

Associated Students, Inc., California State Polytechnic University, Pomona

FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

Year Ended June 30, 2024



ASSOCIATED STUDENTS, INC., CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA
Financial Statements and Supplemental Information
Year Ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Associated Students, Inc., California State Polytechnic University, Pomona (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Associated Students, Inc., California State Polytechnic University, Pomona as of June 30, 2024, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Associated Students, Inc., California State Polytechnic University, Pomona 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 opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Associated Students, Inc., California State Polytechnic University, Pomona's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility 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 auditor's report that includes our opinion. 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 generally accepted auditing standards 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.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

Auditor's Responsibility for the Audit of the Financial Statements, continued

In performing an audit in accordance with generally accepted auditing standards 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 Associated Students, Inc., California State Polytechnic University, Pomona'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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Associated Students, Inc., California State Polytechnic University, Pomona's ability to continue as a going concern for a reasonable period of time.

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.

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information shown on pages 21-35 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 5, 2024, on our consideration of Associated Students, Inc., California State Polytechnic University, Pomona's internal control over financial reporting and on our tests of their 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 Associated Students, Inc., California State Polytechnic University, Pomona'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 Associated Students, Inc., California State Polytechnic University, Pomona's internal control over financial reporting and compliance.

Aldrich CPAs + Advisors LLP

San Diego, California
September 5, 2024

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**Statement of Financial Position**

June 30, 2024

	ASI & Club Funds	Instructionally Related Activities Fund	Facilities & Operations Fund	Total
ASSETS				
Cash	\$ 157,856	\$ 37,866	\$ 85,037	\$ 280,759
Investments	11,124,452	739	36,667,517	47,792,708
Accounts Receivable	207,671	15,207	371,282	594,160
Accounts Receivable - Related Parties	1,482,529	680,929	48,007	2,211,465
Due (To) From Other Funds	-	(538,000)	538,000	-
Prepaid Expenses and Other Assets	-	-	41,158	41,158
Property and Equipment, net of accumulated depreciation	612	-	642,030	642,642
Postretirement Benefit Asset	95,524	-	116,752	212,276
Total Assets	<u>\$ 13,068,644</u>	<u>\$ 196,741</u>	<u>\$ 38,509,783</u>	<u>\$ 51,775,168</u>
LIABILITIES				
Accounts Payable	\$ 33,974	\$ 21,393	\$ 584,893	\$ 640,260
Accounts Payable - Related Parties	42,661	33,746	658,114	734,521
Accrued Expenses	207,826	37,830	547,254	792,910
Funds Held for Others	-	103,772	-	103,772
Unfunded Pension Liability	570,701	-	3,234,914	3,805,615
Total Liabilities	<u>855,162</u>	<u>196,741</u>	<u>5,025,175</u>	<u>6,077,078</u>
NET ASSETS				
Net Assets, Without Donor Restrictions:				
Designated	12,213,482	-	26,708,470	38,921,952
Undesignated	-	-	6,776,138	6,776,138
Total Net Assets	<u>12,213,482</u>	<u>-</u>	<u>33,484,608</u>	<u>45,698,090</u>
Total Liabilities and Net Assets	<u>\$ 13,068,644</u>	<u>\$ 196,741</u>	<u>\$ 38,509,783</u>	<u>\$ 51,775,168</u>

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**Statement of Activities**

Year Ended June 30, 2024

	ASI & Club Funds	Facilities & Operations Fund	Total
REVENUES			
Other Operating Revenue	\$ 3,382,995	\$ 15,675,000	\$ 19,057,995
Program:			
Club fundraising	371,749	-	371,749
BRIC program fees	-	206,258	206,258
Student services	6,704	62,616	69,320
Student Center	3,809	62,612	66,421
Rental Income	-	181,824	181,824
Administrative Fees	-	140,000	140,000
Other Income	200	668	868
Total Revenues	3,765,457	16,328,978	20,094,435
EXPENSES			
Programs:			
BRIC	-	5,163,475	5,163,475
Clubs and organizations	1,561,490	-	1,561,490
Student Center	662,393	2,019,060	2,681,453
Children's Center	194,238	-	194,238
Total Programs	2,418,121	7,182,535	9,600,656
Supporting Services - Management and General:			
Rental	-	856,045	856,045
General and administrative	386,239	7,776,674	8,162,913
Total Expenses	2,804,360	15,815,254	18,619,614
Income from Operations - Without Donor Restrictions	961,097	513,724	1,474,821
NONOPERATING INCOME (EXPENSES)			
Other Components of Net Postretirement			
Benefit Cost	138,486	184,494	322,980
Postretirement Related Changes Other Than			
Net Postretirement Benefit Cost	144,567	214,859	359,426
Interest Income	464,929	1,747,529	2,212,458
Unrealized Gain on Investments	120,151	383,361	503,512
Total Nonoperating Income	868,133	2,530,243	3,398,376
Change in Net Assets Without Donor Restrictions	1,829,230	3,043,967	4,873,197
Net Assets, Without Donor Restrictions, beginning	10,384,252	30,440,641	40,824,893
Net Assets, Without Donor Restrictions, ending	\$ 12,213,482	\$ 33,484,608	\$ 45,698,090

See accompanying notes to financial statements.

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

Statement of Functional Expenses

Year Ended June 30, 2024

	Program Services					Supporting Services		
	BRIC	Clubs and Organizations	Student Center	Children's Center	Total Program	Rental	Management and General	Total
Bank charges and fees	\$ 18,228	\$ -	\$ -	\$ -	\$ 18,228	\$ -	\$ 14,416	\$ 32,644
Benefits	617,740	17,788	234,649	62,638	932,815	126,259	1,639,038	2,698,112
Capital expenditures	-	-	-	-	-	-	778,575	778,575
Depreciation	64,011	-	23,680	-	87,691	27,999	40,005	155,695
Dues and subscriptions	2,871	-	-	150	3,021	-	14,633	17,654
Equipment leases	54,796	-	-	-	54,796	-	-	54,796
General expenses	-	833,429	18,757	891	853,077	-	-	853,077
In kind	-	-	3,809	-	3,809	-	-	3,809
Insurance	71,997	-	2,845	350	75,192	-	173,346	248,538
Inventory	1,976	-	-	-	1,976	-	-	1,976
Loss on disposal of assets	-	-	-	-	-	-	7,913	7,913
Marketing and public relations	4,281	43	10,742	-	15,066	-	108,738	123,804
Other expenses	104,310	23,130	57,597	17,234	202,271	22,676	334,756	559,703
Permits and licenses	(533)	-	319	-	(214)	-	3,625	3,411
Postage	-	-	-	-	-	-	18,662	18,662
Prizes, awards and gifts	5,133	-	5,643	-	10,776	-	2,161	12,937
Professional services	32,854	-	351,461	-	384,315	-	428,335	812,650
Recruitment	-	-	-	-	-	-	2,454	2,454
Repairs and maintenance	89,968	-	6,713	-	96,681	-	309,776	406,457
Salaries	3,277,964	318,741	1,132,039	102,189	4,830,933	667,159	3,390,145	8,888,237
Scholarships	-	540	-	-	540	-	168,921	169,461
Small equipment	65,826	-	20,608	-	86,434	2,596	63,290	152,320
Software and licenses	19,316	-	3,419	3,900	26,635	8,775	216,537	251,947
Supplies	124,587	1,334	442,758	1,620	570,299	96	187,096	757,491
Training	50,844	-	19,940	4,322	75,106	439	101,196	176,741
Travel	114,161	366,485	15	944	481,605	46	159,295	640,946
Utilities	443,145	-	346,459	-	789,604	-	-	789,604
Total Operating Expenses	5,163,475	1,561,490	2,681,453	194,238	9,600,656	856,045	8,162,913	18,619,614
Other components of net postretirement benefit cost	(119,114)	(11,582)	(41,136)	(3,713)	(175,545)	(24,244)	(123,191)	(322,980)
Postretirement related changes other than net postretirement benefit cost	(29,542)	-	(14,771)	(44,313)	(88,626)	(9,847)	(260,953)	(359,426)
Total Expenses	\$ 5,014,819	\$ 1,549,908	\$ 2,625,546	\$ 146,212	\$ 9,336,485	\$ 821,954	\$ 7,778,769	\$ 17,937,208

See accompanying notes to financial statements.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**Statement of Cash Flows**Year Ended June 30, 2024

Cash Flow from Operating Activities:

Change in net assets	\$ 4,873,197
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	155,695
Unrealized (gain) on investments	(503,512)
Loss on sale of assets	7,913
Change in operating assets and liabilities:	
Accounts receivable	121,005
Accounts receivable - related parties	(916,559)
Prepaid expenses and other assets	14,836
Accounts payable	643,003
Accounts payable - related parties	173,972
Accrued expenses	(805,231)
Funds held for others	(74,545)
Unfunded pension liability	430,023
Postretirement benefit payable	(862,132)
Net Cash Provided by Operating Activities	3,257,665

Cash Flow from Investing Activities:

Purchase of property and equipment	(49,808)
Purchase of investments	(3,133,246)
Net Cash Used by Investing Activities	(3,183,054)

Net Change in Cash	74,611
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Cash, beginning	206,148
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Cash, ending	\$ 280,759
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ASSOCIATED STUDENTS, INC., CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA

Notes to Financial Statements

Year Ended June 30, 2024

Note 1 - Organization and Summary of Significant Accounting Policies

Nature of Activities

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 (the University). The purpose of ASI is to further educational services and related activities of the students of the University.

Financial Statement Presentation

The financial statements of ASI have been prepared in accordance with accounting standards generally accepted in the United States of America (US GAAP), which require ASI to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of ASI. These net assets may be used at the discretion of ASI's management and the board of directors.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ASI or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

ASI had no net assets with donor restrictions during the year ended June 30, 2024.

Statement of Financial Position and Statement of Activities Presentation

ASI's statement of financial position and statement of activities are broken out by departments of ASI. The major departments of ASI are reported using the fund basis of accounting. All interfund transactions have been eliminated for this presentation. The major funds of ASI are:

ASI & Club Funds

ASI & Club fund activities include management of all financial resources of ASI that are not classified in the other activities listed below. Revenues are generated through student fees, club activities, and investment income. Investment income is allocated between funds based on ending balance in fund.

Instructionally Related Activities Fund

ASI has entered into a contractual agreement (consistent with the master operating agreement) with the University to provide promotional, operational and general services and materials for the Instructionally Related Activities (IRA) accounts. Such services and materials include budget preparation and coordination, accounting services, administrative and fiscal support to IRA accounts and the campus IRA Advisory Committee. It is management's belief that ASI is acting as an agent for these transactions therefore, these activities are not recorded in the statement of activities. The remaining balance of these funds is included in Funds Held for Others on the statement of financial position.

Facilities and Operations Funds

The Facilities and Operations fund accounts for activities of the student union building, rental of its spaces, other Student Center related activities within the University community, fees for administration of campus related programs, and investment income. Investment income is allocated between funds based on ending balance in fund. This includes the activities and operations of the Bronco Recreation and Intramural Complex (BRIC).

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

Notes to Financial Statements

Year Ended June 30, 2024

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

Program Services

ASI provides program services in the following major areas:

BRIC - ASI operates the BRIC on campus. The BRIC exists to provide recreational opportunities to members of the University community that inspire and cultivate healthy lifestyles, continuous personal growth, and an inclusive community. Opportunities provided include intramural sports, personal training, group fitness classes, aquatic and scuba programs, adventure events, sports clubs, and kids' programs.

Clubs and Organizations - ASI administers the activity of student clubs and organizations. In recognizing that student involvement is part of the holistic college experience, ASI seeks to create innovative learning-centered opportunities to develop students to become leaders in a global society by supporting clubs that promote leadership development, campus pride, activism, public service, and social and cultural interaction.

Student Center - ASI operates various activities conducted out of the Student Center. These activities include food pantry operations, game room, and the Bronco Events and Activities Team (BEAT).

Children's Center - ASI provides support for the Children's Center, which provides quality preschool services for campus student-parents, faculty, staff, alumni and community members.

Estimates

In preparing financial statements in conformity with US GAAP, management is required to make estimates and assumptions that affect the reported 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

ASI maintains its cash in accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each institution. At times, ASI's deposits may exceed federally insured limits. ASI has not experienced any such losses in these accounts and believes it is not exposed to any significant credit risk on cash.

Investments

Investments consist of funds invested 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 investments in the event of nonperformance by LAIF or the state investment pools. However, management of ASI does not anticipate 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.

Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for credit losses. ASI provides for losses on accounts receivable using the allowance method. The allowance is based on the length of time the receivable has been outstanding. It is ASI's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. There was no allowance for credit losses at June 30, 2024 as management believes all receivables are collectible.

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

Notes to Financial Statements

Year Ended June 30, 2024

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

Property and Equipment

Legal title to the Student Center building and the BRIC is retained by the California State University Board of Trustees. Initial furnishings and equipment for the BRIC were purchased by the University. Accordingly, the related assets and liabilities are excluded from the ASI financial statements. Any purchases following the grand opening of the BRIC are the responsibility of ASI and are included in the ASI financial statements.

ASI capitalizes all furniture, equipment or improvements, with a normal useful life of at least one year and with an individual item cost of \$5,000 or more, at cost if purchased, or at fair value as of the date of receipt, if donated. Depreciation is provided for using the straight-line method over the estimated useful lives of the assets, which range from five to thirty years. Leasehold improvements are amortized using the straight-line method over their estimated useful lives or the term of the lease, whichever is shorter.

Revenue Recognition

Other Operating Revenue - Full-time and part-time students of the University are required to pay fees to support programs, services, and spaces that students decided they wanted and imposed fees on themselves and future students at Cal Poly Pomona. Traditionally, mandatory fees are initiated and adjusted by students through a student referendum. Similar to community-based taxes, all current students vote in a student referendum to self-impose mandatory fees so they can have campus amenities (e.g. student representation and governance, student clubs and organizations, non-classroom student buildings, and services and programs designed for them) based on their needs during their time at Cal Poly Pomona. The fees, collected by the University Accounting Office, are deposited in the California State Treasury. The California State University Board of Trustees has 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 and BRIC for the benefit of the students. The transfer of student fees is recorded as revenue in the year in which the fees are received by ASI.

Program Revenue - Program revenue is amounts that are received from the various programs that are offered by the BRIC and ASI. These funds include fundraising revenue received from campus clubs, programs fees charged by the BRIC for classes and other programs, and activities offered by ASI for a fee.

Administrative Fees - These are fees paid by the University to ASI for the administration of the IRA funds.

Functional Expenses

The cost of providing various programs and other activities of ASI have been summarized on a functional basis in the statement of functional expenses. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include utilities, which are allocated on a square-footage basis; telecommunications, which are allocated based on number of units; and salaries and benefits, which are allocated on the basis of estimates of time and effort.

Management and general expenses, which include corporate fixed costs, administration costs, and costs of operating financial services, human resources, and information technology, that benefit both the general department and the Facilities and Operations are allocated between these two departments on the statement of activities but are all reported as management and general expenses on the statement of functional expenses.

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

Notes to Financial Statements

Year Ended June 30, 2024

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

Income Taxes

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

ASI follows US GAAP related to the recognition of uncertain tax positions. ASI recognizes accrued interest and penalties associated with uncertain tax positions as part of the statement of activities, when applicable. Management has determined that ASI has no uncertain tax positions at June 30, 2024, and therefore, no amounts have been accrued.

Fair Value Measurements

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

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

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

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

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

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

The Local Agency Investment Fund (LAIF) is valued using NAV and is managed by the State of California Treasurer's Office with oversight provided by the Local Investment Advisory Board (LIAB).

The carrying value of cash, receivables, and payables approximates fair value as of June 30, 2024, due to the relative short maturities of these instruments.

Subsequent Events

ASI has evaluated subsequent events through September 5, 2024, which is the date the financial statements were available to be issued.

Accounting for Credit Losses on Accounts Receivable

Effective January 1, 2023, ASI adopted Accounting Standards Update (ASU) No. 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. This update requires the use of a forward-looking expected credit loss model for instruments within its scope, including our accounts receivables, and replaces the previous incurred loss impairment model. The expected credit loss model requires management to estimate current expected credit losses over the lifetime of the assets by considering all reasonable and supportable information, including historical experience, current conditions, and reasonable and supportable forecasts affecting collectability. Management has analyzed the provisions contained in Topic 326 and determined there is no impact on net assets as of July 1, 2023 due to the adoption of the new policy.

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

Notes to Financial Statements

Year Ended June 30, 2024

Note 2 - Liquidity and Availability

The following represents ASI's financial assets at June 30, 2024:

Financial assets at year end:

Cash	\$	280,759
Investments		47,792,708
Accounts receivable		594,160
Accounts receivable - related parties		2,211,465
Total financial assets		50,879,092

Less amounts not available to be used within one year:

Cash - IRA		37,866
Investments - IRA		739
Accounts receivable - IRA		15,207
Accounts receivable - related parties - IRA		680,929
Designated funds		38,921,952
Total amounts unavailable for use within one year		39,656,693

Financial assets available to meet cash needs for general expenditures within one year

\$ 11,222,399

As part of their liquidity management policy, ASI invests cash in excess of daily requirements in the LAIF. To anticipate liquidity needs, ASI prepares a cash report that helps gauge the financial need they have each week and will draw upon the LAIF account, if needed. ASI's goal is to maintain approximately \$150,000 in checking accounts to meet said needs, with remaining cash invested in LAIF.

Annual allocations are set aside for reserve funds. The amounts allocated to reserve funds is determined through a two-thirds vote of the seated ASI Senate. Reserves consist of funds to be used for emergency, building and operations improvements and equipment, and new and special programs that will benefit the University community, including clubs, organizations and student government and future projects geared towards environmental awareness and sustainability. Designated funds are comprised mainly of ASI club account carryovers from prior year activities. These funds are to be used by clubs for future use, unless the governing board decides, at any time, to revert the funds back to ASI due to large unused amounts. Otherwise, the funds will never be made available for general expenditure.

Note 3 - Investments

Commitments and redemption schedules for those investments valued based on NAV are as follows:

Description	Fair value	Unfunded commitments	Redemption frequency	Redemption notice period
Local Agency Investment Fund	\$ 47,792,708	\$ -	n/a	n/a

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**Notes to Financial Statements**

Year Ended June 30, 2024

Note 4 - Property and Equipment

The following is a summary of property and equipment as of June 30, 2024:

Equipment	\$	1,523,975
Leasehold improvements		878,888
Work in progress		3,000
Intangible assets		55,863
		<u>2,461,726</u>
Less accumulated depreciation		<u>(1,819,084)</u>
	\$	<u>642,642</u>

Note 5 - Net Assets

Included in net assets without donor restrictions are two types of designated funds. Reserve funds are accounts that have been created by the Board of Directors for specific purposes. At the end of the fiscal year, any remaining funds that are not already designated to other activities within ASI are added to the reserve accounts based on Board decision.

Designated funds are funds that are set aside for club activities or other ASI activities. Unspent balances in these accounts are carried forward to the next fiscal year and may be used by the clubs or departments in the next fiscal year.

The following are net assets without donor restrictions that are reserved for a specific purpose by the Board of Directors as of June 30, 2024:

	ASI & Club Funds	Facilities & Operations Fund	Total
Club or ASI activities	\$ 733,615	\$ -	\$ 733,615
Capital improvement reserve	-	8,095,399	8,095,399
New programs and augmentations reserve	3,513,091	-	3,513,091
Investment in fixed assets reserve	612	639,029	639,641
Building reserve	-	6,300,000	6,300,000
Diversity reserve	356,585	-	356,585
Facilities maintenance and repairs	-	1,000,000	1,000,000
Equipment acquisition reserve	1,781,244	1,037,602	2,818,846
Special programs reserve	1,276,755	200,000	1,476,755
The Green Initiative Fund reserve	1,357,056	-	1,357,056
Emergency reserve	1,099,223	500,000	1,599,223
Economic uncertainty reserve	2,095,301	8,936,440	11,031,741
Total Designations	<u>\$ 12,213,482</u>	<u>\$ 26,708,470</u>	<u>\$ 38,921,952</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.

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

Notes to Financial Statements

Year Ended June 30, 2024

Note 6 - Revenue Recognition

Contract Balances

Accounts receivable from contracts with customers were as follows:

		2024
Beginning of year	\$	2,010,071
End of year	\$	2,805,625

Significant Judgements

ASI analyzes revenue recognition on a portfolio approach under ASC Topic 606. Significant judgment is utilized in determining the appropriate portfolios to assess for meeting the criteria to recognize revenue under ASC Topic 606. ASI has determined that, for each distinct revenue stream identified, all contracts can be grouped into one portfolio. Based on past experience, customers within each distinct stream all behave similarly, contracts contain similar terms, and policies are the same across all contracts. The Organization does not expect that revenue earned for the portfolio is significantly different as compared to revenue that would be earned if they were to assess each contract separately.

Significant judgment is also required to assess collectability. ASI assesses collectability each reporting period to monitor that the collectability threshold is met and does not recognize revenue if collection is not probable. Impairment losses are recognized when there are significant changes in a customer's assessed collectability.

Note 7 - Related Parties

ASI entered into transactions during the fiscal year with the University, Cal Poly Pomona Foundation, Inc. (Foundation), and Cal Poly Pomona Philanthropic Foundation, Inc (Philanthropic). All are considered related parties. Based on the agreement between the University and ASI for the IRA funds, amounts are billed to ASI and the University for these activities.

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**Notes to Financial Statements**

Year Ended June 30, 2024

Note 7 - Related Parties, continued

Total receipts, disbursements, receivables, and payables for these activities as of and for the year ended June 30, 2024 were:

<u>Related Party</u>	<u>Description</u>	<u>Reported in</u>	
Revenues from:			
University	Various services	Various revenue	\$ 18,904,323
Foundation	Various services	Various revenue	945,833
Philanthropic	Various services	Various revenue	9,725
			<u>\$ 19,859,881</u>
Transfers from:			
University	IRA - Funds held for others	Funds held for others	<u>\$ 1,219,821</u>
Expenses to:			
University	Various services	Various expenses	\$ 1,447,405
Foundation	Various services	Various expenses	267,440
Philanthropic	Various services	Various expenses	14,606
			<u>\$ 1,729,451</u>
Transfers to:			
University	IRA - Funds held for others	Funds held for others	<u>\$ 2,771</u>
Due from:			
University	Various services	Accounts receivable - related parties	\$ 1,148,089
University	IRA - Funds held for others	Accounts receivable - related parties	680,929
Foundation	Various services	Accounts receivable - related parties	376,398
Philanthropic	Various services	Accounts receivable - related parties	6,049
			<u>\$ 2,211,465</u>
Due to:			
University	Various services	Accounts payable - related party	\$ 497,064
University	IRA - Funds held for others	Accounts payable - related party	119
Foundation	Various services	Accounts payable - related party	208,670
Philanthropic	Various services	Accounts payable - related party	28,668
			<u>\$ 734,521</u>
Other Transfers Related to IRA:			
Due to:			
University	IRA - Funds held for others	Funds held for others	<u>\$ 29,913</u>
Transfers to:			
University	IRA - Funds held for others	Funds held for others	<u>\$ 60,405</u>
	IRA Revenue		\$ 1,053,046
	IRA Expense		\$ 858,277

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

Notes to Financial Statements

Year Ended June 30, 2024

Note 7 - Related Parties, continued

ASI has entered into a contractual agreement with the University to provide promotional, operational, and general services and materials for IRA accounts. Such services and materials include budget preparation and coordination, accounting services, administrative and fiscal support to IRA and the campus IRA Advisory Committee. ASI receives an administrative fee from the University for managing the IRA funds. For the year ended June 30, 2024, this fee was \$140,000 and is included in the statement of activities as administrative fees.

In a master operating agreement between the Trustees of the California State University and ASI, ASI is contracted with the University to perform the associated students program and utilizes the Student Center and BRIC (property of the University) to do so.

Note 8 - Pension Plan

ASI participates in a cost sharing multiple-employer defined benefit plan through the California Public Employees' Retirement System (CalPERS) which covers substantially all regular full-time employees of ASI. CalPERS acts as a common investment and administrative agent for participating public entities with the state of California and reports information to ASI.

The Public Agency Cost-Sharing Multiple-Employer Plan is comprised of a Miscellaneous Pool and a Safety Pool. ASI sponsors two Miscellaneous Risk Pool plans, however, the information presented below represents the sum of the allocated pension amounts for each of ASI's plans (the Plan). The Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to Plan members and their beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Law. Copies of CalPERS' annual financial report may be obtained from their executive office: 400 P Street, Sacramento, CA 95814.

Benefits Provided

The Plan provides service retirement and disability benefits, annual cost of living adjustments and death benefits to eligible plan members. Benefits are based on years of service credit, a benefit factor and the member's final compensation. All members are eligible for employment related disability benefits regardless of length of service and non-duty disability benefits after five years of service.

Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. The Post-Retirement Death Benefit is a one-time payment made to a retiree's designated survivor or estate upon the retiree's death. The Basic Death Benefit is a lump sum paid to any member's beneficiary if the member dies while actively employed.

The spouse or registered domestic partner of a deceased member, who was eligible to retire for service at the time of death, may elect to receive the Pre-Retirement Option 2W Death Benefit in lieu of the Basic Death Benefit lump sum. The Pre-Retirement Option 2W Death Benefit is a monthly allowance equal to the amount the member would have received if they had retired for service on the date of death and elected Option 2W, the highest monthly allowance a member can leave a spouse or domestic partner. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The First Tier Plan closed to new entrants on or after June 26, 2011. The Second Tier Plan was closed to new entrants on or after December 31, 2012.

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

Notes to Financial Statements

Year Ended June 30, 2024

Note 8 - Pension Plan, continued

Benefits Provided, continued

The Plan provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous Risk Pool	
	First Tier Plan	PEPRA Misc. Plan
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% at 60	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	60	62
Required employee contribution rate	6.930%	6.750%
Required employer contribution rate	11.100%	7.680%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Total plan contributions are determined annually through the 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. ASI is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2024 are presented above and the total ASI contributions were \$308,455.

Pension Liabilities and Pension Expense

As of June 30, 2024, ASI reported net pension liabilities for its proportionate share of the Miscellaneous Risk Pool net pension liability totaling \$3,805,615. The net pension liability was measured as of June 30, 2023. ASI's proportion of the net pension liability was based on a projection of ASI's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, ASI's proportion was 0.07%.

Actuarial Methods and Assumptions

The collective total pension liability for the June 30, 2023 measurement period was determined by an actuarial valuation as of June 30, 2023. The June 30, 2023 total pension liability was based on the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Actuarial Assumptions:	
Discount rate	2.80%
Consumer price inflation	2.30%
Salary increases	Varies by entry age and service
Mortality rate table	Derived using CalPERS' membership data for all funds
Post retirement benefit increase	Contract COLA up to 2.30% until purchasing power protection allowance floor on purchasing power applies

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

Notes to Financial Statements

Year Ended June 30, 2024

Note 8 - Pension Plan, continued

Actuarial Methods and Assumptions, continued

Mortality assumptions are based on mortality rates resulting from the most recent CalPERS experience study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 15 years of mortality improvement using Scale BB published by the Society of Actuaries.

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. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ 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 fund. The expected rate of return was set by calculating the rounded 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 equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The target allocation and best estimates of long-term expected real rate of return by asset class are summarized in the following table:

Asset Class	Assumed Asset Allocation	Real Return Years 1-10
Global equity - cap-weighted	30%	4.54%
Global equity - non-cap-weighted	12%	3.84%
Private equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed securities	5%	0.50%
Investment grade corporates	10%	1.56%
High yield	5%	2.27%
Emerging market debt	5%	2.48%
Private debt	5%	3.57%
Real assets	15%	3.21%
Leverage	(5%)	(0.59%)

Discount Rate

The discount rate used to measure the total pension liability was 6.80%. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

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

Notes to Financial Statements

Year Ended June 30, 2024

Note 8 - Pension Plan, continued

Discount Rate, continued

The following presents ASI's proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is one percent lower or higher than the current rate. This reflects the discount rates sensitivity to real rate of return assumption and price inflation assumption:

Discount Rate

Sensitivity to Real Rate of Return Assumption:

1% decrease (5.80%)	\$ 6,608,500
Current discount rate (6.80%)	3,805,615
1% increase (7.80%)	1,557,986

Sensitivity to the Price Inflation:

1% decrease (5.80%)	\$ 4,527,097
Current discount rate (6.80%)	3,805,615
1% increase (7.80%)	2,441,871

Plan Fiduciary Net Position

Detailed information about CalPERS Miscellaneous Risk Plan fiduciary net position is available in a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

Note 9 - Post Retirement Health Benefit Plan

In addition to providing pension benefits, ASI sponsors a defined benefit postretirement 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. The following tables set forth further information about the ASI's postretirement health benefit plan obligation and funded status as of June 30, 2024.

Projected benefit obligation at June 30, 2024	\$ (6,143,463)
Plan assets at fair value at June 30, 2024	6,355,739
Funded status at end of year	\$ <u>212,276</u>
Employer contributions	\$ <u>1,000,000</u>
Postretirement benefit payable	\$ <u>(212,276)</u>
Amounts recognized in the statement of activities at June 30, 2024 consist of:	
Benefits paid	\$ (328,000)
Actual return of plan assets	373,777
Service cost	(187,559)
Interest cost	(294,684)
Total postretirement related benefits other than net periodic benefit cost	\$ <u>(436,466)</u>
Net periodic benefit	\$ <u>117,165</u>

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**Notes to Financial Statements**Year Ended June 30, 2024

Note 9 - Post Retirement Health Benefit Plan, continued

The components of net periodic benefit cost other than the service cost component are included in pension and postretirement related changes other than service cost in the statements of activities and functional expenses.

Amounts not yet recognized in the net periodic postretirement benefit cost:

Net actuarial loss	\$	(372,411)
Transition obligation		<u>(26,179)</u>
Total amounts not yet recognized in the net periodic postretirement benefit cost	\$	<u><u>(398,590)</u></u>

The following table includes the amounts in unrestricted net assets expected to be recognized as components of net periodic benefit costs over the 2023-2024 fiscal year:

Net actuarial loss	\$	-
Transition obligation		8,699

Weighted-average assumptions used to determine benefit obligations as of June 30, 2024:

Discount rate	4.92%
Expected long-term return on plan assets	7.00%
Rate of compensation	N/A
Health care cost trend rate assumed for next year	4.89%
Rate to which the cost trend rate is assumed to decline (ultimate trend rate)	4.15%
Year that the rate reaches the ultimate trend rate	3 years

ASI expects to contribute \$1,000,000 to the plan during the next fiscal year. The following is a projection of expected future benefit payments under the plan:

Year Ending June 30,	
<u>2025</u>	\$ 318,000
2026	354,000
2027	368,000
2028	392,000
2029	426,000
2030	435,000
2031	394,000
2032	405,000
2033	404,000
2034	397,000

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

Notes to Financial Statements

Year Ended June 30, 2024

Note 10 - Rental Income

ASI leases building space to multiple tenants under cancellable operating leases ending on various dates through June 30, 2025. These leases include leases to the Foundation. Leases to the Foundation include a lease for \$298 per month, expiring June 30, 2025. In addition, ASI leases additional building space to the Foundation at a rate equal to 3.5% of the sales generated in Foundation's dining facilities and 7% of sales generated by vending machines that are located in their leased space from ASI. Lease income for the year ended June 30, 2024, including month-to-month and related party leases, was \$101,419.

Future lease income expected to be received is as follows:

Year Ending June 30,	
<u>2025</u>	\$ <u>37,708</u>

Note 11 - Commitments and Contingency

From time to time, ASI becomes involved in legal proceedings incidental to ASI. If, and when, a loss is deemed probable and reasonably estimable, ASI records the liability or expense in the financial statements.

SUPPLEMENTAL INFORMATION

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

June 30, 2024

(for inclusion in the California State University)

Assets:**Current assets:**

Cash and cash equivalents	280,759
Short-term investments	47,792,708
Accounts receivable, net	2,805,625
Lease receivable, current portion	-
P3 receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	41,158

Total current assets**50,920,250****Noncurrent assets:**

Restricted cash and cash equivalents	-
Accounts receivable, net	-
Lease receivable, net of current portion	-
P3 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	642,642
Other assets	212,276

Total noncurrent assets**854,918****Total assets****51,775,168****Deferred outflows of resources:**

Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Leases	-
P3	-
Others	-

Total deferred outflows of resources**-**

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**Schedule of Net Position, continued**

June 30, 2024

(for inclusion in the California State University)

Liabilities:**Current liabilities:**

Accounts payable	1,374,781
Accrued salaries and benefits	198,561
Accrued compensated absences, current portion	445,762
Unearned revenues	-
Lease liabilities, current portion	-
SBITA liabilities - current portion	-
P3 liabilities - current portion	-
Long-term debt obligations, current portion	-
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	103,772
Other liabilities	-
Total current liabilities	2,122,876

Noncurrent liabilities:

Accrued compensated absences, net of current portion	148,587
Unearned revenues	-
Grants refundable	-
Lease liabilities, net of current portion	-
SBITA liabilities, net of current portion	-
P3 liabilities, net of current portion	-
Long-term debt obligations, net of current portion	-
Claims liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	-
Net pension liability	3,805,615
Other liabilities	-
Total noncurrent liabilities	3,954,202
Total liabilities	6,077,078

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA**Schedule of Net Position, continued**

June 30, 2024

(for inclusion in the California State University)

Net position:

Net investment in capital assets	642,642
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	-
Unrestricted	45,055,448
Total net position	45,698,090

ASSOCIATED STUDENTS, INC., CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA
Schedule of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2024
(for inclusion in the California State University)

Revenues:

Operating revenues:

Student tuition and fees, gross	-
Scholarship allowances (enter as negative)	-

Grants and contracts, noncapital:

Federal	-
State	-
Local	-
Nongovernmental	-
Sales and services of educational activities	-
Sales and services of auxiliary enterprises, gross	895,572
Scholarship allowances (enter as negative)	-
Other operating revenues	19,198,863

Total operating revenues	20,094,435
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Expenses:

Operating expenses:

Instruction	-
Research	-
Public service	-
Academic support	-
Student services	18,463,919
Institutional support	-
Operation and maintenance of plant	-
Student grants and scholarships	-
Auxiliary enterprise expenses	-
Depreciation and amortization	155,695

Total operating expenses	18,619,614
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Operating income (loss)	1,474,821
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ASSOCIATED STUDENTS, INC., CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA
Schedule of Revenues, Expenses, and Changes in Net Position, continued
Year Ended June 30, 2024
(for inclusion in the California State University)

Nonoperating revenues (expenses):	
State appropriations, noncapital	-
Federal financial aid grants, noncapital	-
State financial aid grants, noncapital	-
Local financial aid grants, noncapital	-
Nongovernmental and other financial aid grants, noncapital	-
Other federal nonoperating grants, noncapital	-
Gifts, noncapital	-
Investment income (loss), net	2,715,970
Endowment income (loss), net	-
Interest expense	-
Other nonoperating revenues (expenses)	682,406
	<hr/>
Net nonoperating revenues (expenses)	3,398,376
	<hr/>
Income (loss) before other revenues (expenses)	4,873,197
	<hr/>
State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
	<hr/>
Increase (decrease) in net position	4,873,197
Net position:	
Net position at beginning of year, as previously reported	40,824,893
Restatements	-
	<hr/>
Net position at beginning of year, as restated	40,824,893
	<hr/>
Net position at end of year	45,698,090
	<hr/> <hr/>

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

Other Information

Year Ended June 30, 2024

(for inclusion in the California State University)

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments

All other restricted cash and cash equivalents

Noncurrent restricted cash and cash equivalents	-
Current cash and cash equivalents	280,759
Total	\$ 280,759

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds	-	-	-
Repurchase agreements	-	-	-
Certificates of deposit	-	-	-
U.S. agency securities	-	-	-
U.S. treasury securities	-	-	-
Municipal bonds	-	-	-
Corporate bonds	-	-	-
Asset-backed securities	-	-	-
Mortgage-backed securities	-	-	-
Commercial paper	-	-	-
Supranational	-	-	-
Mutual funds	-	-	-
Exchange-traded funds	-	-	-
Equity securities	-	-	-
Alternative investments:	-	-	-
Private equity (including limited partnerships)	-	-	-
Hedge funds	-	-	-
Managed futures	-	-	-
Real estate investments (including REITs)	-	-	-
Commodities	-	-	-
Derivatives	-	-	-
Other alternative investments	-	-	-
Other external investment pools	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-
State of California Local Agency Investment Fund (LAIF)	47,792,708	-	47,792,708
State of California Surplus Money Investment Fund (SMIF)	-	-	-
Other investments:	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
Total other investments	-	-	-
Total investments	47,792,708	-	47,792,708
Less endowment investments (enter as negative number)	-	-	-
Total investments, net of endowments	\$ 47,792,708	-	47,792,708

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

Other Information, continued

Year Ended June 30, 2024

(for inclusion in the California State University)

2.2 Fair value hierarchy in investments:

Investment Type	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds	\$	-			
Repurchase agreements		-			
Certificates of deposit		-			
U.S. agency securities		-			
U.S. treasury securities		-			
Municipal bonds		-			
Corporate bonds		-			
Asset-backed securities		-			
Mortgage-backed securities		-			
Commercial paper		-			
Supranational		-			
Mutual funds		-			
Exchange-traded funds		-			
Equity securities		-			
Alternative investments:					
Private equity (including limited partnerships)		-			
Hedge funds		-			
Managed futures		-			
Real estate investments (including REITs)		-			
Commodities		-			
Derivatives		-			
Other alternative investments		-			
Other external investment pools		-			
CSU Consolidated Investment Pool (formerly SWIFT)					
State of California Local Agency Investment Fund (LAIF)	47,792,708				47,792,708
State of California Surplus Money Investment Fund (SMIF)		-			
Other investments:					
		-			
		-			
		-			
		-			
		-			
Total other investments		-	-	-	-
Total investments	\$ 47,792,708	-	-	-	47,792,708

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

Other Information, continued

Year Ended June 30, 2024

(for inclusion in the California State University)

2.3 Investments held by the University under contractual agreements: Not Applicable

3.1 Capital Assets, excluding ROU assets:

Composition of capital assets, excluding ROU assets:	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2023 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2024
Non-depreciable/Non-amortizable capital assets:									
Land and land improvements					\$ -				-
Works of art and historical treasures					-				-
Construction work in progress (CWIP)	61,560	(58,560)			3,000				3,000
Intangible assets:									
Rights and easements					-				-
Patents, copyrights and trademarks					-				-
Intangible assets in progress (PWIP)					-				-
Licenses and permits					-				-
Other intangible assets:					-				-
					-				-
					-				-
					-				-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable capital assets	\$ 61,560	(58,560)	-	-	\$ 3,000	-	-	-	3,000
Depreciable/Amortizable capital assets:									
Buildings and building improvements					-				-
Improvements, other than buildings					-				-
Infrastructure					-				-
Leasehold improvements	938,391				938,391		(59,503)		878,888
Personal property:									
Equipment	1,517,513	58,560			1,576,073	49,808	(101,906)		1,523,975
Library books and materials					-				-
Intangible assets:									
Software and websites	55,863				55,863				55,863
Rights and easements					-				-
Patents, copyrights and trademarks					-				-
Licenses and permits					-				-
Other intangible assets:					-				-
					-				-
					-				-
					-				-
					-				-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
Total intangible assets	55,863	-	-	-	55,863	-	-	-	55,863
Total depreciable/amortizable capital assets	2,511,767	58,560	-	-	2,570,327	49,808	(161,409)	-	2,458,726
Total capital assets	\$ 2,573,327	-	-	-	\$ 2,573,327	49,808	(161,409)	-	2,461,726

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

Other Information, continued

Year Ended June 30, 2024

(for inclusion in the California State University)

Less accumulated depreciation/amortization:									
Buildings and building improvements			\$	-					-
Improvements, other than buildings				-					-
Infrastructure				-					-
Leasehold improvements	(584,344)			(584,344)	(42,224)	59,503			(567,065)
Personal property:									
Equipment	(1,220,437)			(1,220,437)	(102,298)	93,993			(1,228,742)
Library books and materials				-					-
Intangible assets:									
Software and websites	(12,104)			(12,104)	(11,173)				(23,277)
Rights and easements				-					-
Patents, copyrights and trademarks				-					-
Licenses and permits				-					-
Other intangible assets:				-					-
				-					-
				-					-
				-					-
				-					-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
Total intangible assets	(12,104)	-	-	(12,104)	(11,173)	-	-	-	(23,277)
Total accumulated depreciation/amortization	(1,816,885)	-	-	(1,816,885)	(155,695)	153,496	-	-	(1,819,084)
Total capital assets, net excluding ROU assets	\$ 756,442	-	-	\$ 756,442	(105,887)	(7,913)	-	-	642,642

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

Other Information, continued

Year Ended June 30, 2024

(for inclusion in the California State University)

Capital Assets, Right of Use

<u>Composition of capital assets - Lease ROU, net:</u>	Balance June 30, 2023	Prior Period Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
Non-depreciable/Non-amortizable lease assets:									
Land and land improvements					-				-
Total non-depreciable/non-amortizable lease assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable lease assets:									
Land and land improvements					-				-
Buildings and building improvements					-				-
Improvements, other than buildings					-				-
Infrastructure					-				-
Personal property:									
Equipment					-				-
Total depreciable/amortizable lease assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Land and land improvements					-				-
Buildings and building improvements					-				-
Improvements, other than buildings					-				-
Infrastructure					-				-
Personal property:									
Equipment					-				-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - lease ROU, net	-	-	-	-	-	-	-	- \$	-

<u>Composition of capital assets - SBITA ROU, net</u>	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
Depreciable/Amortizable SBITA assets:									
Software					-				-
Total depreciable/amortizable SBITA assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Software					-				-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - SBITA ROU, net	-	-	-	-	-	-	-	-	-

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

Other Information, continued

Year Ended June 30, 2024

(for inclusion in the California State University)

Composition of capital assets - P3 ROU, net:	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
Non-depreciable/Non-amortizable P3 assets:									
Land and land improvements					-				-
Total non-depreciable/non-amortizable P3 assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable P3 assets:									
Land and land improvements					-				-
Buildings and building improvements					-				-
Improvements, other than buildings					-				-
Infrastructure					-				-
Personal property:									
Equipment					-				-
Total depreciable/amortizable P3 assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Land and land improvements					-				-
Buildings and building improvements					-				-
Improvements, other than buildings					-				-
Infrastructure					-				-
Personal property:									
Equipment					-				-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - P3 ROU, net	-	-	-	-	-	-	-	-	-
Total capital assets, net including ROU assets									\$ 642,642
3.2 Detail of depreciation and amortization expense:									
Depreciation and amortization expense - capital assets, excluding ROU assets	\$ 155,695								
Amortization expense - Leases ROU	-								
Amortization expense - SBITA ROU	-								
Amortization expense - P3 ROU	-								
Depreciation and Amortization expense - Others									
Total depreciation and amortization	\$ 155,695								

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

Other Information, continued

Year Ended June 30, 2024

(for inclusion in the California State University)

4 Long-term liabilities:

	Balance June 30, 2023	Prior Period Adjustments/Reclassifications	Balance June 30, 2023 (Restated)	Additions	Reductions	Balance June 30, 2024	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ 411,526		411,526	182,823		594,349	445,762	148,587
2. Claims liability for losses and loss adjustment expenses	-		-			-		-
3. Capital lease obligations (pre-ASC 842):								
Gross balance	-		-	-		-	-	-
Unamortized net premium/(discount)	-		-	-		-	-	-
Total capital lease obligations (pre ASC 842)	-	-	-	-	-	-	-	-
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	-		-			-		-
4.2 Commercial paper	-		-			-		-
4.3 Notes payable (SRB related)	-		-			-		-
4.4 Finance purchase of capital assets	-		-			-		-
4.5 Others:								
	-		-			-		-
	-		-			-		-
	-		-			-		-
Total others	-	-	-	-	-	-	-	-
Sub-total long-term debt	-	-	-	-	-	-	-	-
4.6 Unamortized net bond premium/(discount)	-		-			-	-	-
Total long-term debt obligations	\$ -	-	-	-	-	\$ -	-	-
5. Lease, SBITA, P3 liabilities:								
Lease liabilities	-					-		-
SBITA liabilities	-					-		-
P3 liabilities - SCA	-					-		-
P3 liabilities - non-SCA	-					-		-
Sub-total P3 liabilities	-	-	-	-	-	-	-	-
Total Lease, SBITA, P3 liabilities	\$ -	\$ -	-	-	-	-	-	-
Total long-term liabilities						\$ 594,349	445,762	148,587

(for inclusion in the California State University)

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ASSOCIATED STUDENTS, INC., CALIFORNIA STATE POLYTECHNIC UNIVERSITY, POMONA
Other Information, continued
Year Ended June 30, 2024
(for inclusion in the California State University)

6 Future minimum payments schedule - Long-term debt obligations:									
	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Year ending June 30:									
2025			-			-	-	-	-
2026			-			-	-	-	-
2027			-			-	-	-	-
2028			-			-	-	-	-
2029			-			-	-	-	-
2030 - 2034			-			-	-	-	-
2035 - 2039			-			-	-	-	-
2040 - 2044			-			-	-	-	-
2045 - 2049			-			-	-	-	-
2050 - 2054			-			-	-	-	-
Thereafter			-			-	-	-	-
Total minimum payments	\$ -	-	-	-	-	-	-	-	-
Less: amounts representing interest									-
Present value of future minimum payments									-
Unamortized net premium/(discount)									-
Total long-term debt obligations									-
Less: current portion									-
Long-term debt obligations, net of current portion									\$ -

(for inclusion in the California State University)

Other amounts receivable from University

\$

Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
\$ -	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
8,888,237	2,202,091	308,462	187,559	-	6,877,570	-	18,463,919
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	155,695	155,695
\$ 8,888,237	2,202,091	308,462	187,559	-	6,877,570	155,695	\$ 18,619,614

Defined Benefit Plan

Total other nonoperating revenues (expenses)	\$ 682,406
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Associated Students, Inc., California State Polytechnic University, Pomona (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 5, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Associated Students, Inc., California State Polytechnic University, Pomona's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Associated Students, Inc., California State Polytechnic University, Pomona's internal control. Accordingly, we do not express an opinion on the effectiveness of Associated Students, Inc., California State Polytechnic University, Pomona's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Associated Students, Inc., California State Polytechnic University, Pomona's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS*, CONTINUED**

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Associated Students, Inc., California State Polytechnic University, Pomona's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Associated Students, Inc., California State Polytechnic University, Pomona's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Aldrich CPAs + Advisors LLP

San Diego, California
September 5, 2024