



**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE POLYTECHNIC  
UNIVERSITY, POMONA**

**Financial Statements and Supplemental  
Schedules for the Year Ended June 30, 2009  
and Independent Auditors' Report**

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**

**June 30, 2009**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Associated Students, Inc. (ASI)  
California State Polytechnic University, Pomona  
Pomona, California

We have audited the accompanying financial statements of the Associated Students, Inc., California State Polytechnic University, Pomona, (ASI) as of June 30, 2009 and for the year then ended. These financial statements are the responsibility of ASI's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the ASI's 2008 financial statements and, in our report dated September 2, 2008, we expressed an unqualified opinion on those financial statements. As stated in Note 7, the balance of net assets was restated to conform with generally accepted accounting principals.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ASI as of June 30, 2009, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules included on pages 15 through 25 are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules are the responsibility of the ASI's management. Such supplemental schedules have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to basic financial statements taken as a whole.

VICENTI, LLOYD & STUTZMAN LLP

September 3, 2009

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**

**STATEMENT OF FINANCIAL POSITION**  
**June 30, 2009**

(With Comparative Totals for 2008)

	<u>General</u>	<u>Bronco Student Center</u>	<u>Agency</u>	<u>IRA</u>	<u>Total 2009</u>	<u>Total 2008</u>
<b>ASSETS</b>						
Cash and cash equivalents						
On hand and in bank	\$ 127,316	\$ 150,206	\$ 96,723	\$ 109,495	\$ 483,740	\$ 189,017
Savings accounts		1,688			1,688	1,122
Investments in money funds	<u>2,882,678</u>	<u>1,969,448</u>	<u>467,674</u>		<u>5,319,800</u>	<u>5,218,080</u>
Total cash and cash equivalents	3,009,994	2,121,342	564,397	109,495	5,805,228	5,408,219
Receivables						
Accounts receivables, net of allowance for doubtful accounts of \$6,000 (General) and \$7,088 (BSC) in 2009 and \$6,000 (General) and \$6,738 (BSC) in 2008	111,919	35,343	1,975		149,237	100,109
California State Polytechnic University, Pomona		<u>75,018</u>		<u>15,809</u>	<u>90,827</u>	<u>70,423</u>
Total accounts receivable	111,919	110,361	1,975	15,809	240,064	170,532
Prepaid expenses	-	-	-	-	-	2,819
Property, plant and equipment, net of accumulated depreciation and amortization	<u>4,641</u>	<u>163,225</u>			<u>167,866</u>	<u>222,464</u>
Total assets	<u>\$ 3,126,554</u>	<u>\$ 2,394,928</u>	<u>\$ 566,372</u>	<u>\$ 125,304</u>	<u>\$ 6,213,158</u>	<u>\$ 5,804,034</u>

See accompanying auditors' report and notes to financial statements.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**

**STATEMENT OF FINANCIAL POSITION**  
**June 30, 2009**

(With Comparative Totals for 2008)

	<u>General</u>	<u>Bronco Student Center</u>	<u>Agency</u>	<u>IRA</u>	<u>Total 2009</u>	<u>Total 2008</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 49,787	\$ 142,316	\$ 10,572	\$ 125,304	\$ 327,979	\$ 251,871
Accrued liabilities	116,233	101,370	8,103		225,706	152,989
Funds held for student organizations			535,775		535,775	531,280
Due to (from) interfund activities	186,988	(198,910)	11,922		-	-
Deferred revenue	31,314				31,314	-
Capital lease obligation		1,842			1,842	20,962
Postretirement benefit payable	<u>1,319,475</u>	<u>1,517,228</u>			<u>2,836,703</u>	<u>2,318,738</u>
Total liabilities	<u>1,703,797</u>	<u>1,563,846</u>	<u>566,372</u>	<u>125,304</u>	<u>3,959,319</u>	<u>3,275,840</u>
<b>NET ASSETS</b>						
Unrestricted net assets						
Designated	208,799				208,799	160,701
Undesignated	<u>1,213,958</u>	<u>831,082</u>			<u>2,045,040</u>	<u>2,367,493</u>
Total net assets	<u>1,422,757</u>	<u>831,082</u>	<u>-</u>	<u>-</u>	<u>2,253,839</u>	<u>2,528,194</u>
 Total liabilities and net assets	 <u>\$ 3,126,554</u>	 <u>\$ 2,394,928</u>	 <u>\$ 566,372</u>	 <u>\$ 125,304</u>	 <u>\$ 6,213,158</u>	 <u>\$ 5,804,034</u>

See accompanying auditors' report and notes to financial statements.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**



**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2009**

(With Comparative Totals for 2008)

	<u>General</u>	<u>Bronco Student Center</u>	<u>Total 2009</u>	<u>Total 2008</u>
<b>REVENUES</b>				
Student activity fee	\$ 1,996,122	\$	\$ 1,996,122	\$ 1,953,172
Student center fees		2,998,000	2,998,000	2,759,600
Programs:				
Academic programs	29,512		29,512	22,822
Cultural affairs	10,456		10,456	27,960
Student services	232,032	486,310	718,342	763,101
Recreation intramurals	28,998		28,998	26,165
ASI departments			-	1,375
Rental income		335,493	335,493	373,211
Interest income	79,276	59,936	139,212	281,667
Administrative fees	140,000		140,000	140,000
Other income, net	1,940	21,949	23,889	11,208
Total revenues	<u>2,518,336</u>	<u>3,901,688</u>	<u>6,420,024</u>	<u>6,360,281</u>
<b>EXPENSES</b>				
Programs:				
Academic programs	378,670		378,670	327,703
Cultural affairs	137,399	270,817	408,216	410,635
Student services	577,238	942,608	1,519,846	1,515,939
Intercollegiate athletics	383,578		383,578	376,273
Recreation intramurals	139,004		139,004	124,322
Student government	151,484	20,031	171,515	157,528
Rental expenses		343,388	343,388	310,136
General and administrative	754,397	2,376,030	3,130,427	2,948,731
Total expenses	<u>2,521,770</u>	<u>3,952,874</u>	<u>6,474,644</u>	<u>6,171,267</u>
<b>Change in net assets before other changes</b>	(3,434)	(51,186)	(54,620)	189,014
<b>Other changes - Postretirement-related changes other than net periodic benefit cost</b>	<u>(26,780)</u>	<u>(30,799)</u>	<u>(57,579)</u>	<u>-</u>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>	<u>(30,214)</u>	<u>(81,985)</u>	<u>(112,199)</u>	<u>189,014</u>
<b>NET ASSETS - beginning of year as originally stated</b>	1,529,184	999,010	2,528,194	2,339,180
<b>Adjustment for restatement (see note 7)</b>	<u>(76,213)</u>	<u>(85,943)</u>	<u>(162,156)</u>	<u>-</u>
<b>NET ASSETS - beginning of year as restated</b>	<u>1,452,971</u>	<u>913,067</u>	<u>2,366,038</u>	<u>2,339,180</u>
<b>NET ASSETS - end of year</b>	<u>\$ 1,422,757</u>	<u>\$ 831,082</u>	<u>\$ 2,253,839</u>	<u>\$ 2,528,194</u>

See accompanying auditors' report and notes to financial statements.

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**

**STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 2009**

(With Comparative Totals for 2008)

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS from OPERATING ACTIVITIES:</b>		
<b>Increase (decrease) in unrestricted net assets</b>	\$ (112,199)	\$ 189,014
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	78,232	126,042
Loss of disposition of assets		1,286
(Increase) decrease in operating assets:		
Accounts receivable, net	(49,128)	214,167
Accounts receivable, California State Polytechnic University, Pomona	(20,404)	(9,101)
Prepaid assets	2,819	1,433
Increase (decrease) in operating liabilities:		
Accounts payable	76,108	29,511
Accrued liabilities	72,717	(10,154)
Postretirement benefit payable	355,809	30,690
Funds held for student organizations	4,495	(6,972)
Due to (from) interfund activities	-	-
Deferred revenue	31,314	(43,402)
Net cash provided by operating activities	<u>439,763</u>	<u>522,514</u>
<b>CASH FLOWS from INVESTING ACTIVITIES:</b>		
Purchase of property, plant, and equipment	<u>(23,634)</u>	<u>(6,000)</u>
Net cash used by investing activities	(23,634)	(6,000)
<b>CASH FLOWS from FINANCING ACTIVITIES:</b>		
Principal payments under capital lease obligation	<u>(19,120)</u>	<u>(17,092)</u>
Net cash used by financing activities	(19,120)	(17,092)
<b>Net increase in cash and cash equivalents</b>	397,009	499,422
<b>Cash and cash equivalents at the beginning of the year</b>	<u>5,408,219</u>	<u>4,908,797</u>
<b>Cash and cash equivalents at the end of the year</b>	<u>\$ 5,805,228</u>	<u>\$ 5,408,219</u>
<b>CASH PAID FOR INTEREST</b>	<u>\$ 1,394</u>	<u>\$ 3,422</u>

See accompanying auditors' report and notes to financial statements.

ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

**NOTE 1 - ORGANIZATION:**

Associated Students, Inc., California State Polytechnic University, Pomona (ASI), is a California public benefit corporation which is an auxiliary organization to California State Polytechnic University, Pomona (University). The purpose of ASI is to further educational services and related activity of the students of the University.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

A summary of ASI's significant accounting policies applied in the preparation of the accompanying financial statements follows:

**Basic Presentation**

The financial statements of ASI have been presented in accordance with the Auditing and Accounting Guide for Not-For-Profit Organizations issued by the American Institute of Certified Public Accountants. The guide states that net assets and revenues, expenses, gains and losses be classified based on the existence or absence of donor-imposed restrictions. As of June 30, 2009, ASI did not have any restricted net assets. Accordingly, net assets of ASI and changes therein are classified and reported as follows:

***General***

General activities include management of all financial resources of ASI that are not classified in the other activity. Revenues are generated through student fees, student programs, investment of idle cash, rental of office space, and fees for administration of campus related programs and recognized when earned.

***Bronco Student Center***

The Bronco Student Center (Student Center) accounts for activities of the student union building rental of its spaces and other Student Center related activities within the University community.



ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**Basic Presentation** (continued)

*Agency Accounts*

Agency accounts (Agency and IRA Funds) represent all funds held by ASI for others. Included are funds administered by ASI on behalf of University academic and administrative units and other campus organization which are shown as funds held for student organizations on the statement of financial position. It is management's belief that ASI is acting as an agent for the transactions of these units. Accordingly, the activities of such organizations are not recorded in the Statement of Activities.

*Estimates*

In preparing financial statements in conformity with general accepted accounting principles, management is required to make estimates assumptions that affect the reporting amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Cash and Cash Equivalents*

Cash equivalents consist of investments in the State of California's Local Agency Investment Fund (LAIF) and state investment pools with purchase maturities of 201 days or less. ASI is exposed to credit loss for the amount of cash equivalents in the event of nonperformance by LAIF or the state investment pools. In accordance with ASI's cash management policy, all excess cash is invested in LAIF or state investment pools.

*Property*

Fixed assets are stated at cost, if purchased, or at fair value as of the date of receipt, if donated. Legal title to the Student Center building is retained by the Board of Trustees of the California State University. Accordingly, the related assets and liabilities are excluded from the ASI financial statements.

ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**Basic Presentation** (continued)

*Property (continued)*

Depreciation is provided for using the straight-line method over the estimated useful lives of the assets, which range from five to fifteen years. Leasehold improvements are amortized using the straight-line method over their estimated useful lives or the term of the lease, whichever is shorter. Capital lease amortization is included with depreciation expense in the Statement of Activities.

*Income Taxes*

ASI is exempt from federal income and state franchise taxes under Section 501 (c)(3) of the Internal Revenue Code and corresponding California statutes.

*Functional Expenses*

The costs of providing various programs and other activities of ASI have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among programs and supporting services benefited.

*Comparative Totals and Reclassifications*

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Student Center's financial statements for the year ended June 30, 2008, from which the summarized information was derived.

Certain amounts in the 2008 financial statements have been reclassified to conform to the 2009 presentation.

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**

**NOTES TO THE FINANCIAL STATEMENTS**

**June 30, 2009**

**NOTE 3 - BRONCO STUDENT CENTER RETURN OF SURPLUS REVENUE FUNDS:**

Full-time and part-time students of California State Polytechnic University, Pomona are required to pay a fee to service debt related to the construction and operation of the Student Center building. The fees, collected by the University Accounting Office, are deposited in the California State Treasury. The California State University Board of Trustees have the right to first call on these funds for revenue bond debt service requirements and for repairs and replacements of plant assets. The remaining funds are available for use in operating the Student Center for the benefit of the students. The transfer of student fees is recorded as revenue in the year in which the fees are remitted to the Student Center. For the year ended June 30, 2009, the fees totaled \$2,998,000.

**NOTE 4 – PROPERTY:**

The following is a summary of property as of June 30, 2009:

Leasehold improvements	\$ 459,890
EMS equipment	169,000
Other	281,269
Capital leases	<u>151,507</u>
	1,061,666
Less: accumulated depreciation and amortization	<u>(893,800)</u>
	<u>\$ 167,866</u>

**NOTE 5 – CAPITAL LEASE OBLIGATION:**

The following is a schedule of minimum lease payments for the years ended June 30:

2010	\$ <u>1,861</u>
	1,861
Less: interest expense	<u>(19)</u>
	<u>\$ 1,842</u>

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**

**NOTES TO THE FINANCIAL STATEMENTS**

**June 30, 2009**

**NOTE 6 – DESIGNATED NET ASSETS:**

The following are unrestricted net assets that are designated by the Board of Directors as of June 30, 2009:

Emergency reserve	\$130,000
Capital expenditures reserve	<u>78,799</u>
	<u>\$208,799</u>

In accordance with ASI's by-laws, investment earnings on designated funds are recognized as designated except for amounts earned on the emergency reserve funds and amounts earned in excess of \$3,000 on the capital expenditures reserve funds which are recognized in general activities.

**NOTE 7 – NET ASSET RESTATEMENT:**

The balance of net assets was restated to recognize the portion of the net periodic post-retirement benefit cost and related liability not previously accrued.

**NOTE 8 – RELATED PARTY TRANSACTIONS:**

ASI and the University charged each other for various services during the year. At June 30, 2009, accounts receivables include \$90,827 due from the University and accounts payables include \$87,655 due to the University. A portion of these are for activities related to those funds under ASI's care whose activities are not recognized as revenue and expenses of ASI, these total \$15,809 and \$2,388 respectively.

Amounts billed by ASI to the University and included in revenues for the year ended June 30, 2009 totaled \$5,097,827. Also, \$920,006 were invoiced by ASI to the University for the Agency and IRA accounts under ASI's care for the year ended June 30, 2009.

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**

**NOTES TO THE FINANCIAL STATEMENTS**

**June 30, 2009**

**NOTE 8 – RELATED PARTY TRANSACTIONS: (continued)**

ASI has entered into a contractual agreement (consistent with the master operating agreement) with the University to provide accounting services for the Instructional Related Activities accounts. Accounting services include budget preparations, payments of invoices, promotional, operational and general services and materials for the Instructional Related Activities. Total revenue and expenses for the Instructional Related Activities for the year ended June 30, 2009 were \$1,038,282 and \$843,432 respectively.

ASI currently leases a total of 123,803 square feet of space for Bronco Student Center activity as provided in a master operating agreement between the Trustees of the California State University and ASI. In May 1999, ASI entered into an agreement to transfer its right to use certain leased spaced in the Student Center to the University for \$400,000. Under this agreement, ASI also agreed to provide maintenance and repair services for a maximum period of 40 years or \$60,000.

**NOTE 9 – PENSION PLAN:**

ASI participates in a multi-employer defined benefit plan through the Public Employees' Retirement System plan ("PERS") which covers substantially all regular full-time employees of ASI. PERS acts as a common investment and administrative agent for participating public entities within the State of California. ASI's policy is to fund pension costs as accrued. Contributions for 2008-09 were \$106,115 and are estimated at \$113,943 for 2009-10.

**NOTE 10 – POST-RETIREMENT HEALTH BENEFIT PLAN:**

In addition to providing pension benefits, ASI sponsors a defined benefit post-retirement medical plan. Employees are eligible for certain medical benefits under the plan if they meet certain age and service requirements at the time of retirement. ASI accrues actuarially determined costs ratably to the date an employee becomes eligible for such benefits.

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**

**NOTES TO THE FINANCIAL STATEMENTS**

**June 30, 2009**

**NOTE 10 – POST-RETIREMENT HEALTH BENEFIT PLAN: (continued)**

The following table summarizes the ASI's accrued postretirement benefit cost recorded in accrued liabilities in the accompanying statements of financial position:

**Obligations and Funded Status at June 30**

	<u>2009</u>
<b>Change in benefit obligation</b>	
Benefit obligation at beginning of year	\$2,288,048
Service Cost	158,272
Interest Cost	135,684
Amendments	N/A
Actuarial loss	333,004
Acquisition	
Benefits paid	<u>(78,305)</u>
Benefit Obligation at end of year	<u>\$2,836,703</u>
<b>Change in plan assets</b>	
Fair value of plan assets at beginning of year	0
Actual return on plan assets	0
Acquisition	N/A
Employer contribution	0
Plan participants' contributions	0
Benefits paid	0
Fair value of plan assets at end of year	0
<b>Funded Status</b>	
Benefit Obligation at June 30	\$2,836,703
Unrecognized net transition obligation	156,664
Unrecognized prior service cost	0
Unrecognized net actuarial (gain)/loss	1,706,545
Prepaid (accrued) benefit cost	973,494
Measurement date	06/30/2009
Funded status at end of year	(2,836,703)

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**

**NOTES TO THE FINANCIAL STATEMENTS**

**June 30, 2009**

**NOTE 10 – POST-RETIREMENT HEALTH BENEFIT PLAN: (continued)**

	<b>2009</b>
<b>Net Periodic Benefit Cost</b>	
Service Cost	\$ 158,272
Interest Cost	135,684
Expected return on plan assets	0
Amortization of transition obligation	8,699
Amortization of prior service cost (benefit)	0
Amortization of net (gain) loss	<u>73,880</u>
Net periodic benefit cost	<u>\$ 376,535</u>
 <b>Other Changes in Postretirement Benefit Obligation Recognized in Changes to Unrestricted Net Assets</b>	
Actuarial loss (gain) arising from experience being different than what was assumed in an earlier valuation or assumption changes:	<u>\$ 57,579</u>
 <b>Assumptions</b>	
Weighted-average assumption used to determine benefit obligations at June 30	
Discount rate	6.00%
Expected long-term return on plan assets	N/A
Rate of compensation increase	N/A
Health care cost trend rate assumed for next year	10.00%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.5%
Year that the rate reaches the ultimate trend rate	3 yrs

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**

**NOTES TO THE FINANCIAL STATEMENTS**

**June 30, 2009**

**NOTE 10 – POST-RETIREMENT HEALTH BENEFIT PLAN: (continued)**

The ASI does not expect to contribute any funds to the plan during the next fiscal year. The following is a projection of expected future benefit payments under the plan:

Fiscal Year Ending in:	Expected Future Benefit Payments
2010	\$ 95,000
2011	108,000
2012	139,000
2013	143,000
2014	162,000
2015	177,000
2016	189,000
2017	188,000
2018	210,000
2019	233,000

The following table includes the amounts in unrestricted net assets expected to be recognized as components of net periodic benefit cost over the 2009-10 fiscal year:

Transition Obligation	\$ 8,699
Prior Service Cost (Credit)	0
Actuarial Loss (Gain)	<u>87,995</u>
Total	<u>\$96,694</u>



**SUPPLEMENTARY INFORMATION**

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**

**EXPENSES BY NATURAL CLASSIFICATION**  
**For the Year Ended June 30, 2009**

(With Comparative Totals for 2008)

	<u>General</u>	<u>Bronco Student Center</u>	<u>Total 2009</u>	<u>Total 2008</u>
<b>EXPENSES</b>				
Salaries and wages	\$ 819,292	\$ 1,848,564	\$ 2,667,856	\$ 2,453,819
Student programs	1,079,237		1,079,237	1,073,176
Staff benefits	365,899	529,524	895,423	552,516
Depreciation and amortization	3,513	74,719	78,232	126,042
Loss on disposal of assets			-	1,286
Other operating expenses				
Administration staff support	2,835	36,773	39,608	28,329
BSC programs		61,610	61,610	40,904
BSC student services		423,329	423,329	470,125
Communications	12,930	28,066	40,996	36,973
Computer	19,304	32,092	51,396	52,206
Conference center		12,808	12,808	9,528
Director's, chairperson's and board's expenses	4,022	14,218	18,240	14,287
Dues and subscriptions	787	2,972	3,759	4,020
Energy management system		14,526	14,526	14,943
Equipment rental		6,355	6,355	5,052
Insurance	46,112	30,747	76,859	73,700
Interest	9,715	14,965	24,680	21,796
Legal, audit and professional services	22,855	22,660	45,515	276,335
Miscellaneous	73,259	31,850	105,109	193,811
Moving and relocation	1,030	1,430	2,460	23,934
Non-capital equipment less than \$5,000	981	41,375	42,356	70,789
Office operations	20,760	24,652	45,412	38,478
Printing and advertising		32,323	32,323	40,163
Public relations	7,263	74,875	82,138	76,811
Repairs and maintenance	17,763	7,960	25,723	8,669
Special capital expenditures		149,348	149,348	34,916
Scholarships		10,278	10,278	8,868
Structure repairs and maintenance	13,859	99,722	113,581	135,133
Supplies and services	354	76,483	76,837	62,111
Utilities		248,650	248,650	222,547
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total expenses	<u>\$ 2,521,770</u>	<u>\$ 3,952,874</u>	<u>\$ 6,474,644</u>	<u>\$ 6,171,267</u>

See accompanying independent auditors' report.

**Associated Students Inc.**

## Schedule of Net Assets

June 30, 2009

(for inclusion in the California State University)

## Assets:

## Current assets:

Cash and cash equivalents	\$ 483,740
Short-term investments	5,321,488
Accounts receivable, net	240,064
Leases receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other assets	-
Total current assets	<u>6,045,292</u>

## Noncurrent assets:

Restricted cash and cash equivalents	-
Accounts receivable, net	-
Leases receivable, net of current portion	-
Notes receivable, net of current portion	-
Student loans receivable, net	-
Pledges receivable, net	-
Endowment investments	-
Other long-term investments	-
Capital assets, net	167,866
Other assets	-
Total noncurrent assets	<u>167,866</u>
Total assets	<u>6,213,158</u>

## Liabilities:

## Current liabilities:

Accounts payable	327,979
Accrued salaries and benefits payable	76,675
Accrued compensated absences— current portion	112,747
Deferred revenue	-
Capitalized lease obligations – current portion	1,842
Long-term debt obligations – current portion	-
Self-insurance claims liability - current portion	-
Other liabilities	95,000
Total current liabilities	<u>614,243</u>

## Noncurrent liabilities:

Accrued compensated absences, net of current portion	36,284
Deferred revenue	31,314
Grants refundable	-
Capitalized lease obligations, net of current portion	-
Long-term debt obligations, net of current portion	-
Self-insurance claims liabilities, net of current portion	-
Depository accounts	535,775
Other postemployment benefits obligation	-
Other liabilities	2,741,703
Total noncurrent liabilities	<u>3,345,076</u>
Total liabilities	<u>3,959,319</u>

## Net assets:

Invested in capital assets, net of related debt	166,024
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Other	-
Unrestricted	<u>2,087,815</u>
Total net assets	<u>\$ 2,253,839</u>

See accompanying independent auditors' report.

**Associated Students Inc.**  
 Schedule of Revenues, Expenses, and Changes in Net Assets  
 Year Ended June 30, 2009  
 (for inclusion in the California State University)

## Revenues:

## Operating revenues:

Student tuition and fees (net of scholarship allowances of \$ )	\$ 4,994,122
Grants and contracts, noncapital:	
Federal	-
State	-
Local	-
Nongovernmental	-
Sales and services of educational activities	-
Sales and services of auxiliary enterprises (net of scholarship allowances of \$ )	1,122,801
Other operating revenues	<u>163,889</u>
Total operating revenues	<u>6,280,812</u>

## Expenses:

## Operating expenses:

Instruction	-
Research	-
Public service	-
Academic support	6,016,348
Student services	378,670
Institutional support	-
Operation and maintenance of plant	-
Student grants and scholarships	-
Auxiliary enterprise expenses	-
Depreciation and amortization	<u>78,232</u>
Total operating expenses	<u>6,473,250</u>
Operating income (loss)	<u>(192,438)</u>

## Nonoperating revenues (expenses):

State appropriations, noncapital	-
Federal financial aid grants, noncapital	-
State financial aid grants, noncapital	-
Local financial aid grants, noncapital	-
Nongovernmental and other financial aid grants, noncapital	-
Gifts, noncapital	-
Investment income (loss), net	139,212
Endowment income	-
Interest Expenses	(1,394)
Other nonoperating revenues (expenses)	<u>(57,579)</u>
Net nonoperating revenues (expenses)	<u>80,239</u>
Income (loss) before other additions	(112,199)

State appropriations, capital

-

Grants and gifts, capital

-

Additions (reductions) to permanent endowments

-

Increase (decrease) in net assets

(112,199)

## Net assets:

Net assets at beginning of year, as previously reported	2,528,194
Restatements	<u>(162,156)</u>
Net assets at beginning of year, as restated	<u>2,366,038</u>
Net assets at end of year	<u>\$ 2,253,839</u>

See accompanying independent auditors' report.



Associated Students Inc.  
Other Information  
Year Ended June 30, 2009  
(for inclusion in the California State University)

**1 Restricted cash and cash equivalents at June 30, 2009:**

Portion of restricted cash and cash equivalents related to endowments	\$	—
All other restricted cash and cash equivalents		—
Total restricted cash and cash equivalents	\$	<u>—</u>

**2.1 Composition of investments at June 30, 2009:**

	<u>Current Unrestricted</u>	<u>Current Restricted</u>	<u>Total Current</u>	<u>Noncurrent Unrestricted</u>	<u>Noncurrent Restricted</u>	<u>Total Noncurrent</u>	<u>Total</u>
State of California Surplus Money Investment Fund (SMIF)	\$	—	—	—	—	—	—
State of California Local Agency Investment Fund (LAIF)	5,319,800	—	5,319,800	—	—	—	5,319,800
Wachovia Short Term Fund	—	—	—	—	—	—	—
Wachovia Medium Term Fund	—	—	—	—	—	—	—
Wachovia Equity Fund	—	—	—	—	—	—	—
US Bank SWIFT pool	—	—	—	—	—	—	—
Common Fund - Short Term Fund	—	—	—	—	—	—	—
Common Fund - Others	—	—	—	—	—	—	—
Debt securities	—	—	—	—	—	—	—
Equity securities	—	—	—	—	—	—	—
Fixed income securities (Treasury notes, GNMA's)	1,688	—	1,688	—	—	—	1,688
Land and other real estate	—	—	—	—	—	—	—
Certificates of deposit	—	—	—	—	—	—	—
Notes receivable	—	—	—	—	—	—	—
Mutual funds	—	—	—	—	—	—	—
Collateralized mortgage obligations:	—	—	—	—	—	—	—
Inverse floaters	—	—	—	—	—	—	—
Interest-only strips	—	—	—	—	—	—	—
Agency pass-through	—	—	—	—	—	—	—
Private pass-through	—	—	—	—	—	—	—
Other major investments:	—	—	—	—	—	—	—
	—	—	—	—	—	—	—
	—	—	—	—	—	—	—
	—	—	—	—	—	—	—
	—	—	—	—	—	—	—
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	—	—	—	—	—	—	—
	—	—					

Associated Students Inc.  
 Other Information  
 Year Ended June 30, 2009  
 (for inclusion in the California State University)

**2.2 - Investments held by the University under contractual agreements at June 30, 2009 :**

Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2009 :

-

**2.3 - Restricted current investments at June 30, 2009 related to:**

<u>Amount</u>
\$ —
—
—
—
—
—
—
—
—
—
—
<u>—</u>
<u>—</u>

**Total restricted current investments at June 30, 2009**

\$ —

**2.4 - Restricted noncurrent investments at June 30, 2009 related to:**

<u>Amount</u>
\$ —
—
—
—
—
—
—
—
—
—
—
<u>—</u>
<u>—</u>

**Total restricted noncurrent investments at June 30, 2009**

\$ —

See accompanying independent auditors' report.

Associated Students Inc.  
 Other Information  
 Year Ended June 30, 2009  
 (for inclusion in the California State University)

**3.1 Composition of capital assets at June 30, 2009:**

	Balance June 30, 2008	Prior period Adjustments	Reclassifications	Balance June 30, 2008 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2009
Nondepreciable capital assets:								
Land and land improvements	\$ —	—	—	—	—	—	—	—
Works of art and historical treasures	—	—	—	—	—	—	—	—
Construction work in progress (CWIP)	—	—	—	—	—	—	—	—
Total nondepreciable capital assets	—	—	—	—	—	—	—	—
Depreciable capital assets:								
Buildings and building improvements	—	—	—	—	—	—	—	—
Improvements, other than buildings	—	—	—	—	—	—	—	—
Infrastructure	—	—	—	—	—	—	—	—
Leasehold improvements	449,175	—	—	449,175	10,715	—	—	459,890
Personal property:								
Equipment	588,857	—	—	588,857	12,919	—	—	601,776
Library books and materials	—	—	—	—	—	—	—	—
Intangible assets	—	—	—	—	—	—	—	—
Total depreciable capital assets	1,038,032	—	—	1,038,032	23,634	—	—	1,061,666
Total capital assets	1,038,032	—	—	1,038,032	23,634	—	—	1,061,666
Less accumulated depreciation:								
Buildings and building improvements	—	—	—	—	—	—	—	—
Improvements, other than buildings	—	—	—	—	—	—	—	—
Infrastructure	—	—	—	—	—	—	—	—
Leasehold improvements	(319,190)	—	—	(319,190)	(46,443)	—	—	(365,633)
Personal property:								
Equipment	(496,378)	—	—	(496,378)	(31,789)	—	—	(528,167)
Library books and materials	—	—	—	—	—	—	—	—
Intangible assets	—	—	—	—	—	—	—	—
Total accumulated depreciation	(815,568)	—	—	(815,568)	(78,232)	—	—	(893,800)
Total capital assets, net	\$ 222,464	—	—	222,464	(54,598)	—	—	167,866

**3.2 - Detail of depreciation and amortization expense for the year ended June 30, 2009:**

Depreciation and amortization expense related to capital assets	\$ 78,232
Amortization expense related to other assets	—
Total depreciation and amortization	\$ 78,232

See accompanying independent auditors' report.

Associated Students Inc.  
Other Information  
Year Ended June 30, 2009  
(for inclusion in the California State University)

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

	<u>Balance June 30, 2008</u>	<u>Prior period adjustments</u>	<u>Reclassifications</u>	<u>Balance June 30, 2008 (restated)</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2009</u>	<u>Current portion</u>	<u>Long-term portion</u>
Accrued compensated absences	\$ 135,047	—	—	135,047	13,984	—	149,031	112,747	36,284
Capitalized lease obligations:									
Gross balance	20,962	—	—	20,962	—	(19,120)	1,842	1,842	—
Unamortized premium / (discount) on capitalized lease obligations	—	—	—	—	—	—	—	—	—
Total capitalized lease obligations	<u>20,962</u>	<u>—</u>	<u>—</u>	<u>20,962</u>	<u>—</u>	<u>(19,120)</u>	<u>1,842</u>	<u>1,842</u>	<u>—</u>
Long-term debt obligations:									
Revenue Bonds	—	—	—	—	—	—	—	—	—
Other bonds (non-Revenue Bonds)	—	—	—	—	—	—	—	—	—
Commercial Paper	—	—	—	—	—	—	—	—	—
Other:									
Description	—	—	—	—	—	—	—	—	—
Description	—	—	—	—	—	—	—	—	—
Description	—	—	—	—	—	—	—	—	—
Description	—	—	—	—	—	—	—	—	—
Description	—	—	—	—	—	—	—	—	—
Description	—	—	—	—	—	—	—	—	—
Total long-term debt obligations	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Unamortized bond premium / (discount)	—	—	—	—	—	—	—	—	—
Unamortized loss on refunding	—	—	—	—	—	—	—	—	—
Total long-term debt obligations, net	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total long-term liabilities	<u>\$ 156,009</u>	<u>—</u>	<u>—</u>	<u>156,009</u>	<u>13,984</u>	<u>(19,120)</u>	<u>150,873</u>	<u>114,589</u>	<u>36,284</u>

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

	<u>Principal</u>	<u>Interest</u>	<u>Principal and Interest</u>
Year ending June 30:			
2010	1,842	19	1,861
2011	—	—	—
2012	—	—	—
2013	—	—	—
2014	—	—	—
2015 - 2019	—	—	—
2020 - 2024	—	—	—
2025 - 2029	—	—	—
2030 - 2034	—	—	—
2035 - 2039	—	—	—
2040 - 2044	—	—	—
2045 - 2049	—	—	—
2050 - 2054	—	—	—
2055 - 2059	—	—	—
Total minimum lease payments	<u>—</u>	<u>—</u>	<u>1,861</u>
Less amounts representing interest	<u>—</u>	<u>—</u>	<u>(19)</u>
Present value of future minimum lease payments	<u>—</u>	<u>—</u>	<u>1,842</u>
Less: current portion	<u>—</u>	<u>—</u>	<u>(1,842)</u>
<b>Capitalized lease obligation, net of current portion</b>	<u>—</u>	<u>—</u>	<u>\$ —</u>

See accompanying independent auditors' report.





Associated Students Inc.  
Other Information  
Year Ended June 30, 2009  
(for inclusion in the California State University)

6 Long-term debt obligation schedule

	Revenue Bonds			All other long-term debt obligations			Total		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Year ending June 30:									
2010	\$ —	—	—	—	—	—	—	—	—
2011	—	—	—	—	—	—	—	—	—
2012	—	—	—	—	—	—	—	—	—
2013	—	—	—	—	—	—	—	—	—
2014	—	—	—	—	—	—	—	—	—
2015 - 2019	—	—	—	—	—	—	—	—	—
2020 - 2024	—	—	—	—	—	—	—	—	—
2025 - 2029	—	—	—	—	—	—	—	—	—
2030 - 2034	—	—	—	—	—	—	—	—	—
2035 - 2039	—	—	—	—	—	—	—	—	—
2040 - 2044	—	—	—	—	—	—	—	—	—
2045 - 2049	—	—	—	—	—	—	—	—	—
2050 - 2054	—	—	—	—	—	—	—	—	—
2055 - 2059	—	—	—	—	—	—	—	—	—
Total	\$ —	—	—	—	—	—	—	—	—

7 Calculation of net assets

	Auxiliary Organizations		Total
	GASB	FASB	Auxiliaries
<b>7.1 Calculation of net assets - Invested in capital assets, net of related debt</b>			
Capital assets, net of accumulated depreciation	\$ —	167,866	167,866
Capitalized lease obligations - current portion	—	(1,842)	(1,842)
Capitalized lease obligations, net of current portion	—	—	—
Long-term debt obligations - current portion	—	—	—
Long-term debt obligations, net of current portion	—	—	—
Portion of outstanding debt that is unspent at year-end	—	—	—
Other:			
(description)	—	—	—
(description)	—	—	—
(description)	—	—	—
(description)	—	—	—
(description)	—	—	—
Net assets - invested in capital assets, net of related debt	\$ —	166,024	166,024

See accompanying independent auditors' report.



Associated Students Inc.  
Other Information  
Year Ended June 30, 2009  
(for inclusion in the California State University)

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

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

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

	Net Asset Class	Amount Dr. (Cr.)
Net assets as of June 30, 2008, as previously reported		\$ 2,528,194
Prior period adjustments:		
1 To recognize portion of retiree liability not accrued		(162,156)
2 (list description of each adjustment)		—
3 (list description of each adjustment)		—
4 (list description of each adjustment)		—
5 (list description of each adjustment)		—
6 (list description of each adjustment)		—
7 (list description of each adjustment)		—
8 (list description of each adjustment)		—
9 (list description of each adjustment)		—
10 (list description of each adjustment)		—
<b>Net assets as of June 30, 2008, as restated</b>		<b>\$ 2,366,038</b>

See accompanying independent auditors' report.

Associated Students Inc.  
 Other Information  
 Year Ended June 30, 2009  
 (for inclusion in the California State University)

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

	Debit	Credit
Net asset class: <u>UNRESTRICTED</u>		
1 (breakdown of adjusting journal entry)		
Unrestricted net assets - prior period adjustment	\$ 162,156	
Other liabilities - Post Retirement Benefit Payable		162,156
Net asset class: _____		
2 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
3 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
4 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
5 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
6 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
7 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
8 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
9 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
10 (breakdown of adjusting journal entry)	—	—

See accompanying independent auditors' report.