

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010**



**WINDES & MCCLAUGHRY  
ACCOUNTANCY CORPORATION**  
*Certified Public Accountants & Consultants*

EXCEEDING EXPECTATIONS SINCE 1926

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Associated Students of California State University, Los Angeles, Inc.:

We have audited the accompanying statements of financial position of Associated Students of California State University, Los Angeles, Inc. (the Organization) as of June 30, 2011 and 2010, and the related statements of activities, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Associated Students of California State University, Los Angeles, Inc. as of June 30, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules of net assets, revenues, expenses, and changes in net assets, and other information as of and for the year ended June 30, 2011 on pages 15 through 27 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Long Beach, California  
September 13, 2011

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**STATEMENTS OF FINANCIAL POSITION**

**ASSETS**

	<b>June 30,</b>	
	<b>2011</b>	<b>2010</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,428,140	\$ 1,301,275
Accounts receivable from affiliates, net	13,006	19,387
Accounts receivable, net	1,850	16,085
Prepaid expenses and deposits	10,903	25,959
Equipment and furnishings, net	79,927	117,320
<b>TOTAL ASSETS</b>	<b>\$ 1,533,826</b>	<b>\$ 1,480,026</b>

**LIABILITIES AND NET ASSETS**

<b>LIABILITIES</b>		
Accounts payable and other accrued liabilities	\$ 75,081	\$ 47,943
Accounts payable to affiliates	51,574	35,221
Note payable to affiliate	107,562	122,928
Deferred employee benefits	138,531	123,763
Total Liabilities	372,748	329,855
<b>COMMITMENTS (Notes 6 and 7)</b>		
<b>NET ASSETS</b>		
Unrestricted	1,161,078	1,150,171
Total Net Assets	1,161,078	1,150,171
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,533,826</b>	<b>\$ 1,480,026</b>

The accompanying notes are an integral part of these financial statements.

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**STATEMENTS OF ACTIVITIES**

	<b>For the Year Ended June 30,</b>	
	<u><b>2011</b></u>	<u><b>2010</b></u>
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>		
<b>SUPPORT AND REVENUES</b>		
Student activity fees, net	\$ 1,091,251	\$ 1,155,855
Interest income	5,841	8,330
Other	<u>4,368</u>	<u>31,870</u>
Total Support and Revenues	<u>1,101,460</u>	<u>1,196,055</u>
<b>EXPENSES</b>		
Program Services:		
Community services	122,405	152,012
Student government and elections	286,235	303,895
Clubs and organizations	28,589	23,954
Cultural events	3,446	6,590
Other student services	<u>138,648</u>	<u>162,089</u>
Total Program Services	<u>579,323</u>	<u>648,540</u>
Supporting Services:		
University support	85,349	76,003
Administration	<u>422,777</u>	<u>447,041</u>
Total Supporting Services	<u>508,126</u>	<u>523,044</u>
Total Expenses	<u>1,087,449</u>	<u>1,171,584</u>
<b>PRIOR SERVICE COST</b>	<u>3,104</u>	<u>2,400</u>
<b>CHANGE IN NET ASSETS</b>	10,907	22,071
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>1,150,171</u>	<u>1,128,100</u>
<b>NET ASSETS AT END OF YEAR</b>	<u><u>\$ 1,161,078</u></u>	<u><u>\$ 1,150,171</u></u>

The accompanying notes are an integral part of these financial statements.

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**STATEMENTS OF CASH FLOWS**

	<b>For the Year Ended</b>	
	<b>June 30,</b>	
	<u><b>2011</b></u>	<u><b>2010</b></u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 10,907	\$ 22,071
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	39,164	38,869
Change in operating assets and liabilities:		
Accounts receivable and accounts receivable from affiliates	20,616	( 20,330)
Prepaid expenses and deposits	15,056	( 5,188)
Accounts payable and other accrued liabilities	27,138	( 34,047)
Accounts payable to affiliates	16,353	( 22,017)
Deferred employee benefits	14,768	37,050
Net Cash Provided By Operating Activities	<u>144,002</u>	<u>16,408</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of equipment and furnishings	( 1,771)	—
Net Cash Used In Investing Activities	<u>( 1,771)</u>	<u>—</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from note payable to affiliate	—	3,660
Principal payments on note payable to affiliate	( 15,366)	( 15,732)
Net Cash Used In Financing Activities	<u>( 15,366)</u>	<u>( 12,072)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	126,865	4,336
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>1,301,275</u>	<u>1,296,939</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 1,428,140</u>	<u>\$ 1,301,275</u>

The accompanying notes are an integral part of these financial statements.

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010**

**NOTE 1 – Organization and Nature of Activities**

Associated Students of California State University, Los Angeles, Inc. (the Organization), is a nonprofit public benefit corporation organized under the Nonprofit Public Benefit Corporation Law. The Organization was incorporated on March 3, 1980 with the purpose of encouraging effective student participation in campus activities, as well as stimulating the educational, social, physical and cultural activities at California State University, Los Angeles (the University). The Organization's major source of income is derived from the associated student fees, which are charged to substantially all enrolled students on a quarterly basis.

**NOTE 2 – Summary of Significant Accounting Policies**

*Financial Statement Presentation*

The accompanying financial statements are presented on the accrual basis of accounting and present the amounts of each of the three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. At June 30, 2011 and 2010, the Organization had no temporarily or permanently restricted net assets.

*Use of Estimates and Assumptions*

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Significant estimates that could affect assets and liabilities in the near term include the allowance for doubtful accounts, estimated useful lives of equipment and furnishings, and deferred employee benefits. Actual results could vary from the estimates that were assumed in preparing the financial statements.

*Cash and Cash Equivalents and Concentration of Credit Risk*

For the purpose of the statements of cash flows, the Organization considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

As of June 30, 2011 and at various times during the year, the Organization maintained cash balances in its financial institutions in excess of federally insured limits. Given the current economic environment and risks in the banking industry, there is risk that these deposits may not be readily available or covered by insurance.

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010**

**NOTE 2 – Summary of Significant Accounting Policies (Continued)**

*Cash and Cash Equivalents and Concentration of Credit Risk (Continued)*

The Organization also invests in the State of California Local Agency Investment Fund (LAIF), which is considered a cash equivalent for financial statement purposes. The Organization had \$1,046,056 and \$1,042,204 invested in LAIF at June 30, 2011 and 2010, respectively. The investment market values at June 30, 2011 and 2010 approximate cost. This account is not insured by the Federal Deposit Insurance Corporation.

*Accounts Receivable*

Accounts receivable, including accounts receivable from affiliates, are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to bad debt and a credit to an allowance account based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance and a credit to accounts receivable. Management provided a reserve for uncollectible accounts of \$0 and \$10,952 at June 30, 2011 and 2010, respectively.

*Equipment and Furnishings*

Equipment and furnishings are stated at cost. Depreciation is provided on the straight-line method over the estimated useful life of the assets, which range from three to five years.

*Functional Allocation of Expenses*

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

*Tax Status*

The Organization has received tax-exempt status from the Internal Revenue Service and California Franchise Tax Board under Section 501(c)(3) of the Internal Revenue Code, and Section 23701(d) of the Revenue and Taxation Code, respectively. In addition, the Organization has been determined by the Internal Revenue Service not to be a “private foundation.”



**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010**

**NOTE 2 – Summary of Significant Accounting Policies (Continued)**

*Tax Status (Continued)*

The Organization recognizes the financial statement benefit of tax positions, such as filing status of tax-exempt, only after determining that the relevant tax authority would more likely than not sustain the position following an audit. The Organization is subject to potential income tax audits on open tax years by any taxing jurisdiction in which it operates. The statute of limitations for federal and California state purposes is generally three and four years, respectively.

*Post-Retirement Health Care Plan*

The Organization adopted ASC Topic 715, *Employers' Accounting for Defined Benefit Pension and Other Post-Retirement Plans* in connection with the deferred employee benefit plan. (See Note 7.) The topic requires organizations to recognize the funded status of a benefit plan, measured as the difference between plan assets at fair value and the benefit obligation, in the statement of financial position, with an offsetting charge or credit to net assets. Gains or losses and prior service costs or credits that arise during the period but are not recognized as components of net period benefit cost will be recognized each year as a separate charge or credit to net assets.

**NOTE 3 – Fair Value Measurements**

The Organization follows ASC Topic 820 for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010**

**NOTE 3 – Fair Value Measurements (Continued)**

The following table presents assets that are measured at fair value on a recurring or nonrecurring basis:

<u>Assets at Fair Value as of June 30, 2011</u>				
	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets:				
State of California Local Agency Investment Fund	\$ 1,046,056	_____	\$ 1,046,056	_____
Total	<u>\$ 1,046,056</u>	<u>None</u>	<u>\$ 1,046,056</u>	<u>None</u>
<u>Assets at Fair Value as of June 30, 2010</u>				
	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets:				
State of California Local Agency Investment Fund	\$ 1,042,204	_____	\$ 1,042,204	_____
Total	<u>\$ 1,042,204</u>	<u>None</u>	<u>\$ 1,042,204</u>	<u>None</u>

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010**

**NOTE 4 - Equipment and Furnishings**

Equipment and furnishings consists of the following:

	<b>June 30,</b>	
	<b>2011</b>	<b>2010</b>
Computer equipment	\$ 16,481	\$ 14,710
Security equipment	6,901	6,901
Furniture	158,326	158,326
	181,708	179,937
Less accumulated depreciation	( 101,781)	( 62,617)
	<b>\$ 79,927</b>	<b>\$ 117,320</b>

**NOTE 5 - Note Payable**

On August 1, 2008, the Organization entered into an agreement with the University-Student Union Board, California State University, Los Angeles (the Union), an affiliate, in which the Union would purchase office furniture on behalf of the Organization. The Organization agreed to pay the Union \$150,000 for the purchase of the office furniture through annual payments of \$15,000, beginning October 31, 2008. The note is noninterest bearing, but if interest was imputed, the present value discount would be calculated using the prime rate (5% in August 2008). On August 20, 2009, the Union amended the terms of the agreement with the Organization. The Organization agreed to pay annual payments of \$15,366 through 2018. The note is noninterest bearing, but if interest was imputed, the present value discount calculated using the prime rate (5% in August 2008) would be \$19,022 and \$24,079 at June 30, 2011 and 2010, respectively. The interest expense amortized for the years ended June 30, 2011 and 2010 would have been \$5,057 and \$6,905, respectively.

The note payable is scheduled to be paid as follows:

	<b>June 30, 2011</b>
Due after one year through five years	\$ 76,830
Due after five years	30,732
	<b>\$ 107,562</b>

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010**

**NOTE 6 – Commitments and Related-Party Transactions**

*Related-Party Transactions*

The Organization subleases space from the Union under an agreement which expires in June 2013. The subleased space consists of 870 square feet in the Union Plaza, first floor, and 2,835 square feet at the southeast corner of the second floor of the University Student Union Building. Payment is based on the calculation of \$1.80 per square foot for occupied space of the first floor, adjusted annually to coincide with the existing General Service Administration rate, and \$0.42 per square foot for custodial services. For the second floor, payment is based on the calculation of \$0.42 per square foot for custodial services and \$0.24 per square foot for utility services. The Union waived the normal square foot rate for the first and second floors. The Organization took occupancy in November 2008, and total payments under the agreement were \$10,670 and \$45,630 for the years ended June 30, 2011 and 2010, respectively. Future minimum payments required under the sublease agreement are \$26,838 for each of the years ending June 30, 2012 to 2013.

The Organization reimburses the Union for certain events. For the years ended June 30, 2011 and 2010, these reimbursements were \$4,218 and \$31,939, respectively.

The Union is responsible for employing personnel to perform the administrative duties for the Organization. In return, the Organization reimburses the Union for wages paid and benefits paid, along with an administrative fee. Total administrative fees were \$5,954 and \$5,450 for the years ended June 30, 2011 and 2010, respectively.

During the years ended June 30, 2011 and 2010, the Organization reimbursed University Auxiliary Services, Inc. (UAS) for food services provided for miscellaneous events held by the Organization. Total reimbursements for the years ended June 30, 2011 and 2010 were \$16,501 and \$23,670, respectively.

Accounting services for the Organization are provided under a contract for services agreement with the University, which expires in June 2014 and requires annual payments of \$57,560. Payments under the agreement were \$57,560 for the years ended June 30, 2011 and 2010. The future minimum payment required under the agreement is \$57,560 per year through June 30, 2014.

Human resource management services for the Organization are provided under a contract for services agreement with the University. The agreement expires in June 2014 and requires total annual payments of \$5,000. Payments under the agreement totaled \$5,000 for the years ended June 30, 2011 and 2010. Future minimum payment required under the agreement is \$5,000 for the year ending June 30, 2014. Additionally, the University charges the Organization for miscellaneous expenses throughout the year for telephone, and other administrative expenses. Total reimbursements for the years ended June 30, 2011 and 2010 were \$23,965 and \$22,673, respectively. Included in the accounts receivable balance as of June 30, 2011 is \$4,194 due from the University for support services by the Organization.

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010**

**NOTE 6 – Commitments and Related-Party Transactions (Continued)**

*Related-Party Transactions (Continued)*

Under contractual agreement, the University collects student fees on behalf of the Organization. The Organization reimburses the University a monthly administrative fee equal to three-quarters of one percent (0.75%) of the Associated Student Fees collected during the month. Total fees charged to the Organization were \$8,209 and \$8,769 for the years ended June 30, 2011 and 2010, respectively. The University owes the Organization \$8,812 and \$12,560 of student fees at June 30, 2011 and 2010, respectively. This is included in accounts receivable, net on the statements of financial position.

The following table summarizes accounts payable to affiliated organizations:

	<b>June 30,</b>	
	<b>2011</b>	<b>2010</b>
Union	\$ 44,745	\$ 21,564
UAS	4,165	520
University	2,664	13,137
	\$ 51,574	\$ 35,221

The following table summarizes accounts receivable from affiliated organizations:

	<b>June 30,</b>	
	<b>2011</b>	<b>2010</b>
University	\$ 13,006	\$ 18,623
UAS	—	764
	\$ 13,006	\$ 19,387

*Employee Retirement Plan*

The Organization has a 403(b) contributory pension plan covering all full-time employees. The Organization contributed \$31,904 and \$29,753 in fiscal years ended June 30, 2011 and 2010, respectively, on behalf of five participants in the plan.

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010**

**NOTE 7 – Deferred Employee Benefits**

The Organization provides lifetime postretirement medical coverage to employees who retire at age 55 or older with at least 10 years of service.

The Organization intends to contribute the maximum monthly health premium administered by the CalPERS medical program. The Organization holds no plan assets in connection with the program.

The following tables provide a reconciliation of the plan’s benefit obligations and a statement of the funded status as of June 30:

***Change in Benefit Obligation:***

	<u>2011</u>	<u>2010</u>
Benefit obligation, at beginning of year	\$ 123,763	\$ 86,713
Service cost	17,380	14,396
Interest cost	7,116	5,203
Amendments	–	11,265
Actuarial loss	( 9,728)	6,186
Benefit obligation, at end of year	<u>138,531</u>	<u>123,763</u>
Funded status, at end of year	( <u>\$ 138,531</u> )	( <u>\$ 123,763</u> )
Measurement date	June 30, 2011	June 30, 2010

***Amount Recognized in the Statement of Financial Position Consists of:***

	<u>2011</u>	<u>2010</u>
Liabilities	(\$ 138,531)	(\$ 123,763)

***Amount Recognized in Changes in Unrestricted Net Assets Consists of:***

	<u>2011</u>	<u>2010</u>
Prior service cost	\$ 48,959	\$ 52,063

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010**

**NOTE 7 – Deferred Employee Benefits (Continued)**

*Components of Net Periodic Benefit Cost and Other Amounts:*

The following table provides the components of the net periodic benefit cost and other amounts for the year ended June 30 for the plan:

	<u>2011</u>	<u>2010</u>
Service cost	\$ 17,380	\$ 14,396
Interest cost	7,116	5,203
Amortization of prior service cost	3,104	2,400
Amortization of net (gain) loss	<u>396</u>	<u>292</u>
Net periodic benefit cost	<u>\$ 27,996</u>	<u>\$ 22,291</u>

*Other Changes in Plan Assets and Benefit Obligations Recognized in Changes in Net Assets:*

	<u>2011</u>	<u>2010</u>
Prior service cost	\$ 52,063	\$ 43,198
Amortization of prior service cost	( 3,104)	( 2,400)
Amendments	<u>—</u>	<u>11,265</u>
Total recognized in Net Assets	<u>\$ 48,959</u>	<u>\$ 52,063</u>

The estimated prior service cost for the deferred employee benefit plan that will be amortized from unrestricted net assets into net periodic benefit cost over the next fiscal year is \$3,104.

*Assumptions*

Weighted-average assumptions used to determine benefit obligations and net periodic benefit cost at June 30:

	<u>2011</u>	<u>2010</u>
Discount rate	6.00%	5.75%

Assumed health care cost trend at June 30:

Net periodic benefit cost:

Health care cost trend rate assumed for next year	7.30%	7.60%
Rate to which the cost trend is assumed to decline (the ultimate trend rate)	5.50%	5.50%
Year that the rate reaches the ultimate trend rate	2020	2020

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2011 AND 2010**

**NOTE 7 – Deferred Employee Benefits (Continued)**

*Assumptions (Continued)*

	<b>2011</b>	<b>2010</b>
Accumulated postretirement benefit obligation:		
Health care cost trend rate assumed for next year	7.30%	7.60%
Rate to which the cost trend is assumed to decline (the ultimate trend rate)	5.50%	5.50%
Year that the rate reaches the ultimate trend rate	2020	2020

*Estimated Future Benefit Payments*

The Organization expects to make a contribution of \$4,322 beginning in 2017 to 2022. No benefits have been paid out for the years ended June 30, 2011 and 2010.

**NOTE 8 – Campus Programs**

The Organization provides funding to support certain campus programs that have direct benefit to the students. The major programs are:

	<b>June 30,</b>	
	<b>2011</b>	<b>2010</b>
Child Care	\$ 109,270	\$ 136,587
Educational Opportunity Program	3,446	7,000
EPIC	13,135	17,000
Other	453,472	487,953
	<b>\$ 579,323</b>	<b>\$ 648,540</b>

**NOTE 9 – Subsequent Events**

The Organization has evaluated subsequent events from the statement of financial position date through September 13, 2011, the date at which the financial statements were available to be issued, and determined that there are no items to recognize or disclose.



**SUPPLEMENTARY FINANCIAL INFORMATION**

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**SUPPLEMENTARY FINANCIAL INFORMATION  
SCHEDULE OF NET ASSETS**

**JUNE 30, 2011**

**(For inclusion in the California State University)**

**ASSETS:**

**CURRENT ASSETS:**

Cash and cash equivalents	\$ 382,084
Short-term investments	1,046,056
Accounts receivable, net	14,856
Leases receivable, current portion	0
Notes receivable, current portion	0
Pledges receivable, net	0
Prepaid expenses and other assets	10,903
Total Current Assets	<u>1,453,899</u>

**NONCURRENT ASSETS:**

Restricted cash and cash equivalents	0
Accounts receivable, net	0
Leases receivable, net of current portion	0
Notes receivable, net of current portion	0
Student loans receivable, net	0
Pledges receivable, net	0
Endowment investments	0
Other long-term investments	0
Capital assets, net	79,927
Other assets	0
Total Noncurrent Assets	<u>79,927</u>

**TOTAL ASSETS** 1,533,826

**LIABILITIES:**

**CURRENT LIABILITIES:**

Accounts payable	43,967
Accrued salaries and benefits payable	52,797
Accrued compensated absences - current portion	21,257
Deferred revenue	0
Capitalized lease obligations - current portion	0
Long-term debt obligations - current portion	15,366
Self-insurance claims liability - current portion	0
Depository accounts	0
Other liabilities	8,634
Total Current Liabilities	<u>142,021</u>

See Accompanying Independent Auditors' Report

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**SUPPLEMENTARY FINANCIAL INFORMATION  
SCHEDULE OF NET ASSETS**

**JUNE 30, 2011**

**(For inclusion in the California State University)**

**(Continued)**

**NONCURRENT LIABILITIES:**

Accrued compensated absences, net of current portion	0
Deferred revenue	0
Grants refundable	0
Capitalized lease obligations, net of current portion	0
Long-term debt obligations, net of current portion	92,196
Self-insurance claims liabilities, net of current portion	0
Depository accounts	0
Other postemployment benefits obligation	138,531
Other liabilities	<u>0</u>
Total Noncurrent Liabilities	<u>230,727</u>

<b>TOTAL LIABILITIES</b>	<u>372,748</u>
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**NET ASSETS:**

Invested in capital assets, net of related debt	( 27,635)
Restricted for:	
Nonexpendable – endowments	0
Expendable:	
Scholarships and fellowships	0
Research	0
Loans	0
Capital projects	0
Debt service	0
Other	0
Unrestricted	<u>1,188,713</u>

<b>TOTAL NET ASSETS</b>	<u>\$ 1,161,078</u>
-------------------------	---------------------

**ASSOCIATED STUDENTS OF  
CALIFORNIA STATE UNIVERSITY, LOS ANGELES, INC.**

**SUPPLEMENTARY FINANCIAL INFORMATION  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2011  
(For inclusion in the California State University)**

**REVENUES:**

Operating revenues:	
Student tuition and fees (net of scholarship allowances of \$0)	\$ 1,091,251
Grants and contracts, noncapital:	
Federal	0
State	0
Local	0
Nongovernmental	0
Sales and services of educational activities	0
Sales and services of auxiliary enterprises (net of scholarship allowances of \$0)	0
Other operating revenues	4,368
Total Operating Revenues	<u>1,095,619</u>

**EXPENSES:**

Operating expenses:	
Instruction	0
Research	0
Public service	0
Academic support	0
Student services	664,672
Institutional support	383,613
Operation and maintenance of plant	0
Student grants and scholarships	0
Auxiliary enterprise expenses	0
Depreciation and amortization	39,164
Total Operating Expenses	<u>1,087,449</u>

Operating income (loss) 8,170

**NONOPERATING REVENUES (EXPENSES):**

State appropriations, noncapital	0
Federal financial aid grants, noncapital	0
State financial aid grants, noncapital	0
Local financial aid grants, noncapital	0
Nongovernmental and other financial aid grants, noncapital	0
Other federal nonoperating grants, noncapital	0
Gifts, noncapital	0
Investment income (loss), net	5,841
Endowment income (loss), net	0
Interest expenses	0
Other nonoperating revenues (expenses)	( 3,104)
Net Nonoperating Revenues (Expenses)	<u>2,737</u>

Income (loss) before other additions 10,907

State appropriations, capital	0
Grants and gifts, capital	0
Additions (reductions) to permanent endowments	0
Increase (decrease) in net assets	<u>10,907</u>

**NET ASSETS:**

**NET ASSETS AT BEGINNING OF YEAR, AS PREVIOUSLY REPORTED** 0

**RESTATEMENTS** 0

**NET ASSETS AT BEGINNING OF YEAR, AS RESTATED** 1,150,171

**NET ASSETS AT END OF YEAR** \$ 1,161,078

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**(For inclusion in the California State University)**

**1. RESTRICTED CASH AND CASH EQUIVALENTS AT JUNE 30, 2011**

Portion of restricted cash and cash equivalents related to endowments	\$	0
All other restricted cash and cash equivalents		<u>0</u>
<b>Total restricted cash and cash equivalents</b>	<b>\$</b>	<b><u>0</u></b>

**2.1 COMPOSITION OF INVESTMENTS AT JUNE 30, 2011**

	<u>Current Unrestricted</u>	<u>Current Restricted</u>	<u>Total Current</u>	<u>Noncurrent Unrestricted</u>	<u>Noncurrent Restricted</u>	<u>Total Noncurrent</u>	<u>Total</u>
State of California Surplus Money Investment Fund (SMIF)	\$ 0	0	0	0	0	0	0
State of California Local Agency Investment Fund (LAIF)	1,046,056	0	1,046,056	0	0	0	1,046,056
Wachovia Short-Term Fund	0	0	0	0	0	0	0
Wachovia Medium-Term Fund	0	0	0	0	0	0	0
Wachovia Equity Fund	0	0	0	0	0	0	0
US Bank SWIFT Pool	0	0	0	0	0	0	0
Common Fund – Short-Term Fund	0	0	0	0	0	0	0
Common Fund – Others	0	0	0	0	0	0	0
Debt securities	0	0	0	0	0	0	0
Equity securities	0	0	0	0	0	0	0
Fixed income securities (Treasury notes, GNMA's)	0	0	0	0	0	0	0
Land and other real estate	0	0	0	0	0	0	0
Certificates of deposit	0	0	0	0	0	0	0
Notes receivable	0	0	0	0	0	0	0
Mutual funds	0	0	0	0	0	0	0
Money market funds	0	0	0	0	0	0	0
Collateralized mortgage obligations:							
Inverse floaters	0	0	0	0	0	0	0
Interest-only strips	0	0	0	0	0	0	0
Agency pass-through	0	0	0	0	0	0	0
Private pass-through	0	0	0	0	0	0	0
Other major investments:							
Other	0	0	0	0	0	0	0
<b>Total investments</b>	<u>1,046,056</u>	<u>0</u>	<u>1,046,056</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,046,056</u>
Less endowment investments	0	0	0	0	0	0	0
<b>Total investments</b>	<u>\$ 1,046,056</u>	<u>0</u>	<u>1,046,056</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,046,056</u>

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**(For inclusion in the California State University)**

**2.2. INVESTMENTS HELD BY THE UNIVERSITY UNDER CONTRACTUAL AGREEMENTS AT  
JUNE 30, 2011:**

Portion of investments in Note 2.1 held by the University  
under contractual agreements at June 30, 2011:

\$           0

\$           0

**2.3. RESTRICTED CURRENT INVESTMENTS AT JUNE 30, 2011 RELATED TO:**

Amount

\$           0

**Total restricted current investments at June 30, 2011**

\$           0

**2.4. RESTRICTED NONCURRENT INVESTMENTS AT JUNE 30, 2011 RELATED TO:**

Amount

Endowment investment

\$           0

**Total restricted noncurrent investments at June 30, 2011**

\$           0

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**3.1. COMPOSITION OF CAPITAL ASSETS AT JUNE 30, 2011:**

	<u>Balance June 30, 2010</u>	<u>Prior-Period Adjustments</u>	<u>Reclassifications</u>	<u>Balance June 30, 2010 (restated)</u>
<b>Nondepreciable/nonamortizable capital assets:</b>				
Land and land improvements	\$ 0	0	0	0
Works of art and historical treasures	0	0	0	0
Construction work in progress (CWIP)	0	0	0	0
Intangible assets:				
Rights and easements	0	0	0	0
Patents, copyrights and trademarks	0	0	0	0
Internally generated intangible assets in progress	0	0	0	0
Licenses and permits	0	0	0	0
Other intangible assets	0	0	0	0
Total intangible assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total nondepreciable/nonamortizable capital assets</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Depreciable/amortizable capital assets:</b>				
Buildings and building improvements	0	0	0	0
Improvements, other than buildings	0	0	0	0
Infrastructure	0	0	0	0
Leasehold improvements	0	0	0	0
Personal property:				
Equipment	179,937	0	0	179,937
Library books and materials	0	0	0	0
Intangible assets:				
Software and websites	0	0	0	0
Rights and easements	0	0	0	0
Patents, copyright and trademarks	0	0	0	0
Licenses and permits	0	0	0	0
Other intangible assets	0	0	0	0
Total intangible assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total depreciable/amortizable capital assets</b>	<u>179,937</u>	<u>0</u>	<u>0</u>	<u>179,937</u>
<b>Total capital assets</b>	<u>179,937</u>	<u>0</u>	<u>0</u>	<u>179,937</u>
<b>Less accumulated depreciation:</b>				
Buildings and building improvements	0	0	0	0
Improvements, other than buildings	0	0	0	0
Infrastructure	0	0	0	0
Leasehold improvements	0	0	0	0
Personal property:				
Equipment	( 62,617)	0	0	( 62,617)
Library books and materials	0	0	0	0
Intangible assets:				
Software and websites	0	0	0	0
Rights and easements	0	0	0	0
Patents, copyright and trademarks	0	0	0	0
Licenses and permits	0	0	0	0
Other intangible assets	0	0	0	0
Total intangible assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total accumulated depreciation/ amortization</b>	<u>( 62,617)</u>	<u>0</u>	<u>0</u>	<u>( 62,617)</u>
<b>Total capital assets, net</b>	<u>\$ 117,320</u>	<u>0</u>	<u>0</u>	<u>117,320</u>

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**3.2 Detail of depreciation and amortization expense for the year ended June 30, 2011:**

Depreciation and amortization expense related to capital assets	\$ 39,164
Amortization expense related to other assets	<u>0</u>
<b>Total depreciation and amortization</b>	<b><u>\$ 39,164</u></b>

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**4. LONG-TERM LIABILITIES ACTIVITY SCHEDULE:**

	<u>Balance</u> <u>June 30, 2010</u>	<u>Prior-Period</u> <u>Adjustments</u>	<u>Reclassifications</u>	<u>Balance</u> <u>June 30, 2010</u> <u>(restated)</u>
Accrued compensated absences	\$ 18,140	0	0	18,140
<b>Capitalized lease obligations:</b>				
Gross balance	0	0	0	0
Unamortized premium/(discount) on capitalized lease obligations	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total capitalized lease obligations</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Long-term debt obligations:</b>				
Revenue Bonds	0	0	0	0
Other bonds (non-Revenue Bonds)	0	0	0	0
Commercial Paper	0	0	0	0
Other	<u>122,928</u>	<u>0</u>	<u>0</u>	<u>122,928</u>
<b>Total long-term debt obligations</b>	<u>122,928</u>	<u>0</u>	<u>0</u>	<u>122,928</u>
Unamortized bond premium/(discount)	0	0	0	0
Unamortized loss on refunding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total long-term debt obligations, net</b>	<u>122,928</u>	<u>0</u>	<u>0</u>	<u>122,928</u>
<b>Total long-term liabilities</b>	<u>\$ 141,068</u>	<u>0</u>	<u>0</u>	<u>141,068</u>

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<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2011</u>	<u>Current Portion</u>	<u>Long-Term Portion</u>
49,816	( 46,699)	21,257	21,257	0
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>0</u>	( 15,366)	<u>107,562</u>	<u>15,366</u>	<u>92,196</u>
<u>0</u>	( 15,366)	<u>107,562</u>	<u>15,366</u>	<u>92,196</u>
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>49,816</u>	( <u>62,065</u> )	<u>128,819</u>	<u>36,623</u>	<u>92,196</u>

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**5. FUTURE MINIMUM LEASE PAYMENTS - CAPITAL LEASE OBLIGATIONS:**

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal and Interest</u>
2012	\$ 0	0	0
2013	0	0	0
2014	0	0	0
2015	0	0	0
2016	0	0	0
2017 - 2021	0	0	0
2022 - 2026	0	0	0
2027 - 2031	0	0	0
2032 - 2036	0	0	0
2037 - 2041	0	0	0
2042 - 2046	0	0	0
2047 - 2051	0	0	0
2052 - 2056	0	0	0
2057 - 2061	<u>0</u>	<u>0</u>	<u>0</u>
Total minimum lease payments			<u>0</u>
Less amounts representing interest			<u>0</u>
Present value of future minimum lease payments			0
Less current portion			<u>0</u>
<b>Capitalized lease obligation, net of current portion</b>			<u><u>\$ 0</u></u>

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**6. LONG-TERM DEBT OBLIGATION SCHEDULE:**

<u>Year Ending June 30,</u>	<u>Revenue Bonds</u>			<u>All Other Long-Term Debt Obligations</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Principal and Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal and Interest</u>
2012	\$ 0	0	0	15,366	0	15,366
2013	0	0	0	15,366	0	15,366
2014	0	0	0	15,366	0	15,366
2015	0	0	0	15,366	0	15,366
2016	0	0	0	15,366	0	15,366
2017 - 2021	0	0	0	30,732	0	30,732
2022 - 2026	0	0	0	0	0	0
2027 - 2031	0	0	0	0	0	0
2032 - 2036	0	0	0	0	0	0
2037 - 2041	0	0	0	0	0	0
2042 - 2046	0	0	0	0	0	0
2047 - 2051	0	0	0	0	0	0
2052 - 2056	0	0	0	0	0	0
2057 - 2061	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total</b>	<u>\$ 0</u>	<u>0</u>	<u>0</u>	<u>107,562</u>	<u>0</u>	<u>107,562</u>

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<b>Total</b>		
<b>Principal</b>	<b>Interest</b>	<b>Principal and Interest</b>
15,366	0	15,366
15,366	0	15,366
15,366	0	15,366
15,366	0	15,366
15,366	0	15,366
30,732	0	30,732
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
<u>0</u>	<u>0</u>	<u>0</u>
 <u>107,562</u>	 <u>0</u>	 <u>107,562</u>

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**7. CALCULATION OF NET ASSETS**

**7.1 CALCULATION OF NET ASSETS – INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT:**

	<u>Auxiliary Organizations</u>		<u>Total Auxiliaries</u>
	<u>GASB</u>	<u>FASB</u>	
Capital assets, net of accumulated depreciation	\$ 0	79,927	79,927
Capitalized lease obligations – current portion	0	0	0
Capitalized lease obligations, net of current portion	0	0	0
Long-term debt obligations – current portion	0	( 15,366)	( 15,366)
Long-term debt obligations, net of current portion	0	( 92,196)	( 92,196)
Portion of outstanding debt that is unspent at year-end	0	0	0
Other adjustments	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net assets – invested in capital assets, net of related debt</b>	<u>\$ 0</u>	<u>( 27,635)</u>	<u>( 27,635)</u>

**7.2 CALCULATION OF NET ASSETS – RESTRICTED FOR NONEXPENDABLE – ENDOWMENTS:**

Portion of restricted cash and cash equivalents related to endowments	\$ 0	0	0
Endowment investments	0	0	0
Other adjustments	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net assets – restricted for nonexpendable – endowments per SNA</b>	<u>\$ 0</u>	<u>0</u>	<u>0</u>

**8. TRANSACTIONS WITH RELATED ENTITIES:**

	<u>Amount</u>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 0
Payments to University for other than salaries of University personnel	104,725
Payments received from University for services, space and programs	942
Gifts-in-kind to the University from Auxiliary Organizations	0
Gifts (cash or assets) to the University from recognized Auxiliary Organizations	0
Accounts (payable to) University	( 2,664)
Other amounts (payable to) University	0
Accounts receivable from University	13,006
Other amounts receivable from University	0

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**9. OTHER POST-EMPLOYMENT BENEFITS OBLIGATION (OPEB):**

	<b>Amount</b>
Annual required contribution (ARC)	\$ 0
Contributions during the year	0
Increase (decrease) in net OPEB obligation (NOO)	0
NOO - beginning of year	0
NOO- end of year	\$ 0

**10. POLLUTION REMEDIATION LIABILITIES UNDER GASB STATEMENT NO. 49:**

	<b>Amount</b>
	\$ 0
Total pollution remediation liabilities	0
Less: current portion	0
<b>Pollution remediation liabilities, net of current portion</b>	<b>\$ 0</b>

**11. THE NATURE AND AMOUNT OF THE PRIOR-PERIOD ADJUSTMENT(S) RECORDED TO BEGINNING NET ASSETS:**

	<b>Net Asset Class</b>	<b>Amount Dr. (Cr.)</b>
Net assets as of June 30, 2010, as previously reported		\$ 1,150,171
Prior-period adjustments:		0
Net assets as of June 30, 2010, as restated		\$ 1,150,171



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**PROVIDE A DETAILED BREAKDOWN OF THE JOURNAL ENTRIES BOOKED TO RECORD EACH  
PRIOR-PERIOD ADJUSTMENT**

	<b>Debit</b>	<b>Credit</b>
Net asset class: _____		
1) (breakdown of adjusting journal entry)	\$ 0	0
Net asset class: _____		
2) (breakdown of adjusting journal entry)	0	0
Net asset class: _____		
3) (breakdown of adjusting journal entry)	0	0