

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY,  
DOMINGUEZ HILLS**

**Financial Statements and Supplementary  
Information for the Year Ended June 30, 2015  
and Independent Auditor's Report**

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS  
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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
Associated Students, Inc.  
California State University, Dominguez Hills  
Carson, California

We have audited the accompanying financial statements of Associated Students, Inc., California State University, Dominguez Hills as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the organization's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Associated Students, Inc., California State University, Dominguez Hills as of June 30, 2015, and the respective changes in financial position, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## INDEPENDENT AUDITORS' REPORT - Continued

### *Report on Summarized Comparative Information*

We have previously audited the Associated Students, Inc., California State University, Dominguez Hills' 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 8, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

The summary financial statements do not contain all the disclosures required by accounting principles generally accepted in the United States of America. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Associated Students, Inc., California State University, Dominguez Hills.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3 through 7 and schedule of postemployment healthcare benefits funding progress be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The GASB Schedule of Net Position, GASB Schedule of Revenues, Expenses and Changes in Net Position, and Other Information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The GASB Schedule of Net Position, GASB Schedule of Revenues, Expenses and Changes in Net Position, and Other Information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the GASB Schedule of Net Position, GASB Schedule of Revenues, Expenses and Changes in Net Position, and Other Information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Vorwin, Hayn + Co.*

Calabasas, California  
September 14, 2015

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2015**

This section of Associated Students, Inc. California State University, Dominguez Hills (ASI) annual financial report presents our discussion and analysis of the financial performance of ASI for the fiscal year ended June 30, 2015. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes.

**Introduction to Financial Statements**

This annual report consists of a series of financial statements prepared in accordance with the Governmental Accounting Standards Board (GASB) Statements No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*, No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, and No. 38, *Certain Financial Statement Note Disclosures*. For reporting purposes, the University is considered a special-purpose government engaged only in business-type activities, which best represent the activities of ASI.

The financial statements include the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows. These statements are supported by the notes to the financial statements and this section. All sections must be considered together to obtain a complete understanding of the financial picture of ASI.

**Statement of Net Position** – The statement of net position includes all assets and liabilities. Assets and liabilities are reported at their book value, on an accrual basis, as of the statement date. It also identifies major categories of restrictions on the net position of ASI.

**Statement of Revenues, Expenses, and Changes in Net Position** – The statement of revenues, expenses, and changes in net position presents the revenues earned and expenses incurred during the year on an accrual basis.

**Statement of Cash Flows** – The statement of cash flows presents the inflows and outflows of cash for the year and is summarized by operating, noncapital financing, capital and related financing, and investing activities. The statement is prepared using the direct method of cash flows and, therefore, presents gross rather than net amounts for the year's activities.

**Reporting Entity** - ASI is a nonprofit auxiliary organization of California State University, Dominguez Hills (the University). ASI sponsors various campus activities that complement the instructional programs of the University campus.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Summary**

ASI operates under an Operating Agreement (the Agreement) with the Board of Trustees of the California State University System (Trustees) that extends through June 30, 2019. The ASI offices are housed in the Donald P. & Katherine B. Loker University Student Union (a separate auxiliary) at California State University, Dominguez Hills. The current ASI lease became effective June 25, 2012 and extends through June 30, 2017.

ASI is funded primarily through the receipt of mandatory student fees (identified as Student Activity Fee (SAF) in the University Fee Schedule) established through referenda by a vote of the students and collected by the University at the time of registration, which vary on a per student basis by academic term as follows:

Fall semester	\$70.00
Spring semester	65.00
Summer session	3.00

Portions of the SAF revenues have been designated by various student referenda for support of specific student service programs (Technology Referendum Fees, Child Development Center, Toro Learning Center (formerly Center for Learning and Academic Support Services), Intercollegiate Athletics, and the Multicultural Center). The remainder of such revenues is treated as general funds, which have no restrictions and is used for operating expenses. A vote of the students in Spring 2005 reallocated \$8 per student per Fall and Spring Semester of the Technology Referendum Fee funds to General Funds effective Fall 2005 which expired effective Fall 2011. Through Alternative Consultation, the University President approved continued redirection of this \$8 per semester with an additional \$4.50 per semester. Also approved by Presidential Alternative Consultation is the reallocation of the Technology Referendum Fee providing an additional \$2.50 per semester to the ASI General Fund, an additional \$1.00 per semester to the Child Development Center, an additional \$3.50 per semester to the Toro Learning Center and a decrease of \$7.00 per semester to Technology Referendum Fee. Each referendum supported area presents a proposed annual budget to the ASI Finance Commission for approval.

Students have designated their ASI fees as follows:

*Technology Referendum Fee (TRF)* -The Technology Referendum Fee was established through a student referendum vote in Fall 1997. A total of \$5.50 per student of Fall and Spring Semester SAF revenue is designated for support of providing technology throughout the campus to improve technological skills of California State University, Dominguez Hills students.

*Child Development Center (the Center)* - The Child Development Center of California State University Dominguez Hills was founded in 1973. The Center is a campus child care and development program. The primary purpose of the program is to provide affordable and quality childcare and developmental services for children of University students, faculty and staff. A total of \$3.75 per student of Fall and Spring Semester SAF revenue is designated for the support of the Center.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(CONTINUED)**

*Toro Learning Center (TLC)* formerly *Center for Learning and Academic Support Services (C.L.A.S.S.)* - The Center provides tutorial support for academic programs throughout the campus. A total of \$6.25 per student of Fall and Spring Semester SAF revenue is designated for support of TLC.

*Intercollegiate Athletics (ICA)* - Students voted to provide Grants-in-Aid to the University Athletic Program through a series of referenda. Currently, \$14.50 per student of Fall and Spring Semester SAF revenue is designated to enhance the University's Athletic Program.

*Multicultural Center (MCC)* - The MCC was created to enrich campus life by cultivating and coordinating student-centered multicultural initiatives that enhance understanding and appreciation of the diversity that distinguishes our campus community. Currently \$5.00 per student of Fall and Spring Semester SAF revenue is designated to enhance the University's Multicultural programming.

## **Analytical Overview**

### **Overview of Changes that Affected ASI during 2014-15**

During 2014-15, ASI continued to monitor its operational assets, revenues and expenditures. ASI improved the process for tracking and accounting of assets, as well as created unallocated reserve spending policies. The ASI accounting software continues to provide checks and balances in relation to University Accounting which has helped provide better reconciliation and reporting capabilities. Organizational spending continued to focus on strengthening of existing programs and services as well as offering new programs and services to students including expanded use of KDHR, the ASI Internet Radio Station. ASI must strategically monitor its operational capacities.

In full compliance with Section 89301 of the California Education Code, ASI utilizes California State University, Dominguez Hills as its accounting service provider. Independently funded student club accounts continue to be accounted for by the California State University, Dominguez Hills Foundation.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(CONTINUED)**

ASI's significant development for June 30, 2015 and 2014 are as follows:

	<u>2015</u>	<u>2014</u>	<u>\$ Change</u>
<b>Assets:</b>			
Current assets	\$ 2,772,312	\$ 2,769,969	\$ 2,343
Other noncurrent assets	<u>4,930</u>	<u>6,902</u>	<u>(1,972)</u>
Total assets	<u>2,777,242</u>	<u>2,776,871</u>	<u>371</u>
<b>Liabilities:</b>			
Current liabilities	297,095	295,727	1,368
Other noncurrent liabilities	<u>632,136</u>	<u>539,194</u>	<u>92,942</u>
Total liabilities	<u>929,231</u>	<u>834,921</u>	<u>94,310</u>
<b>Net position</b>			
Invested in capital assets	4,930	6,902	(1,972)
Restricted - expandable	1,173,792	1,237,347	(63,555)
Unrestricted	<u>669,289</u>	<u>697,701</u>	<u>(28,412)</u>
Total net position	<u>\$ 1,848,011</u>	<u>\$ 1,941,950</u>	<u>\$ (93,939)</u>
<b>Operating Revenues:</b>			
Student fees	\$ 1,796,120	\$ 1,778,852	\$ 17,268
Grants and contracts	199,335	95,943	103,392
Other Operating Revenues	49,384	233,136	(183,752)
<b>Non-operating Revenues:</b>			
Investment income	<u>20,801</u>	<u>14,855</u>	<u>5,946</u>
Total revenues	<u>2,065,640</u>	<u>2,122,786</u>	<u>(57,146)</u>
<b>Operating Expenses:</b>			
Student services	2,157,607	2,158,757	\$ (1,150)
Depreciation	<u>1,972</u>	<u>4,223</u>	<u>(2,251)</u>
Total expenses	<u>2,159,579</u>	<u>2,162,980</u>	<u>(3,401)</u>
Change in net position	(93,939)	(40,194)	(53,745)
Beginning net position	<u>1,941,950</u>	<u>1,982,144</u>	<u>(40,194)</u>
Ending net position	<u>\$ 1,848,011</u>	<u>\$ 1,941,950</u>	<u>\$ (93,939)</u>

The GASB 45 requirement to recognize postemployment benefit liability, as determined by an actuarial study dated July 1, 2014, found the unfunded actuarial liability to be \$924,069. Of this amount, \$69,781 was recognized in 2014 and \$93,411 was recognized in the current year. ASI is active member of the VEBA Trust developed by the California State University, Auxiliary Organizations Association. ASI anticipates designating funds towards this obligation in the current year.



**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (UNAUDITED)**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(CONTINUED)**

For the year ended June 30, 2015 net assets decreased by \$93,939. This was due to a number of factors including an increase in expenses for the Child Development Center as well as ASI. The minimum wage increased to \$10.00 per hour. As result of a reorganization of Child Development Center legal fees increased by \$33,640. There was a decrease in anticipated revenues for the Child Development Center of approximately \$57,350. Finally, there was an increase in operating expenses due to general salary increases and accrued vacation payouts.

ASI implemented the Strategic Plan completed February 2012. The current programs and services offered are more consistent with the mission, vision and purpose of the corporation. ASI is committed to providing programming that reflects the organization's emphasis on enhancing student life. ASI will start the process for new five year strategic plan in Fall 2015.

**Factors Impacting Future Periods**

ASI monitors enrollment numbers very closely to determine potential changes in the annual budgeted revenue. The campus has experienced a couple years of increased headcount and higher FTES. The campus continues to meet its enrollment target. CSU enrollment management and policy decisions appear to favor a more robust future. In the upcoming year ASI will continue to be fiscally conservative. ASI will focus on improving existing programs like the Child Development Center and KDHR radio station.

ASI continues to partner with the other campus programming entities to maximize the sphere of programming offered to the CSUDH community. This has continued to enhance student programming during the 2014-2015 Fiscal Year. In addition, ASI continues to focus on improved customer service while evaluating the programs and services that are provided to enhance the educational experience. The Child Development Center (the Center) continues to monitor the Federal and State program changes that will have some significant impact in the delivery of services to assist students attending college with child care. The Center hired a full time Program Director who has a firm grasp on both administration and development. Through collaboration with the College of Health and Human Services the Center will become a key learning laboratory for early childhood education students. Funds on the State level for Child Care continue to decrease and ASI must look for other income sources to meet future needs.

Management will continue to monitor operating costs in both ASI and the Center and review its operations and make adjustments accordingly. In addition, ASI has set up an evaluation process to monitor programs, services and activities provided to the campus community and the recently conducted survey has identified both existing expansion of services needed as well as identified possible new services. ASI will begin work on a 5-year strategic plan which will help ASI identify programs and services that meet the needs of constituents, as well as funding opportunities for future years.

It has been a challenging year due to the increases in operating expenses, but both ASI and the Center staff have reacted well to the challenges and continue to keep both organizations operating at optimal performance within the boundaries of the funding received.

Relative to Chancellor's Office Executive Order 1000 (EO 1000), the formula developed by the CFO to recover costs may increase in current fiscal year. The full fiscal impact of this on ASI continues to be monitored and has yet to be determined.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2015**  
**(WITH COMPARATIVE TOTALS FOR 2014)**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 95,266	\$ 235,078
Short-term investments	2,653,778	2,516,338
Accounts receivable, net	<u>23,268</u>	<u>18,553</u>
Total current assets	<u>\$2,772,312</u>	<u>\$2,769,969</u>
<b>Capital assets</b>		
Capital assets, net	<u>4,930</u>	<u>6,902</u>
<b>Total assets</b>	<u><b>2,777,242</b></u>	<u><b>2,776,871</b></u>
<b>LIABILITIES AND NET POSITION</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 86,919	\$ 180,275
Accrued compensated absences	9,643	22,186
Unearned revenue	<u>200,533</u>	<u>93,266</u>
Total current liabilities	297,095	295,727
<b>Noncurrent liabilities</b>		
Accrued compensated absences, net of current portion	11,921	12,390
Postemployment benefits other than pensions	<u>620,215</u>	<u>526,804</u>
Total noncurrent liabilities	<u>632,136</u>	<u>539,194</u>
<b>Total liabilities</b>	<u><b>929,231</b></u>	<u><b>834,921</b></u>
<b>Net Position</b>		
Net investment in capital assets	4,930	6,902
Unrestricted	669,289	697,701
Restricted - expendable	<u>1,173,792</u>	<u>1,237,347</u>
<b>Total net position</b>	<u><b>\$1,848,011</b></u>	<u><b>\$1,941,950</b></u>
<b>Total liabilities and net position</b>	<u><b>\$ 2,777,242</b></u>	<u><b>\$ 2,776,871</b></u>

See accompanying auditors' reports and notes to financial statements.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(WITH COMPARATIVE TOTALS FOR 2014)**

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
<b>Operating revenues</b>		
Student fees	\$ 1,796,120	\$ 1,778,852
Grants and contracts, noncapital:		
Federal	96,201	34,313
State and local	103,134	61,630
Other operating revenues	<u>49,384</u>	<u>233,136</u>
<b>Total operating revenues</b>	<b>2,044,839</b>	<b>2,107,931</b>
<b>EXPENSES</b>		
<b>Operating expenses</b>		
Student services:		
Child Development center	450,768	396,343
Technology	295,842	338,088
Student events	110,799	117,323
Athletics	355,919	356,290
Tutorial	90,646	64,164
Administrative	853,633	886,549
Depreciation	<u>1,972</u>	<u>4,223</u>
Total operating expenses	<u>2,159,579</u>	<u>2,162,980</u>
Operating income	<u>(114,740)</u>	<u>(55,049)</u>
<b>Nonoperating revenues:</b>		
Investment income	<u>20,801</u>	<u>14,855</u>
Nonoperating revenue	20,801	14,855
<b>Decrease in Net Position</b>	<b>(93,939)</b>	<b>(40,194)</b>
<b>Net Position at Beginning of Year</b>	<u><b>1,941,950</b></u>	<u><b>1,982,144</b></u>
<b>Net Position at End of Year</b>	<u><b>1,848,011</b></u>	<u><b>1,941,950</b></u>

See accompanying auditors' reports and notes to financial statements.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(WITH COMPARATIVE TOTALS FOR 2014)**

	<u>2015</u>	<u>2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Student fees	\$ 1,898,672	\$ 1,785,403
Federal grants and contracts	96,201	34,313
State and local grants and contracts	103,134	61,630
Payments to suppliers	(1,275,270)	(1,112,426)
Payments to employees	(895,294)	(750,655)
Other revenues	49,384	57,092
Net cash provided by operating activities	<u>(23,173)</u>	<u>75,357</u>
<b>CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition of capital assets	-	-
Net cash used by capital and related financing activities	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Investment income	20,801	14,855
Net purchase of investments	(137,440)	(34,110)
Net cash used by investing activities	<u>(116,639)</u>	<u>(19,255)</u>
Net increase in cash and cash equivalents	(139,812)	56,102
Cash and cash equivalents at beginning of year	<u>235,078</u>	<u>178,976</u>
<b>Cash and cash equivalents at end of year</b>	<b><u>\$ 95,266</u></b>	<b><u>\$ 235,078</u></b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income	\$ (114,740)	\$ (55,049)
Adjustments to reconcile operating loss to net cash provided in operating activities:		
Depreciation	1,972	4,223
Change in assets and liabilities:		
Accounts receivable	(4,715)	6,037
Accounts payable	(93,356)	47,754
Accrued compensated absences	(13,012)	2,097
Unearned revenue	107,267	514
Postemployment benefits other than pensions	93,411	69,781
Net cash provided by operating activities	<u>(23,173)</u>	<u>75,357</u>

See accompanying auditors' reports and notes to financial statements.

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**1. ORGANIZATION**

*Nature of Organization*

Associated Students, Inc., California State University, Dominguez Hills (ASI), is a nonprofit auxiliary organization of California State University, Dominguez Hills (the University). ASI sponsors various campus activities that complement the instructional programs of the University campus.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Presentation*

The accompanying basic financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board (GASB). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

*Election of Applicable FASB Statements*

ASI has elected to follow standards of accounting and financial reporting issued by the Financial Accounting Standards Board (FASB) prior to November 30, 1989, unless those standards conflict with or contradict guidance of the GASB. ASI also has the option of following subsequent private-sector guidance subject to the same limitation. ASI has elected not to adopt the pronouncements issued by the FASB after November 30, 1989.

*Financial Reporting Entity*

The financial statements include the accounts of ASI. ASI is a government organization under accounting principles generally accepted in the United States of America and is also a component unit of the University, a public university under the California State University system. ASI has chosen to use the reporting model for special-purpose governments engaged only in business type activities.

*Basis of Accounting and Reporting*

ASI records revenue in part from registration fees and other charges for services to external users and, accordingly, has chosen to present its basic financial statements using the reporting model for special-purpose governments engaged only in business-type activities. This model allows all financial information for ASI to be reported in a single column in the basic financial statements. The effect of internal activity between funds or groups of funds has been eliminated from these basic financial statements.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Net Position*

ASI's net position is classified into the following net asset categories:

**Net investment in capital assets** – Capital assets, net of accumulated depreciation. ASI does not have any outstanding principal balances of debt attributable to the acquisition construction, or improvement of those assets.

**Unrestricted** – All other categories of net position. In addition, unrestricted net position may be designated for use by management of ASI or have legislative or bond indenture requirements associated with their use. These requirements limit the area of operations for which expenditures of net position may be made and require that unrestricted net position be designated to support future operations in these areas. ASI has adopted a policy of utilizing temporarily restricted funds, when available, prior to unrestricted funds.

**Restricted – expendable** – Net position subject to externally imposed conditions that can be fulfilled by the actions of ASI or by the passage of time.

*Classification of Current and Noncurrent Assets and Liabilities*

ASI considers assets to be current that can be reasonably expected, as part of its normal business operations, to be converted to cash and be available for liquidation of current liabilities within 12 months of the statement of net position date. Liabilities that reasonably can be expected, as part of normal ASI's business operations, to be liquidated within 12 months of the statement of net position date are considered to be current. All other assets and liabilities are considered to be noncurrent.

*Cash Equivalents*

ASI considers all highly liquid investments with an original maturity date of three months or less to be cash equivalents. The deposits of ASI are maintained at financial institutions and are fully insured or collateralized. The carrying amount of the ASI's deposits represents the bank balance adjusted for outstanding checks and deposits in transit.

The ASI, through the University, maintains its cash balance at one financial institution and is exposed to credit risk for amounts exceeding federally insured limits (\$250,000) in the event of nonperformance by the financial institution. The University has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk for cash and cash equivalents. There is no cash balance exceeding the federally insured limits at June 30, 2015.

*Investments*

Investments are reflected at fair value using quoted market prices. Gains and losses are included in the statements of revenues, expenses, and changes in net position as investment income.

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Accounts Receivables*

Accounts receivables are primarily unsecured amounts due from grantors on cost reimbursement or performance grants, student fees and parent fees. Receivables are stated at the amount management expects to collect from outstanding balances. The accounts receivable totaled \$23,268 at June 30, 2015. Management provides for probable uncollectible amounts through a provision for an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that remain outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Balances that remain outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

*Capital Assets*

Capital assets are stated at cost or estimated historical cost if purchased, or if donated at estimated fair value at date of donation. Capital assets with a value of less than \$2,500 are not capitalized. ASI is required to capitalize infrastructure assets that have been acquired, or that have received major improvements, in fiscal years ending after June 30, 1980. Title to all assets is held by ASI. Depreciation is determined using the straight-line method over the estimated lives of the assets ranging from five to ten years. Leasehold improvements are amortized using the straight-line method over the shorter of their estimated useful lives or the term of the lease. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are not capitalized.

*Unearned Revenue*

Unearned revenue consists primarily of fees collected in advance for summer school and fall semester.

*Compensated Absences*

Accrued compensated absences are accrued on a monthly basis based on length of service and job classification. Full-time employees accrue vacation time based upon job classification and years of service to ASI as follows:

<u>Years Employed</u>	<u>Annualized Accrual</u>
0 - 3 years	10 Days
4 - 6 years	15 Days
7 - 15 years	20 Days
16 + years	24 Days
Management Employees	24 Days

Accrued leave will be paid at the time of termination. Total accrued compensated absences at June 30, 2015, was \$21,564.

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS**  
**NOTES TO FINANCIAL STATEMENTS**  
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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Classification of Revenues and Expenses*

ASI considers operating revenues and expenses in the statements of revenues, expenses, and changes in net position to be the revenues and expenses that result from exchange transactions or from other activities that are connected directly to the ASI's primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services. Certain other transactions are reported as nonoperating revenues and expenses in accordance with GASB Statement No. 33. These nonoperating activities consist of net investment income and the disposition of research equipment.

*Government Revenue*

Government revenue is recognized when the qualifying costs are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. Government revenue from federal agencies is subject to independent audit under the Office of Management and Budget Circular A-133 and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, ASI's management believes that costs ultimately disallowed, if any, would not materially affect the net position of ASI.

*Income Taxes*

ASI is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and California income taxes under section 23701(d) of the California Revenue and Taxation Code. The IRS classified the organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

ASI has evaluated its tax positions and the certainty as to whether those tax positions will be sustained in the event of an audit by taxing authorities at the federal and state levels. The primary tax positions evaluated are related to ASI's continued qualification as a tax-exempt organization and whether there is unrelated business income activities conducted that would be taxable. Management has determined that all income tax positions will more likely than not be sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required.

ASI's Forms 990, *Return of Organization Exempt from Income Tax*, for each of the three years ended June 30, 2014, 2013, and 2012, are subject to examination by the IRS, generally for 3 years after they were filed.



**ASSOCIATED STUDENTS, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Estimates*

The preparation of these financial statements requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates. Management also determines the accounting principles to be used in the preparation of the financial statements. A description of the significant accounting policies employed in the preparation of these financial statements follows.

*Subsequent Events*

ASI has evaluated events subsequent to June 30, 2015, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through September 14, 2015, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

**3. INVESTMENTS**

At June 30, 2015, the investment portfolio of the ASI consists of investments held in the California State University investment pool. Investments related to ASI are carried in the investment pool in the name of the University, but are distinguished from investments of the University in the University's financial records. Gains and losses on the investments of the ASI are recorded separately from those related to the investments of the University.

None of ASI's investments are represented by specific identifiable investment securities and, accordingly, are not subject to custodial risk categorization as prescribed by GASB Statement No. 3, and as amended by GASB No. 40.

*Interest rate risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment is, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the University manages its exposure to interest rate risk is by purchasing a combination of short-term and mid-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or nearing maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. The University monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The weighted average maturity of the University's investment portfolio for each investment type as of June 30, 2015 is presented in the table below.

**ASSOCIATED STUDENTS, INC.  
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**3. INVESTMENTS - Continued**

*Credit risk*

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The following table presents the fair value, weighted average maturity, and actual rating by investment type of the University's investment portfolio as of June 30, 2015:

Investment Type	Fair Value	Weighted Average Maturity in Years	AAA	AA	A	Not rated
Asset Backed Securities	\$ 178,767	1.186	\$178,767	\$ -	\$ -	\$ -
Certificates of Deposit	123,117	1.194	-	8,845	114,272	-
Corporate Bonds	775,357	1.121	20,228	169,251	585,878	-
Money Market Funds	21,480	-	-	-	-	21,480
Mortgage Backed Securities	1,323	2.403	-	1,323	-	-
Municipal Bonds	18,484	1.008	-	18,484	-	-
Repurchase Agreement	6,802	0.003	-	-	4,325	2,477
U.S. Agency Securities	931,308	1.604	-	931,308	-	-
U.S. Treasury Securities	597,140	1.519	-	-	-	597,140
<b>Total</b>	<b><u>\$2,653,778</u></b>		<b><u>\$198,995</u></b>	<b><u>\$1,129,211</u></b>	<b><u>\$ 704,475</u></b>	<b><u>\$621,097</u></b>

Investments represent a portion of funds held by the Campus on behalf of ASI which are redeemable in cash in accordance with Campus Policies. The Campus, in turn, holds the funds in the CSU Consolidated Investment Pool.

**4. ACCOUNTS RECEIVABLE**

Accounts Receivable at June 30, 2015 consisted of the following:

Student receivables	\$ 27,474
Child Development Center Receivables	3,398
Less allowance for doubtful accounts	<u>(7,604)</u>
<b>Total</b>	<b><u>\$ 23,268</u></b>

**ASSOCIATED STUDENTS, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(CONTINUED)**

**5. CAPITAL ASSETS**

Capital assets for the year ended June 30, 2015 consisted of the following:

	Beginning of Year 7/1/14	Additions	Deletions	End of Year 6/30/15
Computer software	\$ 18,484	\$ -	\$ -	\$ 18,484
Accumulated depreciation	<u>(18,484)</u>	<u>-</u>	<u>-</u>	<u>(18,484)</u>
	-	-	-	-
Equipment	56,821	-	-	56,821
Accumulated depreciation	<u>(49,919)</u>	<u>(1,972)</u>	<u>-</u>	<u>(51,891)</u>
	<u>6,902</u>	<u>-</u>	<u>-</u>	<u>4,930</u>
Net Property and Equipment	<u>\$ 6,902</u>	<u>\$ (1,972)</u>	<u>\$ -</u>	<u>\$ 4,930</u>

No additions or deletion to capital assets were made during the year. Depreciation expense as of June 30, 2015 was \$1,972.

**6. PENSION PLAN**

ASI provides a variable annuity plan (the Plan) which covers ASI's management and other personnel after the first year of employment. The Plan is a defined contribution plan which provides for an annuity of approximately 10% of the annual salary of covered members to be contributed to the Plan each year. The amount of each individual's designated annuity payment is established each year through the budget process of the ASI Finance Commission, the ASI Board of Directors, the University Chief Financial Officer, and the University President. The Plan is administered by various carriers including Metlife, Vanguard and TIAA-CREF. Employer contributions have been suspended pending resolution of technical issues before the U.S. Internal Revenue Service.

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

**7. POSTEMPLOYMENT HEALTHCARE BENEFITS**

*Plan Description*

In addition to ASI's employer defined benefit plan, ASI provides lifetime postretirement medical coverage to employees who satisfy certain eligibility requirements. Retirees receive the same monthly allowance toward the cost of coverage as active employees.

In fiscal year ended June 2011, the ASI participated in the Auxiliaries Multiple Employer VEBA (Voluntary Employees' Beneficiary Association) and contributed \$50,000 in fiscal year ended June 2012. The Auxiliaries Multiple Employer VEBA is a separate 501(c)(9) organization established in August 2010 to assist in funding post-retirement healthcare benefits for recognized auxiliaries of the California State University System. The plan does not issue separate financial statements.

In accordance with GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, ASI has recorded the cost and obligation of these benefits in the basic financial statements.

*Annual OPEB Cost and Net OPEB Obligation*

ASI's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The table on the following page shows the components of the ASI's annual OPEB cost for the year, the amount actually contributed, and changes in the OPEB obligation.

	<u>June 30, 2015</u>
Annual required contribution	\$ 118,149
Interest on net OPEB obligation	23,706
Adjustment to annual required contribution	<u>(27,236)</u>
Annual OPEB cost (expense)	114,619
Retiree premium cost	(21,208)
Contributions made	<u>-</u>
Change in net OPEB obligation	93,411
Net OPEB obligation – beginning of year	<u>526,804</u>
Net OPEB obligation – end of year	<u>\$ 620,215</u>

**ASSOCIATED STUDENTS, INC.  
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NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**7. POSTEMPLOYMENT HEALTHCARE BENEFITS – Continued**

The ASI's annual OPEB cost for the year, the percentage of annual OPEB cost contributed, and the net OPEB obligation was as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/11	\$ 79,098	6.32%	\$ 368,574
6/30/12	85,533	16.99%	389,565
6/30/13	91,970	26.65%	457,023
6/30/14	98,399	29.08%	526,804
6/30/15	114,619	18.50%	620,215

*Funding Status and Funding Progress*

As of June 30, 2015 the market value of plan assets was \$65,085. As of July 1, 2014, the most recent actuarial valuation date, the actuarial accrued liability for benefits as well as the unfunded actuarial accrued liability (UAAL) was \$924,069. The covered payroll (annual payroll of active employees covered by the plan) was \$551,637, and the ratio of the UAAL to the covered payroll was 167.51%.

Actuarial valuations of an ongoing benefit plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of postemployment healthcare benefits funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets, if any, is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial Methods and Assumptions*

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, if any, consistent with the long-term perspective of the calculations.

In the July 1, 2014 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions included a 4.5 percent discount rate and an annual healthcare cost trend rate of 6.4% initially, reduced by decrements to an ultimate rate of 5.0% after 6 years. The UAAL is being amortized on a dollar level approach and closed basis over 30 years as allowed under GASB Statement No. 45. The remaining amortization period will expire on June 30, 2037.

**ASSOCIATED STUDENTS, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(CONTINUED)**

**8. RESTRICTED EXPENDABLE NET POSITION**

Restricted – expendable net position at June 30, 2015 consists of the following:

Technology Referendum Fee	\$ 883,462
Child Development Center	13,438
Intercollegiate Athletics	39,413
Toro Learning Center	119,912
Multicultural Center	<u>117,567</u>
Total	<u>\$ 1,173,792</u>

**9. TRANSACTIONS WITH RELATED ENTITIES**

ASI leases certain facilities from the Donald P. and Katherine B. Loker University Student Union (Student Union) for a nominal amount. In lieu of rent, ASI administers various student programs. The ASI recognizes expenses related to student programs in student services expense. The current ASI lease became effective June 25, 2012 and extends through June 30, 2017.

The University bills ASI for financial administration and other costs including utilities, maintenance, postage, and other reimbursable expenses. Amounts due to the University at June 30, 2015 was \$18,586, and is included in accounts payable in the accompanying statements of net position.

California State University, Dominguez Hills Foundation (Foundation) bills ASI for payroll costs and other costs. Amounts due to the Foundation at June 30, 2015 was \$50,075, and is included in liabilities in the accompanying statement of net position.

**REQUIRED SUPPLEMENTARY INFORMATION**

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS  
SCHEDULE OF POSTEMPLOYMENT HEALTHCARE BENEFITS FUNDING PROGRESS  
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Actuarial Valuation Date</u>	<u>A</u> <u>Actuarial Value of Assets (AVA)</u>	<u>B</u> <u>Actuarial Accrued Liability (Unit Cost Method) (AAL)</u>	<u>C</u> <u>Unfunded Actuarial Accrued Liability (UAAL) (B-A)</u>	<u>D</u> <u>Funding Ratio (A/B)</u>	<u>E</u> <u>Covered Payroll</u>	<u>F</u> <u>UUAL as a Percentage of Covered Payroll ( (B-A) / E )</u>
7/1/2008	\$ -	\$ 663,489	\$ 663,489	0.00%	\$ 382,000	173.69%
7/1/2011	-	803,981	803,981	0.00%	376,700	213.43%
7/1/2014	* 64,992	989,061	924,069	6.57%	551,637	167.51%

Note: In 2011-12, ASI contributed \$50,000 to the Auxiliaries Multiple Employer VEBA Trust.

\* The valuation date is July 1, 2014. The valuation results were "rolled back" actuarially to July 1, 2013 in order to coincide with ASI's fiscal year.



**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS  
NOTES TO SCHEDULE OF  
POSTEMPLOYMENT HEALTHCARE BENEFITS FUNDING PROGRESS  
FOR THE YEAR ENDED JUNE 30, 2015**

**1. PURPOSE OF SCHEDULE**

*Schedule of Postemployment Healthcare Benefits Funding Progress*

This schedule is prepared to show information for the most recent actuarial valuation and in future years, the information from the three most recent actuarial valuations in accordance with Statement No. 45 of the Governmental Accounting Standards Board, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The schedule is intended to show trends about the funding progress of the ASI's actuarially determined liability for postemployment benefits other than pensions.

**OTHER SUPPLEMENTARY INFORMATION**

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS**  
**GASB SCHEDULE OF NET POSITION**  
**JUNE 30, 2015**

Assets:	
Current assets:	
Cash and cash equivalents	\$ 95,266
Short-term investments	2,653,778
Accounts receivable, net	23,268
Leases receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net	—
Prepaid expenses and other assets	—
Total current assets	<u>2,772,312</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	4,930
Other assets	—
Total noncurrent assets	<u>4,930</u>
Total assets	<u>2,777,242</u>
Deferred outflows of resources:	
Unamortized loss on debt refunding	—
Net pension obligation	—
Total deferred outflows of resources	<u>—</u>
Liabilities:	
Current liabilities:	
Accounts payable	86,919
Accrued salaries and benefits payable	—
Accrued compensated absences— current portion	9,643
Unearned revenue	200,533
Capitalized lease obligations – current portion	—
Long-term debt obligations – current portion	—
Claims Liability for losses and LAE - current portion	—
Depository accounts	—
Other liabilities	—
Total current liabilities	<u>297,095</u>
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	11,921
Unearned revenue	—
Grants refundable	—
Capitalized lease obligations, net of current portion	—
Long-term debt obligations, net of current portion	—
Claims Liability for losses and LAE, net of current portion	—
Depository accounts	—
Other postemployment benefits obligation	620,215
Pension obligation	—
Other liabilities	—
Total noncurrent liabilities	<u>632,136</u>
Total liabilities	<u>929,231</u>
Deferred inflows of resources:	
Unamortized gain on debt refunding	—
Non-exchange transactions	—
Service concession arrangements	—
Net pension obligation	—
Total deferred inflows of resources	<u>—</u>
Net Position:	
Net investment in capital assets	4,930
Restricted for:	
Nonexpendable – endowments	—
Expendable:	
Scholarships and fellowships	—
Research	—
Loans	—
Capital projects	—
Debt service	—
Other	1,173,792
Unrestricted	<u>669,289</u>
Total net position	<u>\$ 1,848,011</u>

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS**  
**GASB SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2015**

Revenues:	
Operating revenues:	
Student tuition and fees (net of scholarship allowances of \$0)	\$ 1,796,120
Grants and contracts, noncapital:	
Federal	96,201
State	103,134
Local	—
Nongovernmental	—
Sales and services of educational activities	—
Sales and services of auxiliary enterprises (net of scholarship allowances of \$0)	—
Other operating revenues	49,384
Total operating revenues	<u>2,044,839</u>
Expenses:	
Operating expenses:	
Instruction	—
Research	—
Public service	—
Academic support	—
Student services	—
Institutional support	2,157,607
Operation and maintenance of plant	—
Student grants and scholarships	—
Auxiliary enterprise expenses	—
Depreciation and amortization	1,972
Total operating expenses	<u>2,159,579</u>
Operating income (loss)	<u>(114,740)</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	—
Other federal nonoperating grants, noncapital	—
Gifts, noncapital	—
Investment income (loss), net	20,801
Endowment income (loss), net	—
Interest Expenses	—
Other nonoperating revenues (expenses)	—
Net nonoperating revenues (expenses)	<u>20,801</u>
Income (loss) before other additions	(93,939)
State appropriations, capital	—
Grants and gifts, capital	—
Additions (reductions) to permanent endowments	—
Increase (decrease) in net position	<u>(93,939)</u>
Net position:	
Net position at beginning of year, as previously reported	1,941,950
Restatements	—
Net position at beginning of year, as restated	<u>1,941,950</u>
Net position at end of year	<u>\$ 1,848,011</u>

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2015**

<b>1</b>	<b>Restricted cash and cash equivalents at June 30, 2015:</b>	
	Portion of restricted cash and cash equivalents related to endowments	\$ -
	All other restricted cash and cash equivalents	<u>-</u>
	Total restricted cash and cash equivalents	<u><u>\$ -</u></u>

**ASSOCIATED STUDENTS, INC.**  
**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(CONTINUED)**

**2.1 Composition of investments at June 30, 2015:**

	<b>Current</b>		<b>Total Current</b>	<b>Noncurrent</b>	<b>Noncurrent</b>	<b>Total Noncurrent</b>	<b>Total</b>
	<b>Unrestricted</b>	<b>Current Restricted</b>		<b>Unrestricted</b>	<b>Restricted</b>		
State of California Surplus Money Investment Fund (SMIF)	\$ -	-	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-	-	-
Corporate bonds	775,357	-	775,357	-	-	-	775,357
Certificates of deposit	123,117	-	123,117	-	-	-	123,117
Mutual funds	-	-	-	-	-	-	-
Money Market funds	21,480	-	21,480	-	-	-	21,480
Repurchase agreements	6,802	-	6,802	-	-	-	6,802
Commercial paper	-	-	-	-	-	-	-
Asset backed securities	178,767	-	178,767	-	-	-	178,767
Mortgage backed securities	1,323	-	1,323	-	-	-	1,323
Municipal bonds	18,484	-	18,484	-	-	-	18,484
U.S. agency securities	931,308	-	931,308	-	-	-	931,308
U.S. treasury securities	597,140	-	597,140	-	-	-	597,140
Equity securities	-	-	-	-	-	-	-
Exchange traded funds (ETFs)	-	-	-	-	-	-	-
Alternative investments:	-	-	-	-	-	-	-
Private equity (including limited partnerships)	-	-	-	-	-	-	-
Hedge funds	-	-	-	-	-	-	-
Managed futures	-	-	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-
Other alternative investment types	-	-	-	-	-	-	-
Other major investments:	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Total investments	2,653,778	-	2,653,778	-	-	-	2,653,778
Less endowment investments (enter as negative number)	-	-	-	-	-	-	-
Total investments	2,653,778	-	2,653,778	-	-	-	2,653,778

**ASSOCIATED STUDENTS, INC.  
CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

<b>2.2 Investments held by the University under contractual agreements at June 30, 2015:</b>							
Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2015 :	2,653,778	-	2,653,778	-	-	-	2,653,778
<b>2.3 Restricted current investments at June 30, 2015 related to:</b>	<b>Amount</b>						
Add description	\$ —						
Add description	—						
Add description	—						
Add description	—						
Add description	—						
Add description	—						
<b>Total restricted current investments at June 30, 2015</b>	<b>\$ —</b>						
<b>2.4 Restricted noncurrent investments at June 30, 2015 related to:</b>	<b>Amount</b>						
Endowment investment	\$ —						
Add description	—						
Add description	—						
Add description	—						
Add description	—						
Add description	—						
<b>Total restricted noncurrent investments at June 30, 2015</b>	<b>\$ —</b>						





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Less accumulated depreciation/amortization:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-
Personal property:								
Equipment	(49,919)	-	-	(49,919)	(1,972)	-	-	(51,891)
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	(18,484)	-	-	(18,484)	-	-	-	(18,484)
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Total intangible assets	<u>(18,484)</u>	<u>-</u>	<u>-</u>	<u>(18,484)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,484)</u>
Total accumulated depreciation/amortization	<u>(68,403)</u>	<u>-</u>	<u>-</u>	<u>(68,403)</u>	<u>(1,972)</u>	<u>-</u>	<u>-</u>	<u>(70,375)</u>
Total capital assets, net	<u>\$ 6,902</u>	<u>-</u>	<u>-</u>	<u>6,902</u>	<u>(1,972)</u>	<u>-</u>	<u>-</u>	<u>4,930</u>

**3.2 Detail of depreciation and amortization expense for the year ended June 30, 2015:**

Depreciation and amortization expense related to capital assets	\$ 1,972
Amortization expense related to other assets	<u>—</u>
Total depreciation and amortization	<u>\$ 1,972</u>

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4 Long-term liabilities activity schedule:

	Balance June 30, 2014	Prior period adjustments	Reclassifications	Balance June 30, 2014 (restated)	Additions	Reductions	Balance June 30, 2015	Current portion	Long-term portion
Accrued compensated absences	\$ 34,576	—	—	34,576	33,639	(46,651)	21,564	9,643	11,921
Capitalized lease obligations:									
Gross balance	—	—	—	—	-	-	—	—	—
Unamortized premium / (discount) on capitalized lease obligations	—	—	—	—	-	-	—	—	—
Total capitalized lease obligations	—	—	—	—	-	-	—	—	—
Long-term debt obligations:									
Revenue Bonds	—	—	—	—	-	-	—	—	—
Other bonds (non-Revenue Bonds)	—	—	—	—	-	-	—	—	—
Commercial Paper	—	—	—	—	-	-	—	—	—
Note Payable related to SRB	—	—	—	—	-	-	—	—	—
Other:									
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Total long-term debt obligations	—	—	—	—	-	-	—	—	—
Unamortized bond premium / (discount)	—	—	—	—	-	-	—	—	—
Total long-term debt obligations, net	—	—	—	—	—	—	—	—	—
Total long-term liabilities	\$ 34,576	—	—	34,576	33,639	(46,651)	21,564	9,643	11,921

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

	<u>Principal</u>	<u>Interest</u>	<u>Principal and Interest</u>
Year ending June 30:			
2015	-	-	—
2016	-	-	—
2017	-	-	—
2018	-	-	—
2019	-	-	—
2020 - 2024	-	-	—
2025 - 2029	-	-	—
2030 - 2034	-	-	—
2035 - 2039	-	-	—
2040 - 2044	-	-	—
2045 - 2049	-	-	—
2050 - 2054	-	-	—
2055 - 2059	-	-	—
2060 - 2064	-	-	—
	<hr/>	<hr/>	<hr/>
Total minimum lease payments			—
Less amounts representing interest			—
Present value of future minimum lease payments			—
Less: current portion			—
<b>Capitalized lease obligation, net of current portion</b>			<b>\$ —</b>

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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:									
2015	\$ -	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-
2020 - 2024	-	-	-	-	-	-	-	-	-
2025 - 2029	-	-	-	-	-	-	-	-	-
2030 - 2034	-	-	-	-	-	-	-	-	-
2035 - 2039	-	-	-	-	-	-	-	-	-
2040 - 2044	-	-	-	-	-	-	-	-	-
2045 - 2049	-	-	-	-	-	-	-	-	-
2050 - 2054	-	-	-	-	-	-	-	-	-
2055 - 2059	-	-	-	-	-	-	-	-	-
2060 - 2064	-	-	-	-	-	-	-	-	-
Total	\$ -	-	-	-	-	-	-	-	-

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**7 Calculation of net position**

	<u>Auxiliary Organizations</u>		<u>Total</u>
	<u>GASB</u>	<u>FASB</u>	<u>Auxiliaries</u>
<b>7.1 Calculation of net position - Net investment in capital assets</b>			
Capital assets, net of accumulated depreciation	\$ 4,930	—	4,930
Capitalized lease obligations - current portion	—	—	—
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 adjustments: (please list)			
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Net position - net investment in capital asset	\$ <u>4,930</u>	<u>—</u>	<u>4,930</u>
<b>7.2 Calculation of net position - Restricted for nonexpendable - endowments</b>			
Portion of restricted cash and cash equivalents related to endowments	\$ —	—	—
Endowment investments	—	—	—
Other adjustments: (please list)			
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Net position - Restricted for nonexpendable - endowments per SNP	\$ <u>—</u>	<u>—</u>	<u>—</u>

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**8 Transactions with Related Entities**

	<b>Amount</b>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ —
Payments to University for other than salaries of University personnel	654,920
Payments received from University for services, space, and programs	—
Gifts-in-kind to the University from discretely presented component units	—
Gifts (cash or assets) to the University from discretely presented component units	295,524
Accounts (payable to) University (enter as negative number)	(18,586)
Other amounts (payable to) University (enter as negative number)	—
Accounts receivable from University	—
Other amounts receivable from University	—

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**9 Other Postemployment Benefits Obligation (OPEB)**

Annual required contribution (ARC)	\$	93,411
Contributions during the year		—
		93,411
Increase (decrease) in net OPEB obligation (NOO)		93,411
NOO - beginning of year		526,804
NOO - end of year	\$	620,215

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

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



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

	<u>Net Position Class</u>	<u>Amount</u> Dr. (Cr.)
Net position as of June 30, 2014, as previously reported		\$ 1,941,950
Prior period adjustments:		
1 (list description of each adjustment)		—
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)		—
Net position as of June 30, 2014, as restated		<u>\$ 1,941,950</u>

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

	<u>Debit</u>	<u>Credit</u>
Net position class: _____		
1 (breakdown of adjusting journal entry)	\$ —	—
Net position class: _____		
2 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
3 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
4 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
5 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
6 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
7 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
8 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
9 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
10 (breakdown of adjusting journal entry)	—	—