760
Research	1,974	—	—	1,974
Public service	3,102	616	—	3,718
Academic support	47,678	2,042	—	49,720
Student services	52,640	6,841	—	59,481
Institutional support	89,065	2,094	—	91,159
Operation and maintenance of plant	41,123	1,629	(327)	42,425
Student grants and scholarships	137,845	5,753	—	143,598
Auxiliary enterprise expenses	12,721	2,736	—	15,457
Depreciation and amortization	28,079	2,466	—	30,545
Total operating expenses	561,360	35,804	(327)	596,837
Operating loss	(460,513)	(3,037)	—	(463,550)
Nonoperating revenues (expenses):				
State appropriations, noncapital	234,443	—	—	234,443
Federal financial aid grants, noncapital	83,342	—	—	83,342
State financial aid grants, noncapital	68,353	—	—	68,353
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	20	—	—	20
Other federal nonoperating grants, noncapital	126,608	—	—	126,608
Gifts, noncapital	52	3,794	—	3,846
Investment loss, net	(17,233)	(7,791)	—	(25,024)
Endowment income (loss), net	—	—	—	—
Interest expense	(12,010)	(704)	—	(12,714)
Other nonoperating revenues	12,459	2,942	1,094	16,495
Net nonoperating income (loss)	496,034	(1,759)	1,094	495,369
Income (loss) before other revenues	35,521	(4,796)	1,094	31,819
State appropriations, capital	138	—	—	138
Grants and gifts, capital	2,640	—	(1,094)	1,546
Additions (reductions) to permanent endowments	—	—	—	—
Increase (decrease) in net position	38,299	(4,796)	—	33,503
Net position:				
Net position at beginning of year	(541,442)	112,950	—	(428,492)
Net position at end of year	\$ (503,143)	108,154	—	(394,989)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, LOS ANGELES

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 79,416
Federal grants and contracts	—
State grants and contracts	—
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(120,186)
Payments to employees	(183,333)
Payments for benefits	(90,898)
Payments to students	(137,086)
Collections of student loans	62
Sales and services of educational activities	69
Sales and services of auxiliary enterprises	19,644
Other receipts	6,764
Net cash used in operating activities	(425,548)
Cash flows from noncapital financing activities:	
State appropriations	217,306
Federal financial aid grants	81,861
State financial aid grants	68,105
Nongovernmental and other financial aid grants	20
Other federal nonoperating grants	126,608
Gifts and grants received for other than capital purposes	52
Federal loan program receipts	55,210
Federal loan program disbursements	(55,491)
Monies received on behalf of others	33
Monies disbursed on behalf of others	(62)
Transfers to escrow agent	—
Proceeds from long-term debt	1,518
Principal paid on long-term debt	(1,110)
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	17,973
Net cash provided by noncapital financing activities	512,023
Cash flows from capital and related financing activities:	
Proceeds from capital debt	21,050
State appropriations	138
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	7
Proceeds from sale of capital assets	6,636
Acquisition of capital assets	(75,320)
Transfers to escrow agent	(20,988)
Principal paid on capital debt and leases	(8,088)
Interest paid on capital debt and leases	(14,921)
Principal collection on leases receivable	17,508
Interest collection on leases receivable	—
Net cash used in capital and related financing activities	(73,978)

CALIFORNIA STATE UNIVERSITY, LOS ANGELES

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	<u>Campus</u>
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 793,469
Purchases of investments	(811,632)
Investment income proceeds	5,664
Net cash used in investing activities	(12,499)
Net decrease in cash and cash equivalents	(2)
Cash and cash equivalents at beginning of year	9
Cash and cash equivalents at end of year	<u>\$ 7</u>
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 7
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	<u>\$ 7</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (460,513)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	28,079
Change in assets and liabilities:	
Accounts receivable, net	7,276
Student loans receivable, net	(38)
Pledges receivable, net	—
Prepaid expenses and other current assets	(6,205)
Other assets	(9)
Deferred outflows of resources	11,118
Accounts payable	4,945
Accrued salaries and benefits	1,850
Accrued compensated absences	(970)
Unearned revenues	156
Depository accounts	—
Total other postemployment benefits liability	(3,965)
Net pension liability	(130,824)
Other liabilities	2,577
Deferred inflows of resources	120,975
Net cash used in operating activities	<u>\$ (425,548)</u>
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (22,889)
State's contribution for OPEB	17,137
Change in capital assets due to implementation of GASB 87	11,192
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, LOS ANGELES

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 1,947
Payments from discretely presented component units for other than salaries	4,818
Payments to discretely presented component units for services, space, and programs	6,480
Gifts in kind from discretely presented component units	—
Gifts (cash or assets) from discretely presented component units	—
Accounts receivable from discretely presented component units	641
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	(223)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	157
Payments to the Office of the Chancellor for state pro rata charges	83
Accounts receivable from the Office of the Chancellor	4,268
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	2,429
Other interagency payments (receipts) for services, space, and programs	259

See accompanying independent auditors' report.

CALIFORNIA MARITIME ACADEMY

Statement of Net Position

June 30, 2022

(In thousands)

Schedule 8

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 888	5,572	6,460
Short-term investments	20,939	5,854	26,793
Accounts receivable, net	2,027	612	2,639
Lease receivables, current portion	—	2,031	2,031
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	233	233
Prepaid expenses and other current assets	454	—	454
Total current assets	24,308	14,302	38,610
Noncurrent assets:			
Restricted cash and cash equivalents	—	239	239
Accounts receivable, net	—	—	—
Lease receivables, net of current portion	—	2,367	2,367
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	139	—	139
Pledges receivable, net	—	55	55
Endowment investments	—	10,158	10,158
Other long-term investments	224	—	224
Capital assets, net	121,637	15,789	137,426
Other assets	8	—	8
Total noncurrent assets	122,008	28,608	150,616
Total assets	146,316	42,910	189,226
Deferred Outflows of Resources			
Deferred outflows of resources	20,931	—	20,931
Liabilities			
Current liabilities:			
Accounts payable	1,362	127	1,489
Accrued salaries and benefits	2,093	—	2,093
Accrued compensated absences, current portion	737	—	737
Unearned revenues	527	—	527
Lease liabilities, current portion	40	—	40
Long-term debt obligations, current portion	886	—	886
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	49	—	49
Other liabilities	1,058	2,449	3,507
Total current liabilities	6,752	2,576	9,328
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	1,561	—	1,561
Unearned revenues	—	—	—
Grants refundable	345	—	345
Lease liabilities, net of current portion	36	—	36
Long-term debt obligations, net of current portion	32,498	—	32,498
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	99,289	—	99,289
Net pension liability	40,154	—	40,154
Other liabilities	—	—	—
Total noncurrent liabilities	173,883	—	173,883
Total liabilities	180,635	2,576	183,211
Deferred Inflows of Resources			
Deferred inflows of resources	33,231	4,387	37,618
Net Position			
Net position:			
Net investment in capital assets	89,345	15,789	105,134
Restricted for:			
Nonexpendable – endowments	—	10,158	10,158
Expendable:			
Scholarships and fellowships	69	—	69
Research	—	—	—
Loans	33	—	33
Capital projects	2	—	2
Debt service	3	—	3
Others	6,477	3,221	9,698
Unrestricted	(142,548)	6,779	(135,769)
Total net position	\$ (46,619)	35,947	(10,672)

See accompanying independent auditors' report.

CALIFORNIA MARITIME ACADEMY

Statement of Revenues , Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$4,054)	\$ 8,754	—	—	8,754
Grants and contracts, noncapital:				
Federal	1,122	—	—	1,122
State	125	—	—	125
Local	—	—	—	—
Nongovernmental	285	—	—	285
Sales and services of educational activities	2	—	—	2
Sales and services of auxiliary enterprises (net of scholarship allowances of \$1,035)	8,555	—	—	8,555
Other operating revenues	2,218	11,372	—	13,590
Total operating revenues	21,061	11,372	—	32,433
Expenses:				
Operating expenses:				
Instruction	19,822	—	—	19,822
Research	1,110	—	—	1,110
Public service	22	—	—	22
Academic support	4,179	—	—	4,179
Student services	9,429	130	—	9,559
Institutional support	12,976	—	—	12,976
Operation and maintenance of plant	17,056	160	—	17,216
Student grants and scholarships	2,122	516	—	2,638
Auxiliary enterprise expenses	4,233	7,413	—	11,646
Depreciation and amortization	5,946	3,863	—	9,809
Total operating expenses	76,895	12,082	—	88,977
Operating loss	(55,834)	(710)	—	(56,544)
Nonoperating revenues (expenses):				
State appropriations, noncapital	47,249	—	—	47,249
Federal financial aid grants, noncapital	1,482	—	—	1,482
State financial aid grants, noncapital	870	—	—	870
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	516	—	—	516
Other federal nonoperating grants, noncapital	3,441	—	—	3,441
Gifts, noncapital	—	2,217	—	2,217
Investment income (loss), net	462	(63)	—	399
Endowment loss, net	—	(1,204)	—	(1,204)
Interest expense	(661)	—	—	(661)
Other nonoperating revenues (expenses)	19,648	(22)	—	19,626
Net nonoperating income	73,007	928	—	73,935
Income before other revenues	17,173	218	—	17,391
State appropriations, capital	—	—	—	—
Grants and gifts, capital	—	8,554	—	8,554
Additions (reductions) to permanent endowments	—	—	—	—
Increase in net position	17,173	8,772	—	25,945
Net position:				
Net position at beginning of year	(63,792)	27,175	—	(36,617)
Net position at end of year	<u>\$ (46,619)</u>	<u>35,947</u>	<u>—</u>	<u>(10,672)</u>

See accompanying independent auditors' report.

CALIFORNIA MARITIME ACADEMY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 6,686
Federal grants and contracts	1,120
State grants and contracts	250
Local grants and contracts	—
Nongovernmental grants and contracts	828
Payments to suppliers	(31,785)
Payments to employees	(27,773)
Payments for benefits	(13,708)
Payments to students	(1,881)
Collections of student loans	—
Sales and services of educational activities	2
Sales and services of auxiliary enterprises	8,328
Other receipts	1,894
Net cash used in operating activities	(56,039)
Cash flows from noncapital financing activities:	
State appropriations	44,900
Federal financial aid grants	1,482
State financial aid grants	870
Nongovernmental and other financial aid grants	516
Other federal nonoperating grants	3,441
Gifts and grants received for other than capital purposes	—
Federal loan program receipts	4,189
Federal loan program disbursements	(4,403)
Monies received on behalf of others	39
Monies disbursed on behalf of others	—
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	20,853
Net cash provided by noncapital financing activities	71,887
Cash flows from capital and related financing activities:	
Proceeds from capital debt	104
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	—
Proceeds from sale of capital assets	—
Acquisition of capital assets	(9,924)
Transfers to escrow agent	—
Principal paid on capital debt and leases	(1,205)
Interest paid on capital debt and leases	(1,082)
Principal collection on leases receivable	—
Interest collection on leases receivable	—
Net cash used in capital and related financing activities	(12,107)

CALIFORNIA MARITIME ACADEMY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	<u>Campus</u>
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 84,967
Purchases of investments	(90,052)
Investment income proceeds	2,078
Net cash used in investing activities	(3,007)
Net increase in cash and cash equivalents	734
Cash and cash equivalents at beginning of year	154
Cash and cash equivalents at end of year	<u>\$ 888</u>
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 888
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	<u>\$ 888</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (55,834)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	5,946
Change in assets and liabilities:	
Accounts receivable, net	(473)
Student loans receivable, net	148
Pledges receivable, net	—
Prepaid expenses and other current assets	(26)
Other assets	2
Deferred outflows of resources	4,553
Accounts payable	(829)
Accrued salaries and benefits	304
Accrued compensated absences	(371)
Unearned revenues	(1,381)
Depository accounts	—
Total other postemployment benefits liability	(3,328)
Net pension liability	(23,396)
Other liabilities	341
Deferred inflows of resources	18,305
Net cash used in operating activities	<u>\$ (56,039)</u>
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (1,616)
State's contribution for OPEB	2,349
Change in capital assets due to implementation of GASB 87	114
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA MARITIME ACADEMY

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 25
Payments from discretely presented component units for other than salaries	126
Payments to discretely presented component units for services, space, and programs	—
Gifts in kind from discretely presented component units	17
Gifts (cash or assets) from discretely presented component units	542
Accounts receivable from discretely presented component units	115
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	(14)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	373
Payments to the Office of the Chancellor for state pro rata charges	15
Accounts receivable from the Office of the Chancellor	1,461
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	161
Other interagency payments (receipts) for services, space, and programs	27

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, MONTEREY BAY

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 5	11,274	11,279
Short-term investments	81,346	111	81,457
Accounts receivable, net	15,168	18,605	33,773
Lease receivables, current portion	3,143	21	3,164
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	268	268
Prepaid expenses and other current assets	1,509	1,924	3,433
Total current assets	<u>101,171</u>	<u>32,203</u>	<u>133,374</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	333	333
Accounts receivable, net	—	35	35
Lease receivables, net of current portion	41,987	460	42,447
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	66	—	66
Pledges receivable, net	—	266	266
Endowment investments	—	31,872	31,872
Other long-term investments	7,025	49,701	56,726
Capital assets, net	358,805	150,608	509,413
Other assets	10	40	50
Total noncurrent assets	<u>407,893</u>	<u>233,315</u>	<u>641,208</u>
Total assets	<u>509,064</u>	<u>265,518</u>	<u>774,582</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>59,134</u>	<u>—</u>	<u>59,134</u>
Liabilities			
Current liabilities:			
Accounts payable	6,931	21,140	28,071
Accrued salaries and benefits	7,662	983	8,645
Accrued compensated absences, current portion	3,168	643	3,811
Unearned revenues	3,610	7,579	11,189
Lease liabilities, current portion	8	3,629	3,637
Long-term debt obligations, current portion	3,740	1,145	4,885
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	—	—	—
Other liabilities	2,186	125	2,311
Total current liabilities	<u>27,305</u>	<u>35,244</u>	<u>62,549</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	2,873	—	2,873
Unearned revenues	—	—	—
Grants refundable	—	—	—
Lease liabilities, net of current portion	8	47,554	47,562
Long-term debt obligations, net of current portion	88,897	78,864	167,761
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	362	362
Total other postemployment benefits liability	259,837	—	259,837
Net pension liability	111,688	—	111,688
Other liabilities	1,605	—	1,605
Total noncurrent liabilities	<u>464,908</u>	<u>126,780</u>	<u>591,688</u>
Total liabilities	<u>492,213</u>	<u>162,024</u>	<u>654,237</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>133,318</u>	<u>473</u>	<u>133,791</u>
Net Position			
Net position:			
Net investment in capital assets	267,317	27,824	295,141
Restricted for:			
Nonexpendable – endowments	—	16,659	16,659
Expendable:			
Scholarships and fellowships	322	10,395	10,717
Research	—	36	36
Loans	101	—	101
Capital projects	1,736	—	1,736
Debt service	11	—	11
Others	4	14,020	14,024
Unrestricted	<u>(326,824)</u>	<u>34,087</u>	<u>(292,737)</u>
Total net position	<u>\$ (57,333)</u>	<u>103,021</u>	<u>45,688</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, MONTEREY BAY

Statement of Revenues , Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$24,027)	\$ 41,128	—	—	41,128
Grants and contracts, noncapital:				
Federal	—	16,071	—	16,071
State	—	1,857	—	1,857
Local	—	130	—	130
Nongovernmental	—	1,488	—	1,488
Sales and services of educational activities	—	—	—	—
Sales and services of auxiliary enterprises (net of scholarship allowances of \$-)	16,313	1,562	—	17,875
Other operating revenues	10,229	50,177	—	60,406
Total operating revenues	67,670	71,285	—	138,955
Expenses:				
Operating expenses:				
Instruction	69,245	134	—	69,379
Research	1,313	5,712	—	7,025
Public service	747	8,687	—	9,434
Academic support	17,651	3,342	—	20,993
Student services	23,659	1,172	—	24,831
Institutional support	24,084	6,057	(730)	29,411
Operation and maintenance of plant	20,959	667	—	21,626
Student grants and scholarships	28,409	3,893	(39)	32,263
Auxiliary enterprise expenses	13,366	31,679	(63)	44,982
Depreciation and amortization	20,316	10,796	—	31,112
Total operating expenses	219,749	72,139	(832)	291,056
Operating loss	(152,079)	(854)	832	(152,101)
Nonoperating revenues (expenses):				
State appropriations, noncapital	115,596	—	—	115,596
Federal financial aid grants, noncapital	16,044	—	—	16,044
State financial aid grants, noncapital	11,770	—	—	11,770
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	—	—	—	—
Other federal nonoperating grants, noncapital	28,313	—	—	28,313
Gifts, noncapital	1,307	3,803	(832)	4,278
Investment loss, net	(3,984)	(5,920)	—	(9,904)
Endowment loss, net	—	(3,333)	—	(3,333)
Interest expense	(2,295)	(3,789)	—	(6,084)
Other nonoperating revenues	809	16,468	—	17,277
Net nonoperating income	167,560	7,229	(832)	173,957
Income before other revenues	15,481	6,375	—	21,856
State appropriations, capital	—	—	—	—
Grants and gifts, capital	22,860	(11,352)	—	11,508
Additions to permanent endowments	—	771	—	771
Increase (Decrease) in net position	38,341	(4,206)	—	34,135
Net position:				
Net position at beginning of year	(95,674)	107,227	—	11,553
Net position at end of year	\$ (57,333)	103,021	—	45,688

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, MONTEREY BAY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 41,566
Federal grants and contracts	—
State grants and contracts	—
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(55,666)
Payments to employees	(77,449)
Payments for benefits	(38,175)
Payments to students	(28,591)
Collections of student loans	—
Sales and services of educational activities	—
Sales and services of auxiliary enterprises	16,313
Other payments	(9,490)
Net cash used in operating activities	(151,492)
Cash flows from noncapital financing activities:	
State appropriations	109,101
Federal financial aid grants	16,044
State financial aid grants	11,770
Nongovernmental and other financial aid grants	—
Other federal nonoperating grants	28,313
Gifts and grants received for other than capital purposes	1,307
Federal loan program receipts	22,833
Federal loan program disbursements	(22,685)
Monies received on behalf of others	—
Monies disbursed on behalf of others	(10)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	(41)
Net cash provided by noncapital financing activities	166,632
Cash flows from capital and related financing activities:	
Proceeds from capital debt	—
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	34,153
Proceeds from sale of capital assets	742
Acquisition of capital assets	(72,197)
Transfers to escrow agent	—
Principal paid on capital debt and leases	(3,385)
Interest paid on capital debt and leases	(2,878)
Principal collection on leases receivable	48,293
Interest collection on leases receivable	949
Net cash provided by capital and related financing activities	5,677

CALIFORNIA STATE UNIVERSITY, MONTEREY BAY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 293,019
Purchases of investments	(315,090)
Investment income proceeds	1,253
Net cash used in investing activities	(20,818)
Net decrease in cash and cash equivalents	(1)
Cash and cash equivalents at beginning of year	6
Cash and cash equivalents at end of year	\$ 5
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 5
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 5
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (152,079)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	20,316
Change in assets and liabilities:	
Accounts receivable, net	(10,762)
Student loans receivable, net	3
Pledges receivable, net	—
Prepaid expenses and other current assets	(90)
Other assets	183
Deferred outflows of resources	5,644
Accounts payable	(4,339)
Accrued salaries and benefits	711
Accrued compensated absences	(105)
Unearned revenues	(1,177)
Depository accounts	—
Total other postemployment benefits liability	458
Net pension liability	(57,920)
Other liabilities	(163)
Deferred inflows of resources	47,828
Net cash used in operating activities	\$ (151,492)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (6,189)
State's contribution for OPEB	6,495
Change in capital assets due to implementation of GASB 87	31
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, MONTEREY BAY

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 1,401
Payments from discretely presented component units for other than salaries	3,575
Payments to discretely presented component units for services, space, and programs	—
Gifts in kind from discretely presented component units	793
Gifts (cash or assets) from discretely presented component units	5,990
Accounts receivable from discretely presented component units	12,485
Other amounts receivable from discretely presented component units	43,838
Accounts payable to discretely presented component units	(1,406)
Other amounts payable to discretely presented component units	(1,605)
Payments to the Office of the Chancellor for administrative activities	70
Payments to the Office of the Chancellor for state pro rata charges	61
Accounts receivable from the Office of the Chancellor	321
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	734
Other interagency payments (receipts) for services, space, and programs	165

See accompanying independent auditors' report.



800 MILES

stretching
from Humboldt
to San Diego



CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 14	37,319	37,333
Short-term investments	387,241	91,861	479,102
Accounts receivable, net	6,905	9,339	16,244
Lease receivables, current portion	565	—	565
Notes receivable, current portion	—	5	5
Pledges receivable, net	—	39,913	39,913
Prepaid expenses and other current assets	4,683	537	5,220
Total current assets	<u>399,408</u>	<u>178,974</u>	<u>578,382</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	1,843	1,843
Accounts receivable, net	—	1,380	1,380
Lease receivables, net of current portion	4,126	441	4,567
Notes receivable, net of current portion	—	28	28
Student loans receivable, net	926	—	926
Pledges receivable, net	—	—	—
Endowment investments	—	180,987	180,987
Other long-term investments	77,396	19,764	97,160
Capital assets, net	477,365	29,776	507,141
Other assets	33	17	50
Total noncurrent assets	<u>559,846</u>	<u>234,236</u>	<u>794,082</u>
Total assets	<u>959,254</u>	<u>413,210</u>	<u>1,372,464</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>208,454</u>	<u>—</u>	<u>208,454</u>
Liabilities			
Current liabilities:			
Accounts payable	14,338	3,330	17,668
Accrued salaries and benefits	30,757	2,321	33,078
Accrued compensated absences, current portion	9,092	1,020	10,112
Unearned revenues	27,782	4,035	31,817
Lease liabilities, current portion	325	535	860
Long-term debt obligations, current portion	6,315	250	6,565
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	235	4,443	4,678
Other liabilities	4,194	—	4,194
Total current liabilities	<u>93,038</u>	<u>15,934</u>	<u>108,972</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	10,668	256	10,924
Unearned revenues	—	—	—
Grants refundable	1,033	—	1,033
Lease liabilities, net of current portion	2,865	4,769	7,634
Long-term debt obligations, net of current portion	133,639	3,685	137,324
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	1,024,176	5,114	1,029,290
Net pension liability	374,115	—	374,115
Other liabilities	1,175	—	1,175
Total noncurrent liabilities	<u>1,547,671</u>	<u>13,824</u>	<u>1,561,495</u>
Total liabilities	<u>1,640,709</u>	<u>29,758</u>	<u>1,670,467</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>328,947</u>	<u>—</u>	<u>328,947</u>
Net Position			
Net position:			
Net investment in capital assets	336,881	17,864	354,745
Restricted for:			
Nonexpendable – endowments	—	118,935	118,935
Expendable:			
Scholarships and fellowships	549	25,392	25,941
Research	—	—	—
Loans	1,196	60	1,256
Capital projects	1	1,715	1,716
Debt service	31	—	31
Others	—	85,325	85,325
Unrestricted	(1,140,606)	134,161	(1,006,445)
Total net position	<u>\$ (801,948)</u>	<u>383,452</u>	<u>(418,496)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

Statement of Revenues , Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$156,768)	\$ 153,757	—	—	153,757
Grants and contracts, noncapital:				
Federal	—	25,357	—	25,357
State	—	3,287	—	3,287
Local	—	1,007	—	1,007
Nongovernmental	—	3,000	—	3,000
Sales and services of educational activities	1,010	—	—	1,010
Sales and services of auxiliary enterprises (net of scholarship allowances of \$5,376)	19,900	12,846	—	32,746
Other operating revenues	15,371	26,951	—	42,322
Total operating revenues	190,038	72,448	—	262,486
Expenses:				
Operating expenses:				
Instruction	233,033	—	—	233,033
Research	2,828	27,293	—	30,121
Public service	1,746	1,566	—	3,312
Academic support	77,711	4,882	—	82,593
Student services	103,862	21,719	—	125,581
Institutional support	65,559	6,785	(2,253)	70,091
Operation and maintenance of plant	54,057	1,313	—	55,370
Student grants and scholarships	171,885	2,503	—	174,388
Auxiliary enterprise expenses	10,466	13,680	—	24,146
Depreciation and amortization	30,472	2,480	—	32,952
Total operating expenses	751,619	82,221	(2,253)	831,587
Operating loss	(561,581)	(9,773)	2,253	(569,101)
Nonoperating revenues (expenses):				
State appropriations, noncapital	332,962	—	—	332,962
Federal financial aid grants, noncapital	102,253	—	—	102,253
State financial aid grants, noncapital	80,500	—	—	80,500
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	3,215	—	—	3,215
Other federal nonoperating grants, noncapital	152,178	—	—	152,178
Gifts, noncapital	2,018	38,082	(1,992)	38,108
Investment loss, net	(28,816)	(11,433)	—	(40,249)
Endowment loss, net	—	(14,910)	—	(14,910)
Interest expense	(5,612)	—	—	(5,612)
Other nonoperating revenues	9,762	1,809	—	11,571
Net nonoperating income	648,460	13,548	(1,992)	660,016
Income before other revenues	86,879	3,775	261	90,915
State appropriations, capital	—	—	—	—
Grants and gifts, capital	261	—	(261)	—
Additions to permanent endowments	—	5,948	—	5,948
Increase in net position	87,140	9,723	—	96,863
Net position:				
Net position at beginning of year	(889,088)	373,729	—	(515,359)
Net position at end of year	<u>\$ (801,948)</u>	<u>383,452</u>	<u>—</u>	<u>(418,496)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 143,968
Federal grants and contracts	—
State grants and contracts	—
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(136,908)
Payments to employees	(273,764)
Payments for benefits	(128,882)
Payments to students	(171,755)
Collections of student loans	—
Sales and services of educational activities	1,010
Sales and services of auxiliary enterprises	19,884
Other receipts	12,796
Net cash used in operating activities	(533,651)
Cash flows from noncapital financing activities:	
State appropriations	307,890
Federal financial aid grants	102,253
State financial aid grants	80,500
Nongovernmental and other financial aid grants	3,215
Other federal nonoperating grants	152,178
Gifts and grants received for other than capital purposes	2,018
Federal loan program receipts	89,022
Federal loan program disbursements	(89,161)
Monies received on behalf of others	186
Monies disbursed on behalf of others	—
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	(455)
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	10,474
Net cash provided by noncapital financing activities	658,120
Cash flows from capital and related financing activities:	
Proceeds from capital debt	24,130
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	261
Proceeds from sale of capital assets	—
Acquisition of capital assets	(20,816)
Transfers to escrow agent	(24,053)
Principal paid on capital debt and leases	(7,412)
Interest paid on capital debt and leases	(6,660)
Principal collection on leases receivable	493
Interest collection on leases receivable	4
Net cash used in capital and related financing activities	(34,053)

CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 984,852
Purchases of investments	(1,084,463)
Investment income proceeds	9,195
Net cash used in investing activities	(90,416)
Net increase (decrease) in cash and cash equivalents	—
Cash and cash equivalents at beginning of year	14
Cash and cash equivalents at end of year	\$ 14
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 14
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 14
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (561,581)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	30,472
Change in assets and liabilities:	
Accounts receivable, net	(526)
Student loans receivable, net	12
Pledges receivable, net	—
Prepaid expenses and other current assets	(43)
Other assets	48
Deferred outflows of resources	22,717
Accounts payable	1,459
Accrued salaries and benefits	2,625
Accrued compensated absences	(16)
Unearned revenues	(9,981)
Depository accounts	—
Total other postemployment benefits liability	3,558
Net pension liability	(198,431)
Other liabilities	(230)
Deferred inflows of resources	176,266
Net cash used in operating activities	\$ (533,651)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (38,012)
State's contribution for OPEB	25,072
Change in capital assets due to implementation of GASB 87	9,147
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 6,304
Payments from discretely presented component units for other than salaries	6,462
Payments to discretely presented component units for services, space, and programs	20,921
Gifts in kind from discretely presented component units	—
Gifts (cash or assets) from discretely presented component units	2,253
Accounts receivable from discretely presented component units	14
Other amounts receivable from discretely presented component units	18
Accounts payable to discretely presented component units	(526)
Other amounts payable to discretely presented component units	(1,847)
Payments to the Office of the Chancellor for administrative activities	339
Payments to the Office of the Chancellor for state pro rata charges	171
Accounts receivable from the Office of the Chancellor	788
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	2,907
Other interagency payments (receipts) for services, space, and programs	111

See accompanying independent auditors' report.

CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

Assets	Campus	Discretely presented component units	Total
Current assets:			
Cash and cash equivalents	\$ 11	3,747	3,758
Short-term investments	277,335	111,234	388,569
Accounts receivable, net	13,797	15,640	29,437
Lease receivables, current portion	1,284	814	2,098
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	2,772	2,772
Prepaid expenses and other current assets	4,701	2,795	7,496
Total current assets	297,128	137,002	434,130
Noncurrent assets:			
Restricted cash and cash equivalents	—	1,978	1,978
Accounts receivable, net	—	2,710	2,710
Lease receivables, net of current portion	19,003	93,595	112,598
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	2,545	—	2,545
Pledges receivable, net	—	2,110	2,110
Endowment investments	—	147,487	147,487
Other long-term investments	83,263	1,334	84,597
Capital assets, net	679,497	57,716	737,213
Other assets	10	—	10
Total noncurrent assets	784,318	306,930	1,091,248
Total assets	1,081,446	443,932	1,525,378
Deferred Outflows of Resources			
Deferred outflows of resources	169,858	2,903	172,761
Liabilities			
Current liabilities:			
Accounts payable	18,171	5,749	23,920
Accrued salaries and benefits	28,973	1,182	30,155
Accrued compensated absences, current portion	6,409	757	7,166
Unearned revenues	8,674	1,729	10,403
Lease liabilities, current portion	31	1,316	1,347
Long-term debt obligations, current portion	12,970	925	13,895
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	16	97	113
Other liabilities	8,944	2,439	11,383
Total current liabilities	84,188	14,194	98,382
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	5,529	586	6,115
Unearned revenues	—	—	—
Grants refundable	2,480	—	2,480
Lease liabilities, net of current portion	11	18,999	19,010
Long-term debt obligations, net of current portion	352,851	2,870	355,721
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	759,093	7,896	766,989
Net pension liability	276,781	3,663	280,444
Other liabilities	—	1,100	1,100
Total noncurrent liabilities	1,396,745	35,114	1,431,859
Total liabilities	1,480,933	49,308	1,530,241
Deferred Inflows of Resources			
Deferred inflows of resources	260,093	104,693	364,786
Net Position			
Net position:			
Net investment in capital assets	323,033	37,400	360,433
Restricted for:			
Nonexpendable – endowments	—	100,792	100,792
Expendable:			
Scholarships and fellowships	37	6,968	7,005
Research	—	2,402	2,402
Loans	1,286	—	1,286
Capital projects	15	—	15
Debt service	35	—	35
Others	—	50,290	50,290
Unrestricted	(814,128)	94,982	(719,146)
Total net position	\$ (489,722)	292,834	(196,888)

See accompanying independent auditors' report.

CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA

Statement of Revenues , Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$131,300)	\$ 107,303	—	—	107,303
Grants and contracts, noncapital:				
Federal	—	10,853	—	10,853
State	—	2,069	—	2,069
Local	—	—	—	—
Nongovernmental	—	5,514	—	5,514
Sales and services of educational activities	—	7,442	—	7,442
Sales and services of auxiliary enterprises (net of scholarship allowances of \$8,882)	34,627	37,783	—	72,410
Other operating revenues	9,713	32,801	—	42,514
Total operating revenues	151,643	96,462	—	248,105
Expenses:				
Operating expenses:				
Instruction	202,048	7,630	—	209,678
Research	1,505	8,618	—	10,123
Public service	188	93	—	281
Academic support	37,320	6,998	—	44,318
Student services	62,430	13,506	—	75,936
Institutional support	43,487	1,937	—	45,424
Operation and maintenance of plant	38,927	27	—	38,954
Student grants and scholarships	79,636	3,024	(3,814)	78,846
Auxiliary enterprise expenses	23,009	40,527	—	63,536
Depreciation and amortization	34,540	4,262	—	38,802
Total operating expenses	523,090	86,622	(3,814)	605,898
Operating income (loss)	(371,447)	9,840	3,814	(357,793)
Nonoperating revenues (expenses):				
State appropriations, noncapital	216,936	—	—	216,936
Federal financial aid grants, noncapital	67,541	—	—	67,541
State financial aid grants, noncapital	54,946	—	—	54,946
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	1,937	—	—	1,937
Other federal nonoperating grants, noncapital	60,169	—	—	60,169
Gifts, noncapital	6,921	8,159	(4,396)	10,684
Investment loss, net	(23,572)	(9,961)	—	(33,533)
Endowment loss, net	—	(18,873)	—	(18,873)
Interest expense	(11,372)	(1,133)	—	(12,505)
Other nonoperating revenues (expenses)	20,191	(1,062)	2,166	21,295
Net nonoperating income (loss)	393,697	(22,870)	(2,230)	368,597
Income (loss) before other revenues	22,250	(13,030)	1,584	10,804
State appropriations, capital	—	—	—	—
Grants and gifts, capital	1,655	—	(1,584)	71
Additions to permanent endowments	—	5,353	—	5,353
Increase (decrease) in net position	23,905	(7,677)	—	16,228
Net position:				
Net position at beginning of year	(513,627)	300,511	—	(213,116)
Net position at end of year	\$ (489,722)	292,834	—	(196,888)

See accompanying independent auditors' report.

CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 105,526
Federal grants and contracts	—
State grants and contracts	—
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(97,627)
Payments to employees	(196,644)
Payments for benefits	(94,548)
Payments to students	(79,189)
Collections of student loans	—
Sales and services of educational activities	—
Sales and services of auxiliary enterprises	33,814
Other receipts	14,425
Net cash used in operating activities	(314,243)
Cash flows from noncapital financing activities:	
State appropriations	196,997
Federal financial aid grants	65,667
State financial aid grants	55,123
Nongovernmental and other financial aid grants	1,937
Other federal nonoperating grants	60,169
Gifts and grants received for other than capital purposes	6,236
Federal loan program receipts	59,317
Federal loan program disbursements	(59,564)
Monies received on behalf of others	4,976
Monies disbursed on behalf of others	(4,979)
Transfers to escrow agent	(17,520)
Proceeds from long-term debt	17,575
Principal paid on long-term debt	(1,100)
Interest paid on long-term debt	(155)
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	10,995
Net cash provided by noncapital financing activities	395,674
Cash flows from capital and related financing activities:	
Proceeds from capital debt	15,625
State appropriations	639
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	—
Proceeds from sale of capital assets	165
Acquisition of capital assets	(14,568)
Transfers to escrow agent	(15,589)
Principal paid on capital debt and leases	(10,816)
Interest paid on capital debt and leases	(13,072)
Principal collection on leases receivable	1,295
Interest collection on leases receivable	440
Net cash used in capital and related financing activities	(35,881)

CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 727,336
Purchases of investments	(778,573)
Investment income proceeds	5,635
Net cash used in investing activities	(45,602)
Net decrease in cash and cash equivalents	(52)
Cash and cash equivalents at beginning of year	63
Cash and cash equivalents at end of year	\$ 11
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 11
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 11
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (371,447)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	34,540
Change in assets and liabilities:	
Accounts receivable, net	(345)
Student loans receivable, net	(78)
Pledges receivable, net	—
Prepaid expenses and other current assets	(247)
Other assets	21
Deferred outflows of resources	4,405
Accounts payable	9,515
Accrued salaries and benefits	2,678
Accrued compensated absences	164
Unearned revenues	(299)
Depository accounts	—
Total other postemployment benefits liability	9,952
Net pension liability	(133,693)
Other liabilities	672
Deferred inflows of resources	129,919
Net cash used in operating activities	\$ (314,243)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (29,650)
State's contribution for OPEB	19,939
Change in capital assets due to implementation of GASB 87	80
Acquisition of capital asset through long-term debt obligations	7,736
Other assets paid through long-term debt	(684)

See accompanying independent auditors' report.

CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA

Transactions with Related Entities

Year ended June 30, 2022

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 1,548
Payments from discretely presented component units for other than salaries	13,682
Payments to discretely presented component units for services, space, and programs	33,157
Gifts in kind from discretely presented component units	—
Gifts (cash or assets) from discretely presented component units	2,166
Accounts receivable from discretely presented component units	4,717
Other amounts receivable from discretely presented component units	39
Accounts payable to discretely presented component units	(7,050)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	218
Payments to the Office of the Chancellor for state pro rata charges	96
Accounts receivable from the Office of the Chancellor	3,853
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	(1)
State lottery allocation received	2,242
Other interagency payments (receipts) for services, space, and programs	26

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SACRAMENTO

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 24	10,532	10,556
Short-term investments	210,788	51,786	262,574
Accounts receivable, net	28,076	32,705	60,781
Lease receivables, current portion	323	8,391	8,714
Notes receivable, current portion	2,044	220	2,264
Pledges receivable, net	—	517	517
Prepaid expenses and other current assets	4,046	979	5,025
Total current assets	<u>245,301</u>	<u>105,130</u>	<u>350,431</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	4,019	4,019
Accounts receivable, net	—	—	—
Lease receivables, net of current portion	1,300	110,542	111,842
Notes receivable, net of current portion	20,751	1,108	21,859
Student loans receivable, net	2,106	—	2,106
Pledges receivable, net	—	274	274
Endowment investments	14	66,295	66,309
Other long-term investments	51,835	31,953	83,788
Capital assets, net	646,787	132,313	779,100
Other assets	8	307	315
Total noncurrent assets	<u>722,801</u>	<u>346,811</u>	<u>1,069,612</u>
Total assets	<u>968,102</u>	<u>451,941</u>	<u>1,420,043</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>198,142</u>	<u>5,427</u>	<u>203,569</u>
Liabilities			
Current liabilities:			
Accounts payable	8,785	9,450	18,235
Accrued salaries and benefits	26,792	3,956	30,748
Accrued compensated absences, current portion	10,255	1,880	12,135
Unearned revenues	24,091	2,619	26,710
Lease liabilities, current portion	6,171	1,772	7,943
Long-term debt obligations, current portion	11,048	4,707	15,755
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	1,002	1,137	2,139
Other liabilities	3,568	2,984	6,552
Total current liabilities	<u>91,712</u>	<u>28,505</u>	<u>120,217</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	4,271	387	4,658
Unearned revenues	—	6,596	6,596
Grants refundable	3,527	5,386	8,913
Lease liabilities, net of current portion	106,720	16,413	123,133
Long-term debt obligations, net of current portion	247,796	65,080	312,876
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	954,673	5,222	959,895
Net pension liability	318,223	12,055	330,278
Other liabilities	25	—	25
Total noncurrent liabilities	<u>1,635,235</u>	<u>111,139</u>	<u>1,746,374</u>
Total liabilities	<u>1,726,947</u>	<u>139,644</u>	<u>1,866,591</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>290,754</u>	<u>130,165</u>	<u>420,919</u>
Net Position			
Net position:			
Net investment in capital assets	308,632	42,629	351,261
Restricted for:			
Nonexpendable – endowments	14	73,004	73,018
Expendable:			
Scholarships and fellowships	339	2,652	2,991
Research	—	—	—
Loans	1,317	—	1,317
Capital projects	123	3,419	3,542
Debt service	38	3,352	3,390
Others	1,167	17,656	18,823
Unrestricted	(1,163,087)	44,847	(1,118,240)
Total net position	<u>\$ (851,457)</u>	<u>187,559</u>	<u>(663,898)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SACRAMENTO

Statement of Revenues , Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$127,209)	\$ 157,376	—	—	157,376
Grants and contracts, noncapital:				
Federal	282	14,306	—	14,588
State	41	31,997	—	32,038
Local	55	1,592	—	1,647
Nongovernmental	8	5,752	—	5,760
Sales and services of educational activities	3,956	14,880	—	18,836
Sales and services of auxiliary enterprises (net of scholarship allowances of \$5,154)	25,334	26,646	(3,255)	48,725
Other operating revenues	17,931	30,348	(14)	48,265
Total operating revenues	204,983	125,521	(3,269)	327,235
Expenses:				
Operating expenses:				
Instruction	236,165	7,241	—	243,406
Research	4,929	22,990	—	27,919
Public service	(10,976)	39,737	—	28,761
Academic support	48,850	5,076	—	53,926
Student services	73,694	10,768	—	84,462
Institutional support	68,762	32,841	(4,873)	96,730
Operation and maintenance of plant	35,538	9,598	—	45,136
Student grants and scholarships	139,433	3,031	—	142,464
Auxiliary enterprise expenses	16,878	5,378	—	22,256
Depreciation and amortization	42,096	9,950	—	52,046
Total operating expenses	655,369	146,610	(4,873)	797,106
Operating loss	(450,386)	(21,089)	1,604	(469,871)
Nonoperating revenues (expenses):				
State appropriations, noncapital	265,475	—	—	265,475
Federal financial aid grants, noncapital	78,557	—	—	78,557
State financial aid grants, noncapital	67,315	—	—	67,315
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	—	—	—	—
Other federal nonoperating grants, noncapital	121,976	—	—	121,976
Gifts, noncapital	822	6,399	(469)	6,752
Investment income (loss), net	(12,774)	433	—	(12,341)
Endowment loss, net	(1)	(10,946)	—	(10,947)
Interest expense	(12,024)	(2,606)	—	(14,630)
Other nonoperating revenues	15,456	14,083	—	29,539
Net nonoperating income	524,802	7,363	(469)	531,696
Income (loss) before other revenues	74,416	(13,726)	1,135	61,825
State appropriations, capital	—	—	—	—
Grants and gifts, capital	31,151	—	(1,135)	30,016
Additions to permanent endowments	—	3,305	—	3,305
Increase (decrease) in net position	105,567	(10,421)	—	95,146
Net position:				
Net position at beginning of year	(957,024)	197,980	—	(759,044)
Net position at end of year	\$ (851,457)	187,559	—	(663,898)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SACRAMENTO

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 154,854
Federal grants and contracts	297
State grants and contracts	455
Local grants and contracts	330
Nongovernmental grants and contracts	52
Payments to suppliers	(108,099)
Payments to employees	(238,577)
Payments for benefits	(114,304)
Payments to students	(139,464)
Collections of student loans	26
Sales and services of educational activities	3,992
Sales and services of auxiliary enterprises	25,602
Other receipts	10,643
Net cash used in operating activities	(404,193)
Cash flows from noncapital financing activities:	
State appropriations	241,425
Federal financial aid grants	78,557
State financial aid grants	67,315
Nongovernmental and other financial aid grants	—
Other federal nonoperating grants	128,284
Gifts and grants received for other than capital purposes	822
Federal loan program receipts	81,182
Federal loan program disbursements	(81,375)
Monies received on behalf of others	11,290
Monies disbursed on behalf of others	(10,502)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	(685)
Interest paid on long-term debt	—
Issuance of notes receivable	(7,728)
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	1,961
Interest collections on notes receivable	800
Other noncapital financing activities	5,545
Net cash provided by noncapital financing activities	516,891
Cash flows from capital and related financing activities:	
Proceeds from capital debt	23,485
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	30,905
Proceeds from sale of capital assets	142
Acquisition of capital assets	(63,191)
Transfers to escrow agent	(13,261)
Principal paid on capital debt and leases	(15,368)
Interest paid on capital debt and leases	(13,020)
Principal collection on leases receivable	314
Interest collection on leases receivable	28
Net cash used in capital and related financing activities	(49,966)

CALIFORNIA STATE UNIVERSITY, SACRAMENTO

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 869,720
Purchases of investments	(941,060)
Investment income proceeds	6,167
Net cash used in investing activities	(65,173)
Net decrease in cash and cash equivalents	(2,441)
Cash and cash equivalents at beginning of year	2,465
Cash and cash equivalents at end of year	\$ 24
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 24
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 24
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (450,386)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	42,096
Change in assets and liabilities:	
Accounts receivable, net	(3,465)
Student loans receivable, net	(13)
Pledges receivable, net	—
Prepaid expenses and other current assets	(65)
Other assets	53
Deferred outflows of resources	8,451
Accounts payable	(4,634)
Accrued salaries and benefits	2,051
Accrued compensated absences	(586)
Unearned revenues	583
Depository accounts	—
Total other postemployment benefits liability	6,365
Net pension liability	(157,587)
Other liabilities	739
Deferred inflows of resources	152,205
Net cash used in operating activities	\$ (404,193)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (19,770)
State's contribution for OPEB	24,049
Change in capital assets due to implementation of GASB 87	118,429
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SACRAMENTO

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 3,533
Payments from discretely presented component units for other than salaries	12,352
Payments to discretely presented component units for services, space, and programs	21,415
Gifts in kind from discretely presented component units	30
Gifts (cash or assets) from discretely presented component units	317
Accounts receivable from discretely presented component units	3,998
Other amounts receivable from discretely presented component units	366
Accounts payable to discretely presented component units	(815)
Other amounts payable to discretely presented component units	(664)
Payments to the Office of the Chancellor for administrative activities	380
Payments to the Office of the Chancellor for state pro rata charges	179
Accounts receivable from the Office of the Chancellor	77
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	2,488
Other interagency payments (receipts) for services, space, and programs	(50)

See accompanying independent auditors' report.



ONE IN TEN

employees in California
is a CSU graduate



CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Schedule 8

Statement of Net Position
June 30, 2022
(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 19	8,959	8,978
Short-term investments	77,151	29,940	107,091
Accounts receivable, net	25,410	10,701	36,111
Lease receivables, current portion	—	251	251
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	6,116	6,116
Prepaid expenses and other current assets	2,082	565	2,647
Total current assets	104,662	56,532	161,194
Noncurrent assets:			
Restricted cash and cash equivalents	—	—	—
Accounts receivable, net	—	—	—
Lease receivables, net of current portion	—	947	947
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	1,426	—	1,426
Pledges receivable, net	—	—	—
Endowment investments	—	46,702	46,702
Other long-term investments	50,623	1,242	51,865
Capital assets, net	526,324	4,187	530,511
Other assets	9	594	603
Total noncurrent assets	578,382	53,672	632,054
Total assets	683,044	110,204	793,248
Deferred Outflows of Resources			
Deferred outflows of resources	119,667	2,176	121,843
Liabilities			
Current liabilities:			
Accounts payable	10,277	5,877	16,154
Accrued salaries and benefits	15,845	786	16,631
Accrued compensated absences, current portion	6,012	299	6,311
Unearned revenues	7,121	7,089	14,210
Lease liabilities, current portion	299	—	299
Long-term debt obligations, current portion	8,100	—	8,100
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	13	—	13
Other liabilities	8,330	1,009	9,339
Total current liabilities	55,997	15,060	71,057
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	5,350	274	5,624
Unearned revenues	—	2,976	2,976
Grants refundable	918	—	918
Lease liabilities, net of current portion	1,015	—	1,015
Long-term debt obligations, net of current portion	296,081	—	296,081
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	544,404	717	545,121
Net pension liability	211,116	1,080	212,196
Other liabilities	154	—	154
Total noncurrent liabilities	1,059,038	5,047	1,064,085
Total liabilities	1,115,035	20,107	1,135,142
Deferred Inflows of Resources			
Deferred inflows of resources	177,562	4,445	182,007
Net Position			
Net position:			
Net investment in capital assets	224,138	4,187	228,325
Restricted for:			
Nonexpendable – endowments	—	46,845	46,845
Expendable:			
Scholarships and fellowships	—	—	—
Research	—	—	—
Loans	1,391	—	1,391
Capital projects	88	—	88
Debt service	1,050	—	1,050
Others	—	18,412	18,412
Unrestricted	(716,553)	18,384	(698,169)
Total net position	\$ (489,886)	87,828	(402,058)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$113,426)	\$ 41,375	—	—	41,375
Grants and contracts, noncapital:				
Federal	—	19,615	—	19,615
State	—	10,763	—	10,763
Local	—	3,265	—	3,265
Nongovernmental	—	698	—	698
Sales and services of educational activities	179	—	—	179
Sales and services of auxiliary enterprises (net of scholarship allowances of \$4,895)	6,595	523	—	7,118
Other operating revenues	7,132	11,007	—	18,139
Total operating revenues	55,281	45,871	—	101,152
Expenses:				
Operating expenses:				
Instruction	137,318	357	—	137,675
Research	753	8,341	—	9,094
Public service	954	15,656	—	16,610
Academic support	23,572	13	—	23,585
Student services	30,582	14,776	—	45,358
Institutional support	67,787	2,817	(36)	70,568
Operation and maintenance of plant	34,507	—	—	34,507
Student grants and scholarships	68,922	1,728	(1,659)	68,991
Auxiliary enterprise expenses	6,777	3,665	—	10,442
Depreciation and amortization	26,883	787	—	27,670
Total operating expenses	398,055	48,140	(1,695)	444,500
Operating loss	(342,774)	(2,269)	1,695	(343,348)
Nonoperating revenues (expenses):				
State appropriations, noncapital	184,734	—	—	184,734
Federal financial aid grants, noncapital	56,050	—	—	56,050
State financial aid grants, noncapital	41,989	—	—	41,989
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	1,551	—	(1,659)	(108)
Other federal nonoperating grants, noncapital	99,109	—	—	99,109
Gifts, noncapital	272	8,724	—	8,996
Investment income (loss), net	(6,832)	135	—	(6,697)
Endowment loss, net	—	(7,955)	—	(7,955)
Interest expense	(10,339)	—	—	(10,339)
Other nonoperating revenues	668	5,230	—	5,898
Net nonoperating income	367,202	6,134	(1,659)	371,677
Income before other revenues	24,428	3,865	36	28,329
State appropriations, capital	—	—	—	—
Grants and gifts, capital	396	—	(36)	360
Additions to permanent endowments	—	547	—	547
Increase in net position	24,824	4,412	—	29,236
Net position:				
Net position at beginning of year	(514,710)	83,416	—	(431,294)
Net position at end of year	\$ (489,886)	87,828	—	(402,058)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 28,374
Federal grants and contracts	—
State grants and contracts	—
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(65,209)
Payments to employees	(150,200)
Payments for benefits	(72,908)
Payments to students	(68,599)
Collections of student loans	32
Sales and services of educational activities	469
Sales and services of auxiliary enterprises	6,466
Other receipts	3,681
Net cash used in operating activities	(317,894)
Cash flows from noncapital financing activities:	
State appropriations	170,868
Federal financial aid grants	57,352
State financial aid grants	42,547
Nongovernmental and other financial aid grants	1,551
Other federal nonoperating grants	99,109
Gifts and grants received for other than capital purposes	272
Federal loan program receipts	44,618
Federal loan program disbursements	(44,140)
Monies received on behalf of others	1,784
Monies disbursed on behalf of others	(3,232)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	(46)
Net cash provided by noncapital financing activities	370,683
Cash flows from capital and related financing activities:	
Proceeds from capital debt	33,680
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	358
Proceeds from sale of capital assets	2,649
Acquisition of capital assets	(25,763)
Transfers to escrow agent	(33,587)
Principal paid on capital debt and leases	(7,250)
Interest paid on capital debt and leases	(11,740)
Principal collection on leases receivable	—
Interest collection on leases receivable	—
Net cash used in capital and related financing activities	(41,653)

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 575,579
Purchases of investments	(590,711)
Investment income proceeds	3,995
Net cash used in investing activities	(11,137)
Net decrease in cash and cash equivalents	(1)
Cash and cash equivalents at beginning of year	20
Cash and cash equivalents at end of year	\$ 19
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 19
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 19
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (342,774)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	26,883
Change in assets and liabilities:	
Accounts receivable, net	(13,053)
Student loans receivable, net	(88)
Pledges receivable, net	—
Prepaid expenses and other current assets	(554)
Other assets	17
Deferred outflows of resources	6,990
Accounts payable	69
Accrued salaries and benefits	1,419
Accrued compensated absences	(1,327)
Unearned revenues	1,935
Depository accounts	—
Total other postemployment benefits liability	9,363
Net pension liability	(104,067)
Other liabilities	(2,917)
Deferred inflows of resources	100,210
Net cash used in operating activities	\$ (317,894)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (10,828)
State's contribution for OPEB	13,866
Change in capital assets due to implementation of GASB 87	1,533
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 3,474
Payments from discretely presented component units for other than salaries	11,410
Payments to discretely presented component units for services, space, and programs	9,913
Gifts in kind from discretely presented component units	36
Gifts (cash or assets) from discretely presented component units	—
Accounts receivable from discretely presented component units	3,136
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	(538)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	142
Payments to the Office of the Chancellor for state pro rata charges	75
Accounts receivable from the Office of the Chancellor	148
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	1,807
Other interagency payments (receipts) for services, space, and programs	(70)

See accompanying independent auditors' report.

SAN DIEGO STATE UNIVERSITY

Statement of Net Position

June 30, 2022

(In thousands)

Schedule 8

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 93	16,570	16,663
Short-term investments	416,708	65,410	482,118
Accounts receivable, net	33,947	49,181	83,128
Lease receivables, current portion	754	3,908	4,662
Notes receivable, current portion	—	837	837
Pledges receivable, net	—	17,686	17,686
Prepaid expenses and other current assets	3,068	5,330	8,398
Total current assets	<u>454,570</u>	<u>158,922</u>	<u>613,492</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	771	771
Accounts receivable, net	3,306	—	3,306
Lease receivables, net of current portion	14,398	18,665	33,063
Notes receivable, net of current portion	—	6,317	6,317
Student loans receivable, net	2,490	—	2,490
Pledges receivable, net	—	42,860	42,860
Endowment investments	—	385,274	385,274
Other long-term investments	259,554	115,083	374,637
Capital assets, net	1,575,389	152,099	1,727,488
Other assets	13,118	15,044	28,162
Total noncurrent assets	<u>1,868,255</u>	<u>736,113</u>	<u>2,604,368</u>
Total assets	<u>2,322,825</u>	<u>895,035</u>	<u>3,217,860</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>253,263</u>	<u>893</u>	<u>254,156</u>
Liabilities			
Current liabilities:			
Accounts payable	61,095	15,691	76,786
Accrued salaries and benefits	33,484	4,016	37,500
Accrued compensated absences, current portion	6,924	1,675	8,599
Unearned revenues	25,189	42,002	67,191
Lease liabilities, current portion	4,324	2,267	6,591
Long-term debt obligations, current portion	33,200	7,554	40,754
Claims liability for losses and loss adjustment expenses, current portion	—	1,051	1,051
Depository accounts	—	57	57
Other liabilities	11,595	53,931	65,526
Total current liabilities	<u>175,811</u>	<u>128,244</u>	<u>304,055</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	16,760	3,127	19,887
Unearned revenues	973	2,820	3,793
Grants refundable	2,440	—	2,440
Lease liabilities, net of current portion	32,944	17,045	49,989
Long-term debt obligations, net of current portion	1,154,247	78,811	1,233,058
Claims liability for losses and loss adjustment expenses, net of current portion	—	3,888	3,888
Depository accounts	—	—	—
Total other postemployment benefits liability	1,296,377	15,689	1,312,066
Net pension liability	412,500	1,232	413,732
Other liabilities	—	12,599	12,599
Total noncurrent liabilities	<u>2,916,241</u>	<u>135,211</u>	<u>3,051,452</u>
Total liabilities	<u>3,092,052</u>	<u>263,455</u>	<u>3,355,507</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>404,597</u>	<u>29,884</u>	<u>434,481</u>
Net Position			
Net position:			
Net investment in capital assets	422,228	46,801	469,029
Restricted for:			
Nonexpendable – endowments	—	272,944	272,944
Expendable:			
Scholarships and fellowships	459	20,650	21,109
Research	—	10,407	10,407
Loans	595	—	595
Capital projects	4,752	9,235	13,987
Debt service	5,635	—	5,635
Others	115	165,513	165,628
Unrestricted	(1,354,345)	77,039	(1,277,306)
Total net position	<u>\$ (920,561)</u>	<u>602,589</u>	<u>(317,972)</u>

See accompanying independent auditors' report.

SAN DIEGO STATE UNIVERSITY

Statement of Revenues , Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$125,381)	\$ 276,777	—	—	276,777
Grants and contracts, noncapital:				
Federal	3,158	97,268	—	100,426
State	—	12,537	—	12,537
Local	1,895	1,739	—	3,634
Nongovernmental	1,128	18,649	—	19,777
Sales and services of educational activities	17,691	6,038	—	23,729
Sales and services of auxiliary enterprises (net of scholarship allowances of \$15,490)	95,996	65,725	—	161,721
Other operating revenues	23,606	75,940	—	99,546
Total operating revenues	420,251	277,896	—	698,147
Expenses:				
Operating expenses:				
Instruction	298,792	35,323	(284)	333,831
Research	6,880	51,904	—	58,784
Public service	1,230	50,611	(2,240)	49,601
Academic support	82,444	16,197	(68)	98,573
Student services	118,039	11,648	(5,564)	124,123
Institutional support	46,321	24,867	—	71,188
Operation and maintenance of plant	63,156	23,371	(18,250)	68,277
Student grants and scholarships	91,921	5,805	(6,613)	91,113
Auxiliary enterprise expenses	68,565	92,318	(2,637)	158,246
Depreciation and amortization	63,623	12,863	—	76,486
Total operating expenses	840,971	324,907	(35,656)	1,130,222
Operating loss	(420,720)	(47,011)	35,656	(432,075)
Nonoperating revenues (expenses):				
State appropriations, noncapital	294,462	—	—	294,462
Federal financial aid grants, noncapital	58,643	—	—	58,643
State financial aid grants, noncapital	46,886	—	—	46,886
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	5,891	—	(5,785)	106
Other federal nonoperating grants, noncapital	103,783	—	—	103,783
Gifts, noncapital	12,258	76,469	(10,793)	77,934
Investment income (loss), net	(30,331)	709	—	(29,622)
Endowment loss, net	—	(40,018)	—	(40,018)
Interest expense	(33,932)	(4,571)	—	(38,503)
Other nonoperating revenues (expenses)	22,816	(4,000)	—	18,816
Net nonoperating income	480,476	28,589	(16,578)	492,487
Income (loss) before other revenues (expenses)	59,756	(18,422)	19,078	60,412
State appropriations, capital	—	—	—	—
Grants and gifts, capital	19,602	2,707	(19,078)	3,231
Reductions to permanent endowments	—	(3,212)	—	(3,212)
Increase (decrease) in net position	79,358	(18,927)	—	60,431
Net position:				
Net position at beginning of year	(999,919)	621,516	—	(378,403)
Net position at end of year	\$ (920,561)	602,589	—	(317,972)

See accompanying independent auditors' report.

SAN DIEGO STATE UNIVERSITY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 234,643
Federal grants and contracts	3,158
State grants and contracts	—
Local grants and contracts	2,330
Nongovernmental grants and contracts	1,128
Payments to suppliers	(200,777)
Payments to employees	(299,614)
Payments for benefits	(138,588)
Payments to students	(90,749)
Collections of student loans	90
Sales and services of educational activities	18,423
Sales and services of auxiliary enterprises	95,921
Other receipts	22,854
Net cash used in operating activities	(351,181)
Cash flows from noncapital financing activities:	
State appropriations	260,638
Federal financial aid grants	59,115
State financial aid grants	46,386
Nongovernmental and other financial aid grants	5,891
Other federal nonoperating grants	104,074
Gifts and grants received for other than capital purposes	12,258
Federal loan program receipts	103,753
Federal loan program disbursements	(102,784)
Monies received on behalf of others	909
Monies disbursed on behalf of others	(2,007)
Transfers to escrow agent	(4,861)
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	(36)
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	16,228
Net cash provided by noncapital financing activities	499,564
Cash flows from capital and related financing activities:	
Proceeds from capital debt	198,740
State appropriations	1,010
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	18,661
Proceeds from sale of capital assets	—
Acquisition of capital assets	(313,984)
Transfers to escrow agent	(86,471)
Principal paid on capital debt and leases	(28,462)
Interest paid on capital debt and leases	(35,584)
Principal collection on leases receivable	2,729
Interest collection on leases receivable	162
Net cash used in capital and related financing activities	(243,199)

SAN DIEGO STATE UNIVERSITY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 1,665,565
Purchases of investments	(1,587,137)
Investment income proceeds	14,184
Net cash provided by investing activities	92,612
Net decrease in cash and cash equivalents	(2,204)
Cash and cash equivalents at beginning of year	2,297
Cash and cash equivalents at end of year	\$ 93
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 93
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 93
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (420,720)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	63,623
Change in assets and liabilities:	
Accounts receivable, net	(3,942)
Student loans receivable, net	(8)
Pledges receivable, net	—
Prepaid expenses and other current assets	(301)
Other assets	261
Deferred outflows of resources	9,205
Accounts payable	2,874
Accrued salaries and benefits	3,182
Accrued compensated absences	928
Unearned revenues	(37,589)
Depository accounts	—
Total other postemployment benefits liability	34,253
Net pension liability	(206,206)
Other liabilities	1,833
Deferred inflows of resources	201,426
Net cash used in operating activities	\$ (351,181)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (44,881)
State's contribution for OPEB	33,823
Change in capital assets due to implementation of GASB 87	47,173
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

SAN DIEGO STATE UNIVERSITY

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 5,925
Payments from discretely presented component units for other than salaries	8,008
Payments to discretely presented component units for services, space, and programs	33,729
Gifts in kind from discretely presented component units	1,194
Gifts (cash or assets) from discretely presented component units	37,551
Accounts receivable from discretely presented component units	22,193
Other amounts receivable from discretely presented component units	1,753
Accounts payable to discretely presented component units	(2,847)
Other amounts payable to discretely presented component units	(760)
Payments to the Office of the Chancellor for administrative activities	720
Payments to the Office of the Chancellor for state pro rata charges	124
Accounts receivable from the Office of the Chancellor	4,910
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	(4)
State lottery allocation received	2,877
Other interagency payments (receipts) for services, space, and programs	(263)

See accompanying independent auditors' report.

SAN FRANCISCO STATE UNIVERSITY

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 6	5,215	5,221
Short-term investments	209,668	46,770	256,438
Accounts receivable, net	27,288	1,954	29,242
Lease receivables, current portion	215	1,187	1,402
Notes receivable, current portion	—	—	0
Pledges receivable, net	—	4,926	4,926
Prepaid expenses and other current assets	5,298	91	5,389
Total current assets	<u>242,475</u>	<u>60,143</u>	<u>302,618</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	—	—
Accounts receivable, net	371	—	371
Lease receivables, net of current portion	12,113	19,307	31,420
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	1,520	—	1,520
Pledges receivable, net	—	1,016	1,016
Endowment investments	—	153,471	153,471
Other long-term investments	40,017	13,554	53,571
Capital assets, net	594,644	10,763	605,407
Other assets	10	—	10
Total noncurrent assets	<u>648,675</u>	<u>198,111</u>	<u>846,786</u>
Total assets	<u>891,150</u>	<u>258,254</u>	<u>1,149,404</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>197,846</u>	<u>—</u>	<u>197,846</u>
Liabilities			
Current liabilities:			
Accounts payable	16,356	2,742	19,098
Accrued salaries and benefits	31,879	335	32,214
Accrued compensated absences, current portion	11,019	498	11,517
Unearned revenues	27,877	53	27,930
Lease liabilities, current portion	1,550	54	1,604
Long-term debt obligations, current portion	10,672	—	10,672
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	271	—	271
Other liabilities	6,826	126	6,952
Total current liabilities	<u>106,450</u>	<u>3,808</u>	<u>110,258</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	7,941	—	7,941
Unearned revenues	—	—	—
Grants refundable	1,516	—	1,516
Lease liabilities, net of current portion	3,251	8,247	11,498
Long-term debt obligations, net of current portion	236,614	—	236,614
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	948,678	3,587	952,265
Net pension liability	355,018	—	355,018
Other liabilities	—	—	—
Total noncurrent liabilities	<u>1,553,018</u>	<u>11,834</u>	<u>1,564,852</u>
Total liabilities	<u>1,659,468</u>	<u>15,642</u>	<u>1,675,110</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>316,037</u>	<u>19,968</u>	<u>336,005</u>
Net Position			
Net position:			
Net investment in capital assets	346,755	10,763	357,518
Restricted for:			
Nonexpendable – endowments	—	108,379	108,379
Expendable:			
Scholarships and fellowships	—	67,655	67,655
Research	—	—	—
Loans	1,581	—	1,581
Capital projects	33	1,778	1,811
Debt service	41	—	41
Others	—	9,457	9,457
Unrestricted	(1,234,919)	24,612	(1,210,307)
Total net position	<u>\$ (886,509)</u>	<u>222,644</u>	<u>(663,865)</u>

See accompanying independent auditors' report.

SAN FRANCISCO STATE UNIVERSITY

Statement of Revenues , Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$107,547)	\$ 124,803	—	—	124,803
Grants and contracts, noncapital:				
Federal	23,149	435	—	23,584
State	1,986	157	—	2,143
Local	743	337	—	1,080
Nongovernmental	3,743	4,146	—	7,889
Sales and services of educational activities	189	—	—	189
Sales and services of auxiliary enterprises (net of scholarship allowances of \$7,520)	54,408	9,554	—	63,962
Other operating revenues	11,242	10,791	—	22,033
Total operating revenues	220,263	25,420	—	245,683
Expenses:				
Operating expenses:				
Instruction	211,038	2,220	—	213,258
Research	17,445	888	—	18,333
Public service	4,522	570	—	5,092
Academic support	53,509	2,675	—	56,184
Student services	54,039	6,968	—	61,007
Institutional support	56,679	3,690	—	60,369
Operation and maintenance of plant	33,968	1,321	—	35,289
Student grants and scholarships	65,133	4,802	—	69,935
Auxiliary enterprise expenses	42,978	4,669	—	47,647
Depreciation and amortization	34,248	691	—	34,939
Total operating expenses	573,559	28,494	—	602,053
Operating loss	(353,296)	(3,074)	—	(356,370)
Nonoperating revenues (expenses):				
State appropriations, noncapital	261,602	—	—	261,602
Federal financial aid grants, noncapital	54,113	—	—	54,113
State financial aid grants, noncapital	35,693	—	—	35,693
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	—	—	—	—
Other federal nonoperating grants, noncapital	98,644	—	—	98,644
Gifts, noncapital	1,995	5,530	—	7,525
Investment loss, net	(12,527)	(2,811)	—	(15,338)
Endowment loss, net	—	(21,898)	—	(21,898)
Interest expense	(7,918)	—	—	(7,918)
Other nonoperating revenues (expenses)	29,796	(5,500)	—	24,296
Net nonoperating income (loss)	461,398	(24,679)	—	436,719
Income (loss) before other revenues	108,102	(27,753)	—	80,349
State appropriations, capital	—	—	—	—
Grants and gifts, capital	592	—	—	592
Additions to permanent endowments	—	1,442	—	1,442
Increase (decrease) in net position	108,694	(26,311)	—	82,383
Net position:				
Net position at beginning of year	(995,203)	248,955	—	(746,248)
Net position at end of year	\$ (886,509)	222,644	—	(663,865)

See accompanying independent auditors' report.

SAN FRANCISCO STATE UNIVERSITY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 124,169
Federal grants and contracts	21,442
State grants and contracts	3,252
Local grants and contracts	658
Nongovernmental grants and contracts	2,870
Payments to suppliers	(134,759)
Payments to employees	(235,022)
Payments for benefits	(111,452)
Payments to students	(65,206)
Collections of student loans	113
Sales and services of educational activities	189
Sales and services of auxiliary enterprises	53,753
Other receipts	12,786
Net cash used in operating activities	(327,207)
Cash flows from noncapital financing activities:	
State appropriations	237,765
Federal financial aid grants	54,111
State financial aid grants	35,446
Nongovernmental and other financial aid grants	—
Other federal nonoperating grants	104,000
Gifts and grants received for other than capital purposes	2,094
Federal loan program receipts	77,620
Federal loan program disbursements	(77,878)
Monies received on behalf of others	2,875
Monies disbursed on behalf of others	(2,880)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	12,349
Net cash provided by noncapital financing activities	445,502
Cash flows from capital and related financing activities:	
Proceeds from capital debt	93,510
State appropriations	2,414
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	592
Proceeds from sale of capital assets	—
Acquisition of capital assets	(22,162)
Transfers to escrow agent	(93,239)
Principal paid on capital debt and leases	(12,395)
Interest paid on capital debt and leases	(8,261)
Principal collection on leases receivable	174
Interest collection on leases receivable	292
Net cash used in capital and related financing activities	(39,075)

SAN FRANCISCO STATE UNIVERSITY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 912,088
Purchases of investments	(996,488)
Investment income proceeds	5,181
Net cash used in investing activities	(79,219)
Net increase in cash and cash equivalents	1
Cash and cash equivalents at beginning of year	5
Cash and cash equivalents at end of year	6
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 6
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 6
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (353,296)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	34,248
Change in assets and liabilities:	
Accounts receivable, net	(3,007)
Student loans receivable, net	(11)
Pledges receivable, net	—
Prepaid expenses and other current assets	488
Other assets	2
Deferred outflows of resources	22,785
Accounts payable	(3,056)
Accrued salaries and benefits	2,927
Accrued compensated absences	(659)
Unearned revenues	1,861
Depository accounts	—
Total other postemployment benefits liability	(10,946)
Net pension liability	(186,131)
Other liabilities	2,497
Deferred inflows of resources	165,091
Net cash used in operating activities	\$ (327,207)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (18,006)
State's contribution for OPEB	23,837
Change in capital assets due to implementation of GASB 87	6,174
Acquisition of capital asset through long-term debt obligations	18,799
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

SAN FRANCISCO STATE UNIVERSITY

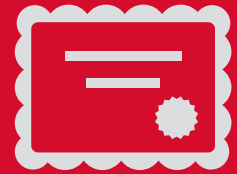
Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 3,696
Payments from discretely presented component units for other than salaries	5,006
Payments to discretely presented component units for services, space, and programs	8,693
Gifts in kind from discretely presented component units	—
Gifts (cash or assets) from discretely presented component units	2,570
Accounts receivable from discretely presented component units	1,633
Other amounts receivable from discretely presented component units	8,370
Accounts payable to discretely presented component units	(410)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	2,175
Payments to the Office of the Chancellor for state pro rata charges	150
Accounts receivable from the Office of the Chancellor	4,818
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	1
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	2,605
Other interagency payments (receipts) for services, space, and programs	27

See accompanying independent auditors' report.



129,000

degrees conferred
annually



SAN JOSE STATE UNIVERSITY

Statement of Net Position

June 30, 2022

(In thousands)

Schedule 8

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 24	47,913	47,937
Short-term investments	232,201	37,888	270,089
Accounts receivable, net	15,027	19,831	34,858
Lease receivables, current portion	78	10	88
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	4,633	4,633
Prepaid expenses and other current assets	5,120	448	5,568
Total current assets	252,450	110,723	363,173
Noncurrent assets:			
Restricted cash and cash equivalents	—	1,273	1,273
Accounts receivable, net	—	—	—
Lease receivables, net of current portion	1,103	—	1,103
Notes receivable, net of current portion	—	200	200
Student loans receivable, net	2,640	—	2,640
Pledges receivable, net	—	6,429	6,429
Endowment investments	—	167,381	167,381
Other long-term investments	141,338	2,225	143,563
Capital assets, net	869,177	49,517	918,694
Other assets	6,731	35,555	42,286
Total noncurrent assets	1,020,989	262,580	1,283,569
Total assets	1,273,439	373,303	1,646,742
Deferred Outflows of Resources			
Deferred outflows of resources	249,581	13,013	262,594
Liabilities			
Current liabilities:			
Accounts payable	44,853	6,841	51,694
Accrued salaries and benefits	34,088	2,812	36,900
Accrued compensated absences, current portion	6,743	1,929	8,672
Unearned revenues	30,390	6,249	36,639
Lease liabilities, current portion	668	553	1,221
Long-term debt obligations, current portion	17,206	—	17,206
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	12	—	12
Other liabilities	9,625	2,225	11,850
Total current liabilities	143,585	20,609	164,194
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	12,132	30	12,162
Unearned revenues	4,543	12,239	16,782
Grants refundable	3,478	—	3,478
Lease liabilities, net of current portion	2,803	2,622	5,425
Long-term debt obligations, net of current portion	487,789	42,470	530,259
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	196	196
Total other postemployment benefits liability	1,075,506	18,170	1,093,676
Net pension liability	392,425	—	392,425
Other liabilities	25,837	1,951	27,788
Total noncurrent liabilities	2,004,513	77,678	2,082,191
Total liabilities	2,148,098	98,287	2,246,385
Deferred Inflows of Resources			
Deferred inflows of resources	341,549	14,178	355,727
Net Position			
Net position:			
Net investment in capital assets	366,893	26,050	392,943
Restricted for:			
Nonexpendable – endowments	—	131,817	131,817
Expendable:			
Scholarships and fellowships	9,269	—	9,269
Research	—	27	27
Loans	6,611	—	6,611
Capital projects	2,105	—	2,105
Debt service	108	—	108
Others	779	94,736	95,515
Unrestricted	(1,352,392)	21,221	(1,331,171)
Total net position	\$ (966,627)	273,851	(692,776)

See accompanying independent auditors' report.

SAN JOSE STATE UNIVERSITY

Statement of Revenues , Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$107,233)	\$ 220,728	—	—	220,728
Grants and contracts, noncapital:				
Federal	—	33,956	—	33,956
State	—	8,475	—	8,475
Local	—	2,230	—	2,230
Nongovernmental	—	2,723	—	2,723
Sales and services of educational activities	5,355	—	—	5,355
Sales and services of auxiliary enterprises (net of scholarship allowances of \$6,695)	56,258	2,592	—	58,850
Other operating revenues	15,965	19,235	—	35,200
Total operating revenues	298,306	69,211	—	367,517
Expenses:				
Operating expenses:				
Instruction	293,983	7,279	—	301,262
Research	747	34,818	—	35,565
Public service	5,597	15	—	5,612
Academic support	58,611	7,206	(40)	65,777
Student services	83,959	25,745	—	109,704
Institutional support	74,947	7,899	—	82,846
Operation and maintenance of plant	18,488	1,349	—	19,837
Student grants and scholarships	77,943	5,947	(4,126)	79,764
Auxiliary enterprise expenses	47,090	4,478	—	51,568
Depreciation and amortization	41,252	4,382	—	45,634
Total operating expenses	702,617	99,118	(4,166)	797,569
Operating loss	(404,311)	(29,907)	4,166	(430,052)
Nonoperating revenues (expenses):				
State appropriations, noncapital	253,791	—	—	253,791
Federal financial aid grants, noncapital	52,331	1,266	—	53,597
State financial aid grants, noncapital	44,797	421	—	45,218
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	—	107	—	107
Other federal nonoperating grants, noncapital	89,824	—	—	89,824
Gifts, noncapital	5,403	15,648	(4,126)	16,925
Investment loss, net	(20,004)	(4,256)	—	(24,260)
Endowment loss, net	—	(22,514)	—	(22,514)
Interest expense	(11,491)	(44)	—	(11,535)
Other nonoperating revenues	25,460	5,015	—	30,475
Net nonoperating income (loss)	440,111	(4,357)	(4,126)	431,628
Income (loss) before other revenues	35,800	(34,264)	40	1,576
State appropriations, capital	—	—	—	—
Grants and gifts, capital	1,718	(500)	(40)	1,178
Additions (reductions) to permanent endowments	—	—	—	—
Increase (decrease) in net position	37,518	(34,764)	—	2,754
Net position:				
Net position at beginning of year	(1,004,145)	308,615	—	(695,530)
Net position at end of year	<u>\$ (966,627)</u>	<u>273,851</u>	<u>—</u>	<u>(692,776)</u>

See accompanying independent auditors' report.

SAN JOSE STATE UNIVERSITY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 218,681
Federal grants and contracts	—
State grants and contracts	—
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(128,256)
Payments to employees	(282,363)
Payments for benefits	(133,900)
Payments to students	(78,288)
Collections of student loans	199
Sales and services of educational activities	5,355
Sales and services of auxiliary enterprises	52,602
Other receipts	23,870
Net cash used in operating activities	(322,100)
Cash flows from noncapital financing activities:	
State appropriations	226,678
Federal financial aid grants	71,292
State financial aid grants	44,797
Nongovernmental and other financial aid grants	—
Other federal nonoperating grants	66,274
Gifts and grants received for other than capital purposes	5,403
Federal loan program receipts	87,840
Federal loan program disbursements	(87,965)
Monies received on behalf of others	105
Monies disbursed on behalf of others	(103)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	43,351
Net cash provided by noncapital financing activities	457,672
Cash flows from capital and related financing activities:	
Proceeds from capital debt	134,885
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	1,718
Proceeds from sale of capital assets	40
Acquisition of capital assets	(63,814)
Transfers to escrow agent	(134,449)
Principal paid on capital debt and leases	(15,172)
Interest paid on capital debt and leases	(12,773)
Principal collection on leases receivable	76
Interest collection on leases receivable	2
Net cash used in capital and related financing activities	(89,487)

SAN JOSE STATE UNIVERSITY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 1,173,254
Purchases of investments	(1,229,219)
Investment income proceeds	9,879
Net cash used in investing activities	(46,086)
Net decrease in cash and cash equivalents	(1)
Cash and cash equivalents at beginning of year	25
Cash and cash equivalents at end of year	\$ 24
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 24
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 24
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (404,311)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	41,252
Change in assets and liabilities:	
Accounts receivable, net	3,947
Student loans receivable, net	(168)
Pledges receivable, net	—
Prepaid expenses and other current assets	(1,041)
Other assets	(2,916)
Deferred outflows of resources	(11,488)
Accounts payable	11,734
Accrued salaries and benefits	2,810
Accrued compensated absences	(618)
Unearned revenues	(8,120)
Depository accounts	—
Total other postemployment benefits liability	26,059
Net pension liability	(170,093)
Other liabilities	2,203
Deferred inflows of resources	188,650
Net cash used in operating activities	\$ (322,100)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (29,600)
State's contribution for OPEB	27,114
Change in capital assets due to implementation of GASB 87	4,088
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

SAN JOSE STATE UNIVERSITY

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 3,077
Payments from discretely presented component units for other than salaries	3,451
Payments to discretely presented component units for services, space, and programs	24,290
Gifts in kind from discretely presented component units	—
Gifts (cash or assets) from discretely presented component units	6,364
Accounts receivable from discretely presented component units	7,353
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	(8,051)
Other amounts payable to discretely presented component units	(20,642)
Payments to the Office of the Chancellor for administrative activities	561
Payments to the Office of the Chancellor for state pro rata charges	239
Accounts receivable from the Office of the Chancellor	438
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	2,627
Other interagency payments (receipts) for services, space, and programs	50

See accompanying independent auditors' report.

CALIFORNIA POLYTECHNIC STATE UNIVERSITY, SAN LUIS OBISPO

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

Assets	Campus	Discretely presented component units	Total
Current assets:			
Cash and cash equivalents	\$ 7,016	37,886	44,902
Short-term investments	284,444	86,637	371,081
Accounts receivable, net	6,916	14,283	21,199
Lease receivables, current portion	537	298	835
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	14,902	14,902
Prepaid expenses and other current assets	4,275	3,183	7,458
Total current assets	<u>303,188</u>	<u>157,189</u>	<u>460,377</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	566	566
Accounts receivable, net	—	14	14
Lease receivables, net of current portion	3,066	2,414	5,480
Notes receivable, net of current portion	—	3,663	3,663
Student loans receivable, net	1,854	—	1,854
Pledges receivable, net	—	31,379	31,379
Endowment investments	—	243,029	243,029
Other long-term investments	80,672	106,297	186,969
Capital assets, net	930,302	94,957	1,025,259
Other assets	165	1,718	1,883
Total noncurrent assets	<u>1,016,059</u>	<u>484,037</u>	<u>1,500,096</u>
Total assets	<u>1,319,247</u>	<u>641,226</u>	<u>1,960,473</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>209,502</u>	<u>3,490</u>	<u>212,992</u>
Liabilities			
Current liabilities:			
Accounts payable	23,513	5,687	29,200
Accrued salaries and benefits	26,939	3,095	30,034
Accrued compensated absences, current portion	7,910	1,174	9,084
Unearned revenues	16,569	12,416	28,985
Lease liabilities, current portion	730	522	1,252
Long-term debt obligations, current portion	19,016	495	19,511
Claims liability for losses and loss adjustment expenses, current portion	—	20	20
Depository accounts	388	2,055	2,443
Other liabilities	4,349	1,993	6,342
Total current liabilities	<u>99,414</u>	<u>27,457</u>	<u>126,871</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	7,737	262	7,999
Unearned revenues	—	—	—
Grants refundable	907	—	907
Lease liabilities, net of current portion	2,413	2,732	5,145
Long-term debt obligations, net of current portion	622,226	43,295	665,521
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	5,519	5,519
Total other postemployment benefits liability	948,866	13	948,879
Net pension liability	351,423	13,569	364,992
Other liabilities	3,272	8,814	12,086
Total noncurrent liabilities	<u>1,936,844</u>	<u>74,204</u>	<u>2,011,048</u>
Total liabilities	<u>2,036,258</u>	<u>101,661</u>	<u>2,137,919</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>306,280</u>	<u>34,069</u>	<u>340,349</u>
Net Position			
Net position:			
Net investment in capital assets	334,644	40,472	375,116
Restricted for:			
Nonexpendable – endowments	—	149,938	149,938
Expendable:			
Scholarships and fellowships	7,676	13,711	21,387
Research	—	8,269	8,269
Loans	3,466	—	3,466
Capital projects	943	47,408	48,351
Debt service	3,526	—	3,526
Others	16,789	167,243	184,032
Unrestricted	(1,180,833)	81,945	(1,098,888)
Total net position	<u>\$ (813,789)</u>	<u>508,986</u>	<u>(304,803)</u>

See accompanying independent auditors' report.

CALIFORNIA POLYTECHNIC STATE UNIVERSITY, SAN LUIS OBISPO

Statement of Revenues , Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$55,400)	\$ 234,803	—	—	234,803
Grants and contracts, noncapital:				
Federal	—	13,800	—	13,800
State	—	5,328	—	5,328
Local	—	620	—	620
Nongovernmental	—	5,900	—	5,900
Sales and services of educational activities	2,080	—	—	2,080
Sales and services of auxiliary enterprises (net of scholarship allowances of \$10,447)	80,888	39,630	—	120,518
Other operating revenues	19,474	39,972	(6,041)	53,405
Total operating revenues	337,245	105,250	(6,041)	436,454
Expenses:				
Operating expenses:				
Instruction	215,303	2,941	(3,432)	214,812
Research	4,071	28,072	(2,989)	29,154
Public service	256	15,324	(171)	15,409
Academic support	56,766	14,577	(6,869)	64,474
Student services	91,245	12,481	(2,666)	101,060
Institutional support	32,760	15,303	(7,011)	41,052
Operation and maintenance of plant	58,737	33,170	(26,129)	65,778
Student grants and scholarships	39,958	8,773	(2,215)	46,516
Auxiliary enterprise expenses	36,845	33,250	—	70,095
Depreciation and amortization	50,696	4,202	—	54,898
Total operating expenses	586,637	168,093	(51,482)	703,248
Operating loss	(249,392)	(62,843)	45,441	(266,794)
Nonoperating revenues (expenses):				
State appropriations, noncapital	225,629	—	—	225,629
Federal financial aid grants, noncapital	20,202	—	—	20,202
State financial aid grants, noncapital	21,293	—	—	21,293
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	11,604	—	(2,966)	8,638
Other federal nonoperating grants, noncapital	37,556	—	—	37,556
Gifts, noncapital	15,185	23,137	(13,627)	24,695
Investment loss, net	(19,537)	(11,470)	—	(31,007)
Endowment loss, net	—	(37,772)	—	(37,772)
Interest expense	(21,160)	(1,588)	—	(22,748)
Other nonoperating expenses	(21,117)	(1,306)	—	(22,423)
Net nonoperating income (loss)	269,655	(28,999)	(16,593)	224,063
Income (loss) before other revenues	20,263	(91,842)	28,848	(42,731)
State appropriations, capital	—	—	—	—
Grants and gifts, capital	27,698	38,174	(28,848)	37,024
Additions to permanent endowments	—	8,209	—	8,209
Increase (decrease) in net position	47,961	(45,459)	—	2,502
Net position:				
Net position at beginning of year	(861,750)	554,445	—	(307,305)
Net position at end of year	<u>\$ (813,789)</u>	<u>508,986</u>	<u>—</u>	<u>(304,803)</u>

See accompanying independent auditors' report.

CALIFORNIA POLYTECHNIC STATE UNIVERSITY, SAN LUIS OBISPO

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 236,865
Federal grants and contracts	—
State grants and contracts	—
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(134,589)
Payments to employees	(232,142)
Payments for benefits	(114,030)
Payments to students	(40,305)
Collections of student loans	85
Sales and services of educational activities	2,080
Sales and services of auxiliary enterprises	81,169
Other receipts	21,115
Net cash used in operating activities	(179,752)
Cash flows from noncapital financing activities:	
State appropriations	201,930
Federal financial aid grants	20,202
State financial aid grants	21,293
Nongovernmental and other financial aid grants	11,604
Other federal nonoperating grants	19,998
Gifts and grants received for other than capital purposes	15,185
Federal loan program receipts	68,491
Federal loan program disbursements	(68,722)
Monies received on behalf of others	12,855
Monies disbursed on behalf of others	(12,823)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	3,336
Net cash provided by noncapital financing activities	293,349
Cash flows from capital and related financing activities:	
Proceeds from capital debt	259,837
State appropriations	1,386
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	27,698
Proceeds from sale of capital assets	2,582
Acquisition of capital assets	(53,442)
Transfers to escrow agent	(207,938)
Principal paid on capital debt and leases	(17,111)
Interest paid on capital debt and leases	(20,528)
Principal collection on leases receivable	505
Interest collection on leases receivable	29
Net cash used in capital and related financing activities	(6,982)

CALIFORNIA POLYTECHNIC STATE UNIVERSITY, SAN LUIS OBISPO

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 1,077,789
Purchases of investments	(1,183,137)
Investment income proceeds	5,748
Net cash used in investing activities	(99,600)
Net increase in cash and cash equivalents	7,015
Cash and cash equivalents at beginning of year	1
Cash and cash equivalents at end of year	\$ 7,016
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 7,016
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 7,016
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (249,392)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	50,696
Change in assets and liabilities:	
Accounts receivable, net	(341)
Student loans receivable, net	(263)
Pledges receivable, net	—
Prepaid expenses and other current assets	(1,528)
Other assets	44
Deferred outflows of resources	14,353
Accounts payable	3,262
Accrued salaries and benefits	1,767
Accrued compensated absences	(171)
Unearned revenues	3,506
Depository accounts	—
Total other postemployment benefits liability	11,884
Net pension liability	(182,316)
Other liabilities	2,361
Deferred inflows of resources	166,386
Net cash used in operating activities	\$ (179,752)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (25,315)
State's contribution for OPEB	23,699
Change in capital assets due to implementation of GASB 87	4,450
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA POLYTECHNIC STATE UNIVERSITY, SAN LUIS OBISPO

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 7,366
Payments from discretely presented component units for other than salaries	37,538
Payments to discretely presented component units for services, space, and programs	6,690
Gifts in kind from discretely presented component units	471
Gifts (cash or assets) from discretely presented component units	25,861
Accounts receivable from discretely presented component units	2,280
Other amounts receivable from discretely presented component units	476
Accounts payable to discretely presented component units	(767)
Other amounts payable to discretely presented component units	(3,663)
Payments to the Office of the Chancellor for administrative activities	602
Payments to the Office of the Chancellor for state pro rata charges	127
Accounts receivable from the Office of the Chancellor	622
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	30
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	1,833
Other interagency payments (receipts) for services, space, and programs	305

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SAN MARCOS

Schedule 8

Statement of Net Position
June 30, 2022
(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 7	2,815	2,822
Short-term investments	106,118	16,786	122,904
Accounts receivable, net	5,695	7,476	13,171
Lease receivables, current portion	1,221	3,496	4,717
Notes receivable, current portion	30	—	30
Pledges receivable, net	—	1,072	1,072
Prepaid expenses and other current assets	2,053	24	2,077
Total current assets	<u>115,124</u>	<u>31,669</u>	<u>146,793</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	277	277
Accounts receivable, net	34	—	34
Lease receivables, net of current portion	14,540	88,969	103,509
Notes receivable, net of current portion	63	—	63
Student loans receivable, net	268	50	318
Pledges receivable, net	—	1,026	1,026
Endowment investments	—	31,188	31,188
Other long-term investments	1,984	8,669	10,653
Capital assets, net	282,592	23,716	306,308
Other assets	10	103	113
Total noncurrent assets	<u>299,491</u>	<u>153,998</u>	<u>453,489</u>
Total assets	<u>414,615</u>	<u>185,667</u>	<u>600,282</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>97,201</u>	<u>756</u>	<u>97,957</u>
Liabilities			
Current liabilities:			
Accounts payable	7,518	5,015	12,533
Accrued salaries and benefits	15,014	338	15,352
Accrued compensated absences, current portion	4,200	718	4,918
Unearned revenues	8,097	3,383	11,480
Lease liabilities, current portion	1,535	1,244	2,779
Long-term debt obligations, current portion	4,720	1,005	5,725
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	72	—	72
Other liabilities	3,796	—	3,796
Total current liabilities	<u>44,952</u>	<u>11,703</u>	<u>56,655</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	4,155	—	4,155
Unearned revenues	—	33,947	33,947
Grants refundable	70	—	70
Lease liabilities, net of current portion	57,951	14,643	72,594
Long-term debt obligations, net of current portion	87,153	58,763	145,916
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	383,855	1,462	385,317
Net pension liability	175,158	—	175,158
Other liabilities	—	—	—
Total noncurrent liabilities	<u>708,342</u>	<u>108,815</u>	<u>817,157</u>
Total liabilities	<u>753,294</u>	<u>120,518</u>	<u>873,812</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>152,648</u>	<u>—</u>	<u>152,648</u>
Net Position			
Net position:			
Net investment in capital assets	132,916	4,319	137,235
Restricted for:			
Nonexpendable – endowments	—	23,700	23,700
Expendable:			
Scholarships and fellowships	—	3,821	3,821
Research	—	—	—
Loans	322	—	322
Capital projects	425	14	439
Debt service	20	—	20
Others	—	3,658	3,658
Unrestricted	(527,809)	30,393	(497,416)
Total net position	<u>\$ (394,126)</u>	<u>65,905</u>	<u>(328,221)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SAN MARCOS

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$63,661)	\$ 84,036	—	—	84,036
Grants and contracts, noncapital:				
Federal	—	10,667	—	10,667
State	—	3,077	—	3,077
Local	—	43	—	43
Nongovernmental	—	147	—	147
Sales and services of educational activities	104	2,910	—	3,014
Sales and services of auxiliary enterprises (net of scholarship allowances of \$2,123)	17,830	19,010	—	36,840
Other operating revenues	7,175	4,757	—	11,932
Total operating revenues	109,145	40,611	—	149,756
Expenses:				
Operating expenses:				
Instruction	96,767	3,257	—	100,024
Research	1,382	4,746	—	6,128
Public service	(1,169)	681	(18)	(506)
Academic support	26,953	2,419	(237)	29,135
Student services	40,857	5,248	(126)	45,979
Institutional support	58,693	1,730	(373)	60,050
Operation and maintenance of plant	34,630	—	(98)	34,532
Student grants and scholarships	48,650	2,999	(2,575)	49,074
Auxiliary enterprise expenses	17,533	15,417	—	32,950
Depreciation and amortization	17,058	1,735	—	18,793
Total operating expenses	341,354	38,232	(3,427)	376,159
Operating income (loss)	(232,209)	2,379	3,427	(226,403)
Nonoperating revenues (expenses):				
State appropriations, noncapital	120,819	—	—	120,819
Federal financial aid grants, noncapital	34,298	—	—	34,298
State financial aid grants, noncapital	29,593	—	—	29,593
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	—	—	—	—
Other federal nonoperating grants, noncapital	58,337	—	—	58,337
Gifts, noncapital	2,825	4,029	(2,826)	4,028
Investment loss, net	(5,540)	(1,368)	—	(6,908)
Endowment loss, net	—	(3,812)	—	(3,812)
Interest expense	(4,590)	(2,660)	—	(7,250)
Other nonoperating revenues (expenses)	(492)	—	—	(492)
Net nonoperating income (loss)	235,250	(3,811)	(2,826)	228,613
Income (loss) before other revenues	3,041	(1,432)	601	2,210
State appropriations, capital	—	—	—	—
Grants and gifts, capital	601	—	(601)	—
Additions to permanent endowments	—	676	—	676
Increase (decrease) in net position	3,642	(756)	—	2,886
Net position:				
Net position at beginning of year	(397,768)	66,661	—	(331,107)
Net position at end of year	<u>\$ (394,126)</u>	<u>65,905</u>	<u>—</u>	<u>(328,221)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SAN MARCOS

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 84,042
Federal grants and contracts	—
State grants and contracts	—
Local grants and contracts	—
Nongovernmental grants and contracts	—
Payments to suppliers	(73,258)
Payments to employees	(126,390)
Payments for benefits	(64,064)
Payments to students	(48,723)
Collections of student loans	17
Sales and services of educational activities	104
Sales and services of auxiliary enterprises	16,742
Other receipts	5,276
Net cash used in operating activities	(206,254)
Cash flows from noncapital financing activities:	
State appropriations	111,984
Federal financial aid grants	33,322
State financial aid grants	29,119
Nongovernmental and other financial aid grants	—
Other federal nonoperating grants	58,049
Gifts and grants received for other than capital purposes	2,825
Federal loan program receipts	42,029
Federal loan program disbursements	(42,086)
Monies received on behalf of others	1,496
Monies disbursed on behalf of others	(1,503)
Transfers to escrow agent	(13,594)
Proceeds from long-term debt	13,630
Principal paid on long-term debt	(955)
Interest paid on long-term debt	(381)
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	29
Interest collections on notes receivable	—
Other noncapital financing activities	(1,146)
Net cash provided by noncapital financing activities	232,818
Cash flows from capital and related financing activities:	
Proceeds from capital debt	11,761
State appropriations	666
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	—
Proceeds from sale of capital assets	—
Acquisition of capital assets	(4,219)
Transfers to escrow agent	(10,158)
Principal paid on capital debt and leases	(5,099)
Interest paid on capital debt and leases	(4,481)
Principal collection on leases receivable	943
Interest collection on leases receivable	284
Net cash used in capital and related financing activities	(10,303)

CALIFORNIA STATE UNIVERSITY, SAN MARCOS

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 462,300
Purchases of investments	(481,352)
Investment income proceeds	2,790
Net cash used in investing activities	(16,262)
Net decrease in cash and cash equivalents	(1)
Cash and cash equivalents at beginning of year	8
Cash and cash equivalents at end of year	\$ 7
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 7
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ 7
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (232,209)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	17,058
Change in assets and liabilities:	
Accounts receivable, net	842
Student loans receivable, net	(57)
Pledges receivable, net	—
Prepaid expenses and other current assets	531
Other assets	6
Deferred outflows of resources	3,701
Accounts payable	2,104
Accrued salaries and benefits	1,194
Accrued compensated absences	(501)
Unearned revenues	(653)
Depository accounts	—
Total other postemployment benefits liability	6,528
Net pension liability	(85,299)
Other liabilities	346
Deferred inflows of resources	80,155
Net cash used in operating activities	\$ (206,254)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (8,614)
State's contribution for OPEB	8,835
Change in capital assets due to implementation of GASB 87	75,412
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, SAN MARCOS

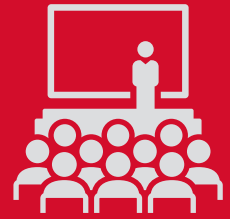
Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 283
Payments from discretely presented component units for other than salaries	3,959
Payments to discretely presented component units for services, space, and programs	15,879
Gifts in kind from discretely presented component units	—
Gifts (cash or assets) from discretely presented component units	3,425
Accounts receivable from discretely presented component units	1,571
Other amounts receivable from discretely presented component units	131
Accounts payable to discretely presented component units	(1,458)
Other amounts payable to discretely presented component units	(95,156)
Payments to the Office of the Chancellor for administrative activities	247
Payments to the Office of the Chancellor for state pro rata charges	192
Accounts receivable from the Office of the Chancellor	108
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	—
State lottery allocation received	1,244
Other interagency payments (receipts) for services, space, and programs	120

See accompanying independent auditors' report.



NEARLY 56,000

faculty and staff are
employed by the CSU



SONOMA STATE UNIVERSITY

Schedule 8

Statement of Net Position

June 30, 2022

(In thousands)

Assets	Campus	Discretely presented component units	Total
Current assets:			
Cash and cash equivalents	\$ 85	1,397	1,482
Short-term investments	103,459	5,995	109,454
Accounts receivable, net	10,655	281	10,936
Lease receivables, current portion	—	—	—
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	951	951
Prepaid expenses and other current assets	1,449	110	1,559
Total current assets	115,648	8,734	124,382
Noncurrent assets:			
Restricted cash and cash equivalents	—	5	5
Accounts receivable, net	—	—	—
Lease receivables, net of current portion	—	—	—
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	709	—	709
Pledges receivable, net	—	1,691	1,691
Endowment investments	—	49,382	49,382
Other long-term investments	10,105	13,590	23,695
Capital assets, net	424,124	371	424,495
Other assets	—	902	902
Total noncurrent assets	434,938	65,941	500,879
Total assets	550,586	74,675	625,261
Deferred Outflows of Resources			
Deferred outflows of resources	77,111	—	77,111
Liabilities			
Current liabilities:			
Accounts payable	8,922	860	9,782
Accrued salaries and benefits	8,970	12	8,982
Accrued compensated absences, current portion	3,037	13	3,050
Unearned revenues	7,437	69	7,506
Lease liabilities, current portion	303	—	303
Long-term debt obligations, current portion	7,550	—	7,550
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	—	—	—
Other liabilities	1,194	254	1,448
Total current liabilities	37,413	1,208	38,621
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	3,931	11	3,942
Unearned revenues	2	—	2
Grants refundable	656	—	656
Lease liabilities, net of current portion	419	—	419
Long-term debt obligations, net of current portion	191,620	—	191,620
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	417,014	—	417,014
Net pension liability	137,231	—	137,231
Other liabilities	—	—	—
Total noncurrent liabilities	750,873	11	750,884
Total liabilities	788,286	1,219	789,505
Deferred Inflows of Resources			
Deferred inflows of resources	125,977	—	125,977
Net Position			
Net position:			
Net investment in capital assets	228,125	371	228,496
Restricted for:			
Nonexpendable – endowments	—	50,212	50,212
Expendable:			
Scholarships and fellowships	2,914	1,724	4,638
Research	—	—	—
Loans	276	—	276
Capital projects	2,553	—	2,553
Debt service	25	—	25
Others	9,655	11,934	21,589
Unrestricted	(530,114)	9,215	(520,899)
Total net position	\$ (286,566)	73,456	(213,110)

See accompanying independent auditors' report.

SONOMA STATE UNIVERSITY

Statement of Revenues , Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$24,788)	\$ 39,051	—	—	39,051
Grants and contracts, noncapital:				
Federal	10,762	62	—	10,824
State	1,566	242	—	1,808
Local	347	—	—	347
Nongovernmental	956	—	—	956
Sales and services of educational activities	156	3	—	159
Sales and services of auxiliary enterprises (net of scholarship allowances of \$2,601)	25,567	158	—	25,725
Other operating revenues	11,513	7,222	—	18,735
Total operating revenues	89,918	7,687	—	97,605
Expenses:				
Operating expenses:				
Instruction	59,348	—	—	59,348
Research	4,151	—	—	4,151
Public service	12,348	—	—	12,348
Academic support	21,361	—	—	21,361
Student services	19,229	2,353	—	21,582
Institutional support	25,508	136	—	25,644
Operation and maintenance of plant	20,493	—	—	20,493
Student grants and scholarships	9,023	—	—	9,023
Auxiliary enterprise expenses	4,039	5,867	—	9,906
Depreciation and amortization	19,598	71	—	19,669
Total operating expenses	195,098	8,427	—	203,525
Operating loss	(105,180)	(740)	—	(105,920)
Nonoperating revenues (expenses):				
State appropriations, noncapital	103,929	—	—	103,929
Federal financial aid grants, noncapital	11,875	—	—	11,875
State financial aid grants, noncapital	10,721	—	—	10,721
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	—	—	—	—
Other federal nonoperating grants, noncapital	14,912	—	—	14,912
Gifts, noncapital	6,903	(1,394)	—	5,509
Investment income (loss), net	(7,382)	46	—	(7,336)
Endowment loss, net	—	(5,033)	—	(5,033)
Interest expense	(4,447)	—	—	(4,447)
Other nonoperating revenues	52,088	1,905	—	53,993
Net nonoperating income (loss)	188,599	(4,476)	—	184,123
Income (loss) before other revenues	83,419	(5,216)	—	78,203
State appropriations, capital	—	—	—	—
Grants and gifts, capital	358	—	—	358
Additions to permanent endowments	—	3,629	—	3,629
Increase (decrease) in net position	83,777	(1,587)	—	82,190
Net position:				
Net position at beginning of year	(370,343)	75,043	—	(295,300)
Net position at end of year	\$ (286,566)	73,456	—	(213,110)

See accompanying independent auditors' report.

SONOMA STATE UNIVERSITY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 36,018
Federal grants and contracts	10,740
State grants and contracts	1,533
Local grants and contracts	280
Nongovernmental grants and contracts	1,055
Payments to suppliers	(52,356)
Payments to employees	(82,599)
Payments for benefits	(43,458)
Payments to students	(9,144)
Collections of student loans	9
Sales and services of educational activities	133
Sales and services of auxiliary enterprises	25,965
Other receipts	12,338
Net cash used in operating activities	(99,486)
Cash flows from noncapital financing activities:	
State appropriations	93,738
Federal financial aid grants	11,875
State financial aid grants	10,721
Nongovernmental and other financial aid grants	—
Other federal nonoperating grants	14,912
Gifts and grants received for other than capital purposes	6,903
Federal loan program receipts	20,027
Federal loan program disbursements	(20,030)
Monies received on behalf of others	65
Monies disbursed on behalf of others	—
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	—
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	51,472
Net cash provided by noncapital financing activities	189,683
Cash flows from capital and related financing activities:	
Proceeds from capital debt	3,005
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	358
Proceeds from sale of capital assets	—
Acquisition of capital assets	(53,244)
Transfers to escrow agent	(3,000)
Principal paid on capital debt and leases	(7,618)
Interest paid on capital debt and leases	(6,112)
Principal collection on leases receivable	—
Interest collection on leases receivable	—
Net cash used in capital and related financing activities	(66,611)

SONOMA STATE UNIVERSITY

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	<u>Campus</u>
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 333,590
Purchases of investments	(359,505)
Investment income proceeds	2,145
Net cash used in investing activities	(23,770)
Net decrease in cash and cash equivalents	(184)
Cash and cash equivalents at beginning of year	269
Cash and cash equivalents at end of year	<u>\$ 85</u>
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ 85
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	<u>\$ 85</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (105,180)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	19,598
Change in assets and liabilities:	
Accounts receivable, net	(1,778)
Student loans receivable, net	(21)
Pledges receivable, net	—
Prepaid expenses and other current assets	(569)
Other assets	—
Deferred outflows of resources	14,885
Accounts payable	(1,110)
Accrued salaries and benefits	250
Accrued compensated absences	(436)
Unearned revenues	(235)
Depository accounts	—
Total other postemployment benefits liability	(9,658)
Net pension liability	(79,396)
Other liabilities	14
Deferred inflows of resources	64,150
Net cash used in operating activities	<u>\$ (99,486)</u>
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (9,527)
State's contribution for OPEB	10,190
Change in capital assets due to implementation of GASB 87	1,035
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

SONOMA STATE UNIVERSITY

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ 3,754
Payments from discretely presented component units for other than salaries	2,998
Payments to discretely presented component units for services, space, and programs	7,488
Gifts in kind from discretely presented component units	—
Gifts (cash or assets) from discretely presented component units	3,511
Accounts receivable from discretely presented component units	695
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	(190)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	224
Payments to the Office of the Chancellor for state pro rata charges	153
Accounts receivable from the Office of the Chancellor	6,015
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	(1)
State lottery allocation received	1,185
Other interagency payments (receipts) for services, space, and programs	195

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, STANISLAUS

Schedule 8

Statement of Net Position
Year ended June 30, 2022
(In thousands)

	Campus	Discretely presented component units	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ —	1,738	1,738
Short-term investments	125,301	11,111	136,412
Accounts receivable, net	7,383	1,622	9,005
Lease receivables, current portion	239	—	239
Notes receivable, current portion	—	—	—
Pledges receivable, net	—	330	330
Prepaid expenses and other current assets	913	35	948
Total current assets	<u>133,836</u>	<u>14,836</u>	<u>148,672</u>
Noncurrent assets:			
Restricted cash and cash equivalents	—	611	611
Accounts receivable, net	—	—	—
Lease receivables, net of current portion	5,413	—	5,413
Notes receivable, net of current portion	—	—	—
Student loans receivable, net	675	—	675
Pledges receivable, net	—	2,446	2,446
Endowment investments	—	16,081	16,081
Other long-term investments	78,909	112	79,021
Capital assets, net	217,399	6,692	224,091
Other assets	25	398	423
Total noncurrent assets	<u>302,421</u>	<u>26,340</u>	<u>328,761</u>
Total assets	<u>436,257</u>	<u>41,176</u>	<u>477,433</u>
Deferred Outflows of Resources			
Deferred outflows of resources	<u>77,896</u>	<u>—</u>	<u>77,896</u>
Liabilities			
Current liabilities:			
Accounts payable	4,729	421	5,150
Accrued salaries and benefits	12,153	8	12,161
Accrued compensated absences, current portion	2,893	74	2,967
Unearned revenues	8,119	195	8,314
Lease liabilities, current portion	685	130	815
Long-term debt obligations, current portion	1,979	325	2,304
Claims liability for losses and loss adjustment expenses, current portion	—	—	—
Depository accounts	503	60	563
Other liabilities	2,533	30	2,563
Total current liabilities	<u>33,594</u>	<u>1,243</u>	<u>34,837</u>
Noncurrent liabilities:			
Accrued compensated absences, net of current portion	3,681	—	3,681
Unearned revenues	—	—	—
Grants refundable	130	—	130
Lease liabilities, net of current portion	2,290	3,220	5,510
Long-term debt obligations, net of current portion	76,106	15	76,121
Claims liability for losses and loss adjustment expenses, net of current portion	—	—	—
Depository accounts	—	—	—
Total other postemployment benefits liability	346,013	1,515	347,528
Net pension liability	129,544	1,510	131,054
Other liabilities	—	—	—
Total noncurrent liabilities	<u>557,764</u>	<u>6,260</u>	<u>564,024</u>
Total liabilities	<u>591,358</u>	<u>7,503</u>	<u>598,861</u>
Deferred Inflows of Resources			
Deferred inflows of resources	<u>116,406</u>	<u>—</u>	<u>116,406</u>
Net Position			
Net position:			
Net investment in capital assets	140,911	3,002	143,913
Restricted for:			
Nonexpendable – endowments	—	15,132	15,132
Expendable:			
Scholarships and fellowships	—	2,069	2,069
Research	—	—	—
Loans	829	—	829
Capital projects	—	—	—
Debt service	15	—	15
Others	243	5,120	5,363
Unrestricted	(335,609)	8,350	(327,259)
Total net position	<u>\$ (193,611)</u>	<u>33,673</u>	<u>(159,938)</u>

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, STANISLAUS

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2022

(In thousands)

	Campus	Discretely presented component units	Eliminations	Total
Revenues:				
Operating revenues:				
Student tuition and fees (net of scholarship allowances of \$50,306)	\$ 41,586	—	—	41,586
Grants and contracts, noncapital:				
Federal	4,305	—	—	4,305
State	588	—	—	588
Local	635	—	—	635
Nongovernmental	730	—	—	730
Sales and services of educational activities	231	54	—	285
Sales and services of auxiliary enterprises (net of scholarship allowances of \$1,200)	3,848	1,160	—	5,008
Other operating revenues	8,361	7,416	(349)	15,428
Total operating revenues	60,284	8,630	(349)	68,565
Expenses:				
Operating expenses:				
Instruction	87,243	62	(146)	87,159
Research	1,200	—	—	1,200
Public service	2,314	—	—	2,314
Academic support	17,865	68	(7)	17,926
Student services	39,210	4,468	(32)	43,646
Institutional support	32,243	1,207	(339)	33,111
Operation and maintenance of plant	17,758	488	(10)	18,236
Student grants and scholarships	44,428	616	(621)	44,423
Auxiliary enterprise expenses	2,505	1,504	—	4,009
Depreciation and amortization	9,058	351	—	9,409
Total operating expenses	253,824	8,764	(1,155)	261,433
Operating loss	(193,540)	(134)	806	(192,868)
Nonoperating revenues (expenses):				
State appropriations, noncapital	164,486	—	—	164,486
Federal financial aid grants, noncapital	28,697	—	—	28,697
State financial aid grants, noncapital	24,889	—	—	24,889
Local financial aid grants, noncapital	—	—	—	—
Nongovernmental and other financial aid grants, noncapital	616	—	(629)	(13)
Other federal nonoperating grants, noncapital	42,820	—	—	42,820
Gifts, noncapital	198	1,717	(177)	1,738
Investment loss, net	(10,908)	(95)	—	(11,003)
Endowment loss, net	—	(2,104)	—	(2,104)
Interest expense	(2,646)	(21)	—	(2,667)
Other nonoperating revenues	12,335	59	—	12,394
Net nonoperating income (loss)	260,487	(444)	(806)	259,237
Income (loss) before other revenues	66,947	(578)	—	66,369
State appropriations, capital	—	—	—	—
Grants and gifts, capital	—	—	—	—
Additions (reductions) to permanent endowments	—	—	—	—
Increase (decrease) in net position	66,947	(578)	—	66,369
Net position:				
Net position at beginning of year	(260,558)	34,251	—	(226,307)
Net position at end of year	\$ (193,611)	33,673	—	(159,938)

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, STANISLAUS

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from operating activities:	
Student tuition and fees	\$ 46,363
Federal grants and contracts	3,116
State grants and contracts	1,698
Local grants and contracts	492
Nongovernmental grants and contracts	565
Payments to suppliers	(46,609)
Payments to employees	(92,758)
Payments for benefits	(45,779)
Payments to students	(44,808)
Collections of student loans	418
Sales and services of educational activities	231
Sales and services of auxiliary enterprises	1,006
Other receipts	10,618
Net cash used in operating activities	(165,447)
Cash flows from noncapital financing activities:	
State appropriations	155,506
Federal financial aid grants	28,697
State financial aid grants	24,889
Nongovernmental and other financial aid grants	616
Other federal nonoperating grants	42,820
Gifts and grants received for other than capital purposes	198
Federal loan program receipts	22,914
Federal loan program disbursements	(23,683)
Monies received on behalf of others	1,156
Monies disbursed on behalf of others	(990)
Transfers to escrow agent	—
Proceeds from long-term debt	—
Principal paid on long-term debt	—
Interest paid on long-term debt	(32)
Issuance of notes receivable	—
Principal collections on leases receivable	—
Interest collections on leases receivable	—
Principal collections on notes receivable	—
Interest collections on notes receivable	—
Other noncapital financing activities	9,927
Net cash provided by noncapital financing activities	262,018
Cash flows from capital and related financing activities:	
Proceeds from capital debt	—
State appropriations	—
State appropriations – SPWB Lease Revenue Bond program	—
Capital grants and gifts	—
Proceeds from sale of capital assets	—
Acquisition of capital assets	(18,056)
Transfers to escrow agent	—
Principal paid on capital debt and leases	(2,376)
Interest paid on capital debt and leases	(3,043)
Principal collection on leases receivable	5,674
Interest collection on leases receivable	—
Net cash used in capital and related financing activities	(17,801)

CALIFORNIA STATE UNIVERSITY, STANISLAUS

Statement of Cash Flows

Year ended June 30, 2022

(In thousands)

	Campus
Cash flows from investing activities:	
Proceeds from sales of investments	\$ 316,400
Purchases of investments	(398,814)
Investment income proceeds	2,842
Net cash used in investing activities	(79,572)
Net decrease in cash and cash equivalents	(802)
Cash and cash equivalents at beginning of year	802
Cash and cash equivalents at end of year	\$ —
Summary of cash and cash equivalents at end of year:	
Cash and cash equivalents	\$ —
Restricted cash and cash equivalents	—
Total cash and cash equivalents at end of year	\$ —
Reconciliation of operating loss to other receipts:	
Operating loss	\$ (193,540)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	9,058
Change in assets and liabilities:	
Accounts receivable, net	(1,798)
Student loans receivable, net	333
Pledges receivable, net	—
Prepaid expenses and other current assets	325
Other assets	72
Deferred outflows of resources	80
Accounts payable	2,416
Accrued salaries and benefits	726
Accrued compensated absences	(45)
Unearned revenues	4,285
Depository accounts	—
Total other postemployment benefits liability	9,759
Net pension liability	(60,502)
Other liabilities	1,103
Deferred inflows of resources	62,281
Net cash used in operating activities	\$ (165,447)
Supplemental schedule of noncash transactions:	
Change in unrealized gain (loss) of investment	\$ (13,753)
State's contribution for OPEB	8,980
Change in capital assets due to implementation of GASB 87	2,974
Acquisition of capital asset through long-term debt obligations	—
Other assets paid through long-term debt	—

See accompanying independent auditors' report.

CALIFORNIA STATE UNIVERSITY, STANISLAUS

Transactions with Related Entities

Year ended June 30, 2022

(In thousands)

	Campus
Payments from discretely presented component units for salaries of personnel working on contracts, grants, and other programs	\$ —
Payments from discretely presented component units for other than salaries	5,428
Payments to discretely presented component units for services, space, and programs	2,330
Gifts in kind from discretely presented component units	7
Gifts (cash or assets) from discretely presented component units	—
Accounts receivable from discretely presented component units	349
Other amounts receivable from discretely presented component units	—
Accounts payable to discretely presented component units	(1,576)
Other amounts payable to discretely presented component units	—
Payments to the Office of the Chancellor for administrative activities	125
Payments to the Office of the Chancellor for state pro rata charges	64
Accounts receivable from the Office of the Chancellor	137
Accounts payable to the Office of the Chancellor	—
Accounts receivable from campuses other than the Office of the Chancellor	—
Accounts payable to campuses other than the Office of the Chancellor	(80)
State lottery allocation received	922
Other interagency payments (receipts) for services, space, and programs	276

See accompanying independent auditors' report.



CSU The California State University

401 Golden Shore, Long Beach, CA 90802

www.calstate.edu