



INDEPENDENT AUDITORS' REPORT

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on pages 11-22 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 reports prepared by management. The information 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 reports prepared by management. The information 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 reports prepared by management.

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.
Statements of Financial Position
June 30, 2015 and 2014

ASSETS	<u>2015</u>	<u>2014</u>
Current Assets:		
Cash	\$ 706,538	\$ 12,883
Investments	596,842	811,502
Accounts receivable	54,629	59,577
Due from related parties	8,229	344,929
Prepaid expenses and other current assets	<u>211</u>	<u>81</u>
Total Current Assets	1,366,449	1,228,972
Property and Equipment, net of accumulated depreciation	<u>128,509</u>	<u>155,581</u>
Total Assets	<u>\$ 1,494,958</u>	<u>\$ 1,384,553</u>
 LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 46,606	\$ 80,029
Deferred revenue	112,139	97,217
Due to related parties	257,378	233,909
Deposits in excess of withdrawals for agency accounts	<u>160,983</u>	<u>135,382</u>
Total Current Liabilities	577,106	546,537
Net Assets - Unrestricted	<u>917,852</u>	<u>838,016</u>
Total Liabilities and Net Assets	<u>\$ 1,494,958</u>	<u>\$ 1,384,553</u>

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.**Statements of Activities**Years Ended June 30, 2015 and 2014

	2015	2014
Unrestricted Revenue and Other Support:		
Fees	\$ 3,101,950	\$ 2,836,413
Interest	14,970	4,873
Miscellaneous	700	4,537
Total Unrestricted Revenue and Other Support	3,117,620	2,845,823
Expenses:		
Program services	2,653,681	2,893,422
General and administrative	384,103	360,654
Total Expenses	3,037,784	3,254,076
Change in Net Assets	79,836	(408,253)
Net Assets, beginning	838,016	1,246,269
Net Assets, ending	\$ 917,852	

See accompanying notes to financial statements.

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Statements of Cash Flows

Years Ended June 30, 2015 and 2014

	2015		2014
Cash Flows from Operating Activities:			
Change in net assets	\$ 79,836	\$	(408,253)
Adjustments to reconcile change in net assets to			

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Notes to Financial Statements

Years Ended June 30, 2015 and 2014

Note 1 – Organization and Summary of Significant Accounting Policies

Nature of Activities

The Associated Students, California State University, Bakersfield, Inc. (Organization) was formed and operates as a non-profit auxiliary organization of California State University, Bakersfield (CSU Bakersfield or the University) located in Bakersfield, California. The Organization exists as an advocate for students and provides programs which encourage leadership development, educational interests,

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Notes to Financial Statements

Years Ended June 30, 2015 and 2014

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

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. The fair value is determined using quoted market prices. Alternative investments, for which quoted market prices are not readily available, are valued at fair value by the investment manager based on factors deemed relevant by the manager including, but not limited to, market conditions, purchase price

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Notes to Financial Statements

Years Ended June 30, 2015 and 2014

Note 4 – Property and Equipment

Property and equipment consist of the following:

	2015		2014
Equipment	\$ 57,806	\$	57,806

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.**Notes to Financial Statements**Years Ended June 30, 2015 and 2014

Note 6 – Related Party Transactions, continued

Related party transactions as of and for the years ended June 30, 2015 and 2014 are as follows:

	<u>2015</u>	<u>2014</u>
Expenses:		
Program fees:		
University	\$ 2,321,966	\$ 2,770,364
Foundation	14,493	133,521
Student Union	29,396	29,671
	<u>\$ 2,365,855</u>	<u>\$ 2,933,556</u>
Due from:		
University	\$ 7,614	\$ 221,830
Foundation	615	123,099
	<u>\$ 8,229</u>	<u>\$ 344,929</u>
Due to:		
University	\$ 244,540	\$ 162,289
Foundation	65	71,620
Student Union	12,773	-
	<u>\$ 257,378</u>	<u>\$ 233,909</u>

SUPPLEMENTAL INFORMATION

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.**Schedule of Expenses by Natural Classification**

Year Ended June 30, 2015

	Program Services	General and Administrative	Total
Scholarships	\$ 1,922,451	\$ 37,842	\$ 1,960,293
Supplies	427,388	87,449	514,837
Travel	215,097	20,497	235,594
Salaries	14,264	82,730	96,994
Benefits	1,430	55,191	56,621
Services from other agencies	21,895	21,370	43,265
Depreciation	18,813	8,259	27,072
Expendable equipment	18,359	8,611	26,970
Rent	-	24,636	24,636
Conference and meetings	6,480	10,851	17,331
Professional fees	6,700	3,300	10,000
Insurance	-	8,268	8,268
Advertising	-	5,455	5,455
Dues and subscriptions	204	3,230	3,434
Telephone	419	2,616	3,035
Recruitment	-	2,263	2,263
Printing and publications	117	1,535	1,652
Repairs and maintenance	64	-	64
Total Expenses	<u>\$ 2,653,681</u>	<u>\$ 384,103</u>	<u>\$ 3,037,784</u>

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Schedule of Expenses by Natural Classification

Year Ended June 30, 2014

	Program Services	General and Administrative	Total
Scholarships	\$ 1,814,021	\$ 28,875	\$ 1,842,896
Travel	652,430	28,834	681,264
Supplies	348,051	70,278	418,329
Salaries	14,649	100,420	115,069
Services from other agencies	32,380		

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Schedule of Activities by Fund

Year Ended June 30, 2015

	<u>ASI Administration</u>	<u>Athletic Referendum</u>	<u>Children's Center Referendum</u>	<u>NCAA Referendum</u>	<u>Club Referendum</u>	<u>AVC Referendum</u>	<u>Total</u>
Unrestricted Revenue and Other Support:							
Fees	\$ 386,621	\$ 359,029	\$ 122,457	\$ 2,080,134	\$ 102,576	\$ 51,133	\$ 3,101,950
Miscellaneous	-	-	-	-	-	700	700
Interest	8,056	1,696	306	3,222	1,166	524	14,970
Total Unrestricted Revenue and Other Support	394,677	360,725	122,763	2,083,356	103,742	52,357	3,117,620
Expenses:							
Program services	-	362,505	128,857	2,021,659	63,195	77,465	2,653,681
General and administrative	384,103	-	-	-	-	-	384,103
Total Expenses	384,103	362,505	128,857	2,021,659	63,195	77,465	3,037,784
Change in net assets	10,574	(1,780)	(6,094)	61,697	40,547	(25,108)	79,836
Net Assets, beginning	555,944	8,416	1,340	5,110	112,541	154,665	838,016
Net Assets (Deficit), ending	<u>\$ 566,518</u>	<u>\$ 6,636</u>	<u>\$ (4,754)</u>	<u>\$ 66,807</u>	<u>\$ 153,088</u>	<u>\$ 129,557</u>	<u>\$ 917,852</u>

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, BAKERSFIELD, INC.

Schedule of Activities by Fund

Year Ended June 30, 2014

	ASI Administration	Athletic Referendum	Children's Center Referendum	NCAA Referendum	Club Referendum	AVC Referendum	Total
Unrestricted Revenue and Other Support:							
Fees	\$ 343,493	\$ 339,484	\$ 121,232	\$ 1,892,298	\$ 91,351	\$ 48,555	\$ 2,836,413
Miscellaneous	241	(4,269)	-	-	-	8,565	4,537
Interest	2,363	641	87	1,344	283	155	4,873
Total Unrestricted Revenue and Other Support	3461						

Assets:	
Current assets:	
Cash and cash equivalents	\$ 706,538
Short-term investments	596,842
Accounts receivable, net	62,858
Leases receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other assets	211
Total current assets	1,366,449
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	128,509
Other assets	-
Total noncurrent assets	128,509
Total assets	1,494,958
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension obligation	-
Others	-
Total deferred outflows of resources	-
Liabilities:	
Current liabilities:	
Accounts payable	288,638
Accrued salaries and benefits payable	-
Accrued compensated absences – current portion	5,634
Unearned revenue	112,139
Capitalized lease obligations – current portion	-
Long-term debt obligations – current portion	-
s	170,695
Total current liabilities	577,106
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	-
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	-
Pension obligation	-
Other liabilities	-
Total noncurrent liabilities	-
Total liabilities	577,106
Deferred inflows of resources:	
Unamortized gain on debt refunding	-
Non-exchange transactions	-
Service concession arrangements	-
Net pension obligation	-
Others	-
Total deferred inflows of resources	-
Net Position:	
Net investment in capital assets	128,509
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Othe	-

Revenues:

Operating revenues:

Student tuition and fees (net of scholarship allowances of \$0)	\$	3,101,950
Grants and contracts, noncapital:		
Federal		-
State		-
Local		-
Nongovernmental		-
Sales and services of educational activities		-
Sales and services of auxiliary enterprises (net of scholarship allowances of \$0)		-
Other operating revenues		700
Total operating revenues		3,102,650

Expenses:

Operating expenses:

Instruction		-
Research		-
Public service		-
Academic support		-
Student services		1,050,420
Institutional support		-
Operation and maintenance of plant		-
Student grants and scholarships		1,960,292
Auxiliary enterprise expenses		-
Depreciation and amortization		27,072
Total operating expenses		3,037,784
Operating income (loss)		64,866

Nonoperating revenues (expenses):

State appropriations, noncapital		-
Federal financial aid grants, noncapital		-
State financial aid grants, noncapital		-

1 Restricted cash and cash equivalents at June 30, 2015:

Portion of restricted cash and cash equivalents related to endowments	\$	-
All other restricted cash and cash equivalents		-
Total restricted cash and cash equivalents	\$	-

2.1 Composition of investments at June 30, 2015:

	Current Unrestricted	Current Restricted	Total Current	Noncurrent Unrestricted	Noncurrent Restricted	Total Noncurrent	Total
State of California Surplus Money Investment Fund (SMIF)	\$	-					

Associated Students, California State University, Bakersfield, Inc.

Other Information

June 30, 2015

(for inclusion in the California State University)

3.1 Composition of capital assets at June 30, 2015:

	Balance June 30, 2014	Prior period Adjustments	Reclassifications	Balance June 30, 2014 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2015
Nondepreciable/nonamortizable capital assets:								
Land and land improvements	\$ -	-	-	-	-	-	-	-
Works of art and historical treasures	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	-	-	-	-	-	-	-	-
Intangible assets:								
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-
Internally generated intangible assets in progress	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	licenses and permits	-	-
Total nondepreciable/nonamortizable capital assets	-	-	-	-	-	-	-	-
Depreciable/amortizable capital assets:								
Buildings and building improvements	23,449,716	0	0	23,449,716	0	0	0	23,449,716

Associated Students, California State University, Bakersfield, Inc.

Other Information

June 30, 2015

(for inclusion in the California State University)

3.2 Detail of depreciation and amortization expense for the year ended June 30, 20CY:

Depreciation and amortization expense related to capital assets	\$	27,072
Amortization expense related to other assets		—
Total depreciation and amortization	\$	27,072

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
Capitalized lease obligations:	\$ 13,330	—	—	13,330	6,075	(13,771)	5,634	5,634	—
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	—	—	—	—	-	-	—	—	—

Associated Students, California State University, Bakersfield, Inc.

Other Information

June 30, 2015

(for inclusion in the California State University)

8 Transactions with Related Entities

	<u>Amount</u>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 158,183
Payments to University for other than salaries of University personnel	2,163,783
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	-
Accounts (payable to) University (enter as negative number)	-
Other amounts (payable to) University (enter as negative number)	(244,540)
Accounts receivable from University	7,614
Other amounts receivable from University	-

9 Other Postemployment Benefits Obligation (OPEB)

Annual required contribution (ARC)	\$ —
Contributions during the year	<u>—</u>
Increase (decrease) in net OPEB obligation (NOO)	—
NOO - beginning of year	<u>—</u>
NOO - end of year	<u><u>—</u></u>

10 Pollution remediation liabilities under GASB Statement No. 49:

<u>Description</u>	<u>Amount</u>
Add description	\$ —
Add description	—
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	<u>—</u>
Pollution remediation liabilities, net of current portion	<u><u>—</u></u>

Associated Students, California State University, Bakersfield, Inc.

Other Information

June 30, 2015

(for inclusion in the California State University)

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

	Net Position Class	Amount Dr. (Cr.)
Net position as of June 30, 2014, as previously reported	\$	838,016
Prior period adjustments:		
1 (list description of each adjustment)		—