

**Associated Students of
California State University, Los Angeles, Inc.**

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

June 30, 2022 and 2021

Associated Students of California State University, Los Angeles, Inc.

Index

	<u>Page</u>
Independent Auditor's Report	2
Financial Statements	
Statements of Financial Position	5
Statements of Activities	6
Statements of Functional Expenses	7
Statements of Cash Flows	9
Notes to Financial Statements	10
Supplementary Information	
Schedule of Net Position	20
Schedule of Revenues, Expenses and Changes in Net Position	21
Other Information	22
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	28

Independent Auditor's Report

To the Board of Directors
Associated Students of California State University, Los Angeles, Inc.
(A California State University Auxiliary Organization)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Associated Students of California State University, Los Angeles, Inc. (the "Associated Students"), which comprise the statements of financial position as of June 30, 2022 and 2021 and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Associated Students as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Associated Students and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Associated Students' ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Associated Students' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Associated Students' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2022 financial statements as a whole. The 2022 supplementary information on pages 20 - 27 is presented for purposes of additional analysis and is not a required part of the 2022 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2022 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 financial statements or to the 2022 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2022 financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2022 on our consideration of the Associated Students' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Associated Students' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Associated Students' internal control over financial reporting and compliance.



Los Angeles, California
September 27, 2022

Associated Students of California State University, Los Angeles, Inc.

**Statements of Financial Position
June 30, 2022 and 2021**

	<u>Assets</u>		
		<u>2022</u>	<u>2021</u>
Assets			
Cash	\$	359,898	\$ 144,832
Investments		2,083,015	2,153,109
Accounts receivable and other assets from affiliates		105,445	22,736
Prepaid expenses and deposits		17,825	23,830
Postretirement benefit assets, net		22,241	19,992
Capital assets, net		<u>58,031</u>	<u>65,196</u>
Total assets	\$	<u><u>2,646,455</u></u>	<u><u>\$ 2,429,695</u></u>
	<u>Liabilities and Net Assets</u>		
Liabilities			
Accounts payable to affiliates	\$	24,570	\$ -
Accounts payable and accrued liabilities		<u>115,067</u>	<u>58,838</u>
Total liabilities		<u>139,637</u>	<u>58,838</u>
Commitments and contingencies			
Net assets			
Without donor restrictions		<u>2,506,818</u>	<u>2,370,857</u>
Total net assets		<u>2,506,818</u>	<u>2,370,857</u>
Total liabilities and net assets	\$	<u><u>2,646,455</u></u>	<u><u>\$ 2,429,695</u></u>

See Notes to Financial Statements.

Associated Students of California State University, Los Angeles, Inc.

**Statements of Activities
Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Support and revenues		
Activity fees	\$ 1,383,362	\$ 1,353,297
Donated use of facilities	89,132	86,751
Investment income (loss)	(19,962)	1,136
Other	<u>2,124</u>	<u>106</u>
Total support and revenues	<u>1,454,656</u>	<u>1,441,290</u>
Expenses		
Program services		
Community services	295,981	329,011
Student government and elections	536,097	420,389
Clubs and organizations	6,059	42,629
Cultural events	79,256	49,124
Other student services	<u>166,361</u>	<u>232,366</u>
Total program services	<u>1,083,754</u>	<u>1,073,519</u>
Supporting services		
Administration	<u>226,598</u>	<u>130,509</u>
Total expenses	1,310,352	1,204,028
Postretirement related changes other than net postretirement benefit cost	<u>8,343</u>	<u>(64,227)</u>
Change in net assets	135,961	301,489
Net assets, beginning	<u>2,370,857</u>	<u>2,069,368</u>
Net assets, end	<u><u>\$ 2,506,818</u></u>	<u><u>\$ 2,370,857</u></u>

See Notes to Financial Statements.

Associated Students of California State University, Los Angeles, Inc.

**Statement of Functional Expenses
Year Ended June 30, 2022**

	Program services						Supporting services	Total
	Community services	Student government and elections	Clubs and organizations	Cultural events	Other student services	Total program services	Administration	
Salaries and wages	\$ 56,933	\$ 208,755	\$ -	\$ -	\$ -	\$ 265,688	\$ 113,867	\$ 379,555
Employee benefits	26,149	95,881	-	-	-	122,030	52,299	174,329
Other components of net postretirement benefit cost	(2,855)	(10,467)	-	-	-	(13,322)	(5,710)	(19,032)
General and administrative (Utilities, supplies, subscriptions, etc.)	6,354	23,299	-	-	-	29,653	12,521	42,174
Insurance	571	2,093	-	-	-	2,664	1,142	3,806
Scholarships	-	107,734	-	-	-	107,734	-	107,734
Equipment rental and maintenance	1,332	4,886	-	-	-	6,218	2,665	8,883
Advertising and marketing	-	4,740	-	-	42,123	46,863	-	46,863
Rent	3,368	12,349	-	-	-	15,717	6,736	22,453
Program (Leadership, events, etc.)	182,684	-	6,059	79,256	35,106	303,105	-	303,105
Depreciation and amortization	4,639	17,009	-	-	-	21,648	9,278	30,926
Travel	566	2,552	-	-	-	3,118	1,132	4,250
Professional services	15,056	55,205	-	-	-	70,261	30,112	100,373
Donated use of facilities	-	-	-	-	89,132	89,132	-	89,132
Other expenses	1,184	12,061	-	-	-	13,245	2,556	15,801
	<u>\$ 295,981</u>	<u>\$ 536,097</u>	<u>\$ 6,059</u>	<u>\$ 79,256</u>	<u>\$ 166,361</u>	<u>\$ 1,083,754</u>	<u>\$ 226,598</u>	<u>\$ 1,310,352</u>

See Notes to Financial Statements.

Associated Students of California State University, Los Angeles, Inc.

**Statement of Functional Expenses
Year Ended June 30, 2021**

	Program services						Supporting services	Total
	Community services	Student government and elections	Clubs and organizations	Cultural events	Other student services	Total program services	Administration	
Salaries and wages	\$ 1,909	\$ 125,123	\$ -	\$ -	\$ 43,451	\$ 170,483	\$ 48,474	\$ 218,957
Employee benefits	406	85,780	-	-	18,086	104,272	18,968	123,240
Other components of net postretirement benefit cost	(38)	(7,754)	-	-	(1,600)	(9,392)	(1,714)	(11,106)
General and administrative (Utilities, supplies, subscriptions, etc.)	66	8,062	-	-	1,492	9,620	1,609	11,229
Insurance	68	1,190	-	-	1,290	2,548	1,690	4,238
Scholarships	-	137,338	-	-	2,044	139,382	-	139,382
Equipment rental and maintenance	70	15,285	-	-	1,445	16,800	1,746	18,546
Advertising and marketing	-	8,084	-	-	19,040	27,124	-	27,124
Rent	353	6,190	-	-	7,273	13,816	8,788	22,604
Program (Leadership, events, etc.)	324,106	-	42,629	49,124	12,189	428,048	-	428,048
Depreciation and amortization	282	4,960	-	-	5,828	11,070	7,040	18,110
Travel	6	-	-	-	25	31	137	168
Professional services	1,771	28,504	-	-	32,934	63,209	39,354	102,563
Donated use of facilities	-	-	-	-	86,751	86,751	-	86,751
Other expenses	12	7,627	-	-	2,118	9,757	4,417	14,174
	<u>\$ 329,011</u>	<u>\$ 420,389</u>	<u>\$ 42,629</u>	<u>\$ 49,124</u>	<u>\$ 232,366</u>	<u>\$ 1,073,519</u>	<u>\$ 130,509</u>	<u>\$ 1,204,028</u>

See Notes to Financial Statements.

Associated Students of California State University, Los Angeles, Inc.

Statements of Cash Flows
Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Change in net assets	\$ 135,961	\$ 301,489
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	30,926	18,110
Postretirement benefits	8,343	(64,227)
Change in operating assets and liabilities		
Accounts receivable and other assets from affiliates	(82,709)	(3,297)
Accounts receivable	-	68
Prepaid expenses and deposits	6,005	41,951
Postretirement benefit asset/obligation, net	(10,592)	(13,686)
Accounts payable to affiliates	24,570	(366)
Accounts payable and accrued liabilities	<u>56,229</u>	<u>9,942</u>
Net cash provided by operating activities	<u>168,733</u>	<u>289,984</u>
Cash flows from investing activities		
Purchase of investments	(279,906)	(700,811)
Proceeds from sale of investments	350,000	200,000
Purchase of capital assets	<u>(23,761)</u>	<u>(38,219)</u>
Net cash provided by (used in) investing activities	<u>46,333</u>	<u>(539,030)</u>
Net change in cash	215,066	(249,046)
Cash, beginning	<u>144,832</u>	<u>393,878</u>
Cash, end	<u><u>\$ 359,898</u></u>	<u><u>\$ 144,832</u></u>

See Notes to Financial Statements.

Associated Students of California State University, Los Angeles, Inc.

**Notes to Financial Statements
June 30, 2022 and 2021**

Note 1 - Business activity and summary of significant accounting policies

Business activity

Associated Students of California State University, Los Angeles, Inc. ("Associated Students") (a California State University Auxiliary Organization) is a nonprofit auxiliary organization related to California State University, Los Angeles (the "University"). Associated Students 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 the University. Associated Students' major source of income is derived from activity fees, which are received from the University based on the number of students enrolled on a semester basis.

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Financial statement presentation

Associated Students reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. They are described as follows:

Net Assets Without Donor Restrictions - Net assets for use in general operations and not subject to donor (or certain grantor) restrictions. Net assets may be designated for specific purposes by action of the Board.

Net Assets With Donor Restrictions - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time, purpose or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. At June 30, 2022 and 2021, Associated Students does not have any net assets with donor restrictions.

Accounts receivable

Accounts receivable are stated at unpaid balance less an allowance for doubtful accounts. Associated Students provides for losses on the receivables using the allowance method which is based on experience and other circumstances. Associated Students considers all accounts receivable to be fully collectible and, as such, an allowance for doubtful accounts is not considered necessary.

Investments

Investments are reported at their fair values in the statements of financial position. Realized and unrealized gains and losses are included in the statements of activities as investment income (loss). June 30, 2022 and 2021, investments consist of pooled investment funds with the State of California in the amount of \$2,083,015 and \$2,153,109, respectively.

Associated Students of California State University, Los Angeles, Inc.

**Notes to Financial Statements
June 30, 2022 and 2021**

Fair value measurements

Associated Students values certain of its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1: Quoted priced (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Capital assets

Capital assets are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from three to five years. Repairs and maintenance are charged to expense as incurred.

Revenue recognition

Activity fees are collected from student tuition and recognized as revenue in accordance with the academic year. Deferred revenue consists of amounts received prior to the start of the academic year which have not been earned. These amounts are transferred to revenue when earned.

Income taxes

Associated Students is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the Revenue Taxation Code of California. Accordingly, no provision for income taxes is included in the accompanying financial statements.

Associated Students has no unrecognized tax benefits at June 30, 2022 and 2021. Associated Students' federal and state income tax returns prior to 2019 and 2018, respectively, are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

If applicable, Associated Students recognizes interest and penalties associated with tax matters as part of income tax expense and includes accrued interest and penalties with accounts payable and accrued expenses in the statements of financial position.

Functional allocation expenses

The costs of providing programs and activities have been summarized on a functional basis in the accompanying statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on personnel time and space utilized for activities.

Associated Students of California State University, Los Angeles, Inc.

**Notes to Financial Statements
June 30, 2022 and 2021**

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Donated use of facilities

Associated Students records donated use of facilities from an affiliated organization. The donated use of facilities is measured at fair value. For the years ended June 30, 2022 and 2021, Associated Students recorded \$89,132 and \$86,751, respectively, as donated use of facilities and expense.

Subsequent events

Associated Students has evaluated subsequent events through September 27, 2022, which is the date these financial statements were available to be issued.

Note 2 - Liquidity and availability

Associated Students regularly monitors liquidity required to meet its operating needs and other contractual commitments. Associated Students has various sources of liquidity at its disposal, including cash, receivables, and investments.

At June 30, 2022 and 2021, Associated Students had the following financial assets and liquidity resources available over the next 12 months:

	2022	2021
Cash	\$ 359,898	\$ 144,832
Receivables, net	24,062	22,736
Short-term investments	2,083,015	2,153,109
	<u>\$ 2,466,975</u>	<u>\$ 2,320,677</u>

Note 3 - Concentrations

Financial instruments which potentially subject Associated Students to concentrations of credit risk consist primarily of cash. Associated Students maintains its cash with high-credit quality financial institutions. At times, such amounts may exceed federally insured limits. As of June 30, 2022, Associated Students' bank deposits exceed the balance insured by the FDIC by \$116,957.

Note 4 - Fair value measurements

At June 30, 2022 and 2021, investments are carried at fair value and are classified in one of the three categories as described in Note 1. The pooled investment funds are not traded on an active market and are therefore classified as Level 2 and are valued using quoted prices for similar assets in active exchange markets.

Associated Students of California State University, Los Angeles, Inc.

**Notes to Financial Statements
June 30, 2022 and 2021**

Note 5 - Capital assets

At June 30, 2022 and 2021, capital assets consist of the following:

	2022	2021
Computer equipment	\$ 111,003	\$ 100,386
Digital camera	5,382	5,382
Security equipment	4,980	4,980
Furniture	154,172	154,172
	275,537	264,920
Less accumulated depreciation	(217,506)	(199,724)
Total	\$ 58,031	\$ 65,196

Depreciation expense for the years ended June 30, 2022 and 2021 was \$30,926 and \$18,110, respectively.

Note 6 - Retirement plan

Associated Students provides pension benefits through the Teachers Insurance and Annuity Association - College Retirement Equities Fund (the "Pension Plan"), a defined contribution plan, to all eligible employees (as defined by the Pension Plan agreement). The Pension Plan consists of two parts. Part one consists of contributions made by Associated Students of 7% of the employee's compensation and part two includes contributions from both the employer and employee under the provisions of Section 403(b) of the Internal Revenue Code. Contributions from Associated Students for the 7% contribution become vested on a five-year graded scale, with 100% vesting occurring after five years. Under part two of the Pension Plan, Associated Students will match contributions up to a maximum of 5% of an employee's compensation. Contributions from employees and Associated Students' matching contributions are fully vested. Associated Students' total pension expense for the years ended June 30, 2022 and 2021 was \$37,494 and \$15,296, respectively. Associated Students' policy is to fund pension costs as incurred.

Note 7 - Postretirement benefits

Associated Students sponsors a defined benefit postretirement plan (the "DB Plan") that provides lifetime postretirement medical and dental coverage to employees who retire at age 55 or older with at least 10 years of service.

Associated Students intends to contribute the maximum monthly health premium administered by the CalPERS medical program. At June 30, 2022 and 2021, Associated Students' plan assets are valued at \$200,421 and \$213,990, respectively.

Associated Students of California State University, Los Angeles, Inc.

**Notes to Financial Statements
June 30, 2022 and 2021**

The following tables provide further information about Associated Students' DB Plan:

	<u>2022</u>	<u>2021</u>
Benefit obligation at beginning of year	\$ 193,998	\$ 191,122
Service cost	38,441	37,412
Interest cost	5,510	5,867
Actuarial gains	<u>(59,769)</u>	<u>(40,403)</u>
Benefit obligation at end of year	<u>178,180</u>	<u>193,998</u>
Fair value of plan assets at beginning of year	213,990	153,193
Actual return (loss) of plan assets	(43,569)	40,797
Employer contributions	<u>30,000</u>	<u>20,000</u>
Fair value of plan assets at end of year	<u>200,421</u>	<u>213,990</u>
Net funded status	<u>\$ 22,241</u>	<u>\$ 19,992</u>

Amounts recognized in the statements of financial position consist of the following:

	<u>2022</u>	<u>2021</u>
Noncurrent assets	<u>\$ 22,241</u>	<u>\$ 19,992</u>

Amounts recognized in Net Assets Without Donor Restrictions consist of the following:

	<u>2022</u>	<u>2021</u>
Unrecognized prior service cost	\$ 10,590	\$ 13,694
Net actuarial gain	<u>(212,469)</u>	<u>(223,915)</u>
Total recognized in net assets without donor restrictions	<u>\$ (201,879)</u>	<u>\$ (210,221)</u>

Associated Students of California State University, Los Angeles, Inc.

**Notes to Financial Statements
June 30, 2022 and 2021**

Amounts recognized in the statements of activities consist of the following:

	<u>2022</u>	<u>2021</u>
Service cost	\$ 38,441	\$ 37,412
Other components of net postretirement benefit cost		
Interest cost	5,510	5,867
Expected return on plan assets	(12,304)	(9,192)
Amortization of prior service cost	3,104	3,104
Amortization of net gain	<u>(15,342)</u>	<u>(10,885)</u>
Total other components of net postretirement benefit cost	<u>(19,032)</u>	<u>(11,106)</u>
Net postretirement benefit cost ("NPBC")	<u>\$ 19,409</u>	<u>\$ 26,306</u>

Other changes recognized in changes in net assets without donor restrictions are as follows:

	<u>2022</u>	<u>2021</u>
Net gain for the period	\$ (3,896)	\$ (72,008)
Amortization of loss	15,343	10,885
Amortization of prior service cost	<u>(3,104)</u>	<u>(3,104)</u>
Total changes in net assets without donor restrictions	<u>\$ 8,343</u>	<u>\$ (64,227)</u>
Total changes recognized in NPBC and net assets without donor restrictions	<u>\$ 27,752</u>	<u>\$ (37,921)</u>

Assumptions

Weighted-average assumptions used in accounting for Associated Students' postretirement benefit plan are as follows at June 30:

	<u>2022</u>	<u>2021</u>
Benefit obligations		
Discount rate	4.48%	2.84%
Rate of return on plan assets	6.00%	6.00%
Rate of compensation increase	N/A	N/A
Medical trend		
Initial	4.00%	6.00%
Ultimate	4.00%	4.50%
Number of years to ultimate	N/A	10 years

Associated Students of California State University, Los Angeles, Inc.

**Notes to Financial Statements
June 30, 2022 and 2021**

Associated Students' overall investment strategy is to diversify investments among equities, fixed income and other securities. The fair values of Associated Students' postretirement benefit plan assets at June 30, 2022 and 2021 by asset class are as follows:

	<u>2022</u>	<u>2021</u>
Equities	\$ 102,333	\$ 113,734
Fixed income	79,565	83,534
Real estate mutual fund	<u>18,523</u>	<u>16,722</u>
	<u>\$ 200,421</u>	<u>\$ 213,990</u>

The plan assets are classified as Level 1 in the fair value hierarchy and are valued using real-time quotes for transactions in active exchange markets involving identical assets.

Cash flows

The following benefit payments, subsequent to June 30, are expected to be paid as follows:

<u>Years ended June 30,</u>	
2023	\$ -
2024	2,194
2025	3,814
2026	6,014
2027	9,018
2028 - 2032	<u>36,419</u>
	<u>\$ 57,459</u>

Note 8 - Program services

Associated Students allocated the following funds under student and University support, to enhance the college experience and provide students with specific services, programs, and support through co-curricular collaborations, for the years ended June 30:

	<u>2022</u>	<u>2021</u>
Child Care Center	\$ 140,779	\$ 138,731
Dreamers Resource Center	12,988	12,988
Educational Participation in the Communities	9,927	9,831
Food Pantry and Insecurities	9,990	160,000
Veterans Resource Center	9,000	7,461
Student government and elections	536,097	420,389
Clubs and organizations	6,059	42,629
Cultural events	79,256	49,124
Other student and community services	<u>279,658</u>	<u>232,366</u>
	<u>\$ 1,083,754</u>	<u>\$ 1,073,519</u>

Associated Students of California State University, Los Angeles, Inc.

**Notes to Financial Statements
June 30, 2022 and 2021**

Note 9 - Related party transactions

Associated Students subleases space from the University Student Union at California State University, Los Angeles (the "Union") under an agreement which expires in June 2023. The subleased space consists of 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 \$0.24 per square foot for utility services and \$0.42 per square foot for custodial services. Under this agreement, Associated Students paid \$8,165 for utilities and \$14,288 custodial fees for each of the years ended June 30, 2022 and 2021. The Union waived the normal square foot rate for the second floor and Associated Students recorded \$89,132 and \$86,751 as donated use of facilities revenue and expense in the accompanying statements of activities for the years ended June 30, 2022 and 2021, respectively.

The Union is responsible for employing personnel to perform administrative duties for Associated Students. Historically, Associated Students reimburses the Union for wages and benefits paid, along with an administrative fee. For the year ended June 30, 2022, the Union and Associated Students jointly adopted a modified mechanism to instead provide the Union with advancement funding to cover these expenses. As of June 30, 2022, the balance of the Associated Students payroll and benefit advances was \$81,383. Total wages and benefits expenses were \$470,889 and \$243,998 for the years ended June 30, 2022 and 2021, respectively. Total administrative fees were \$6,842 and \$5,694 for the years ended June 30, 2022 and 2021, respectively.

During the years ended June 30, 2022 and 2021, Associated Students reimbursed University Auxiliary Services, Inc. ("UAS") for food services provided for miscellaneous events held by Associated Students. Total reimbursements for the years ended June 30, 2022 and 2021 were \$17,954 and \$0, respectively.

Accounting services for Associated Students are provided under a contract for services agreement with the University which requires annual payments of \$59,280. Payments under the agreement were \$59,280 for each of the years ended June 30, 2022 and 2021. Human resource management services for Associated Students are provided under a contract for services agreement with the University. The agreement requires total annual payments of \$5,150. Payments under the agreement totaled \$5,150 for each of the years ended June 30, 2022 and 2021. Additionally, the University charges Associated Students for miscellaneous expenses throughout the year for telephone and other administrative expenses. Total reimbursements for the years ended June 30, 2022 and 2021 were \$24,780 and \$19,057, respectively.

Under a contractual agreement, the University collects activity fees on behalf of Associated Students. Associated Students reimburses the University a monthly administrative fee equal to three-quarters of one percent (0.75%) of the associated activity fees collected during the month. Total fees charged to Associated Students were \$10,422 and \$10,159 for the years ended June 30, 2022 and 2021, respectively. During the years ended June 30, 2022 and 2021, \$1,383,362 and \$1,353,297, respectively, was earned under this agreement.

Associated Students of California State University, Los Angeles, Inc.

**Notes to Financial Statements
June 30, 2022 and 2021**

The following table summarizes accounts receivable, advancements to, and accounts payable with affiliated organizations at June 30:

	<u>2022</u>	<u>2021</u>
Receivables and other assets		
University	\$ 24,062	\$ 22,736
Union	81,383	-
	<u>\$ 105,445</u>	<u>\$ 22,736</u>
 Payables		
Union	\$ 13,918	\$ -
University	5,661	-
UAS	4,991	-
	<u>\$ 24,570</u>	<u>\$ -</u>

Note 10 - Commitments and contingencies

Coronavirus

In December 2019, a novel strain of the coronavirus ("COVID-19") was reported. On March 11, 2020, the World Health Organization declared the COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of this disruption. Therefore, the extent of the financial impact and duration cannot be reasonably estimated at this time.

Supplementary Information

Associated Students of California State University, Los Angeles, Inc.

Schedule of Net Position June 30, 2022 (for Inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	\$ 359,898
Short-term investments	2,083,015
Accounts receivable, net	24,062
Lease receivables, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	99,208
Total current assets	2,566,183
Noncurrent assets:	
Restricted cash and cash equivalents	-
Accounts receivable, net	-
Lease receivables, 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	58,031
Other assets	22,241
Total noncurrent assets	80,272
Total assets	\$ 2,646,455
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Leases	-
Others	-
Total deferred outflows of resources	-
Liabilities:	
Current liabilities:	
Accounts payable	\$ 83,142
Accrued salaries and benefits	16,635
Accrued compensated absences, current portion	11,840
Unearned revenues	-
Lease liabilities, current portion	-
Long-term debt obligations, current portion	-
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	-
Other liabilities	420
Total current liabilities	112,037
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	\$ 27,600
Unearned revenues	-
Grants refundable	-
Lease liabilities, net of current portion	-
Long-term debt obligations, net of current portion	-
Claims liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	-
Net pension liability	-
Other liabilities	-
Total noncurrent liabilities	27,600
Total liabilities	\$ 139,637
Deferred inflows of resources:	
Service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Lease	-
Others	-
Total deferred inflows of resources	-
Net position:	
Net investment in capital assets	\$ 58,031
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	-
Unrestricted	2,448,787
Total net position	\$ 2,506,818

See Independent Auditor's Report.

Associated Students of California State University, Los Angeles, Inc.

**Schedule of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2022
(for Inclusion in the California State University)**

Revenues:

Operating revenues:

Student tuition and fees, gross	\$ -
Scholarship allowances (enter as negative)	-
Grants and contracts, noncapital:	
Federal	-
State	-
Local	-
Nongovernmental	-
Sales and services of educational activities	-
Sales and services of auxiliary enterprises, gross	2,124
Scholarship allowances (enter as negative)	-
Other operating revenues	-
Total operating revenues	2,124

Expenses:

Operating expenses:

Instruction	\$ -
Research	-
Public service	-
Academic support	-
Student services	960,212
Institutional support	219,823
Operation and maintenance of plant	-
Student grants and scholarships	107,734
Auxiliary enterprise expenses	-
Depreciation and amortization	30,926
Total operating expenses	1,318,695
Operating income (loss)	(1,316,571)

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	89,132
Investment income (loss), net	(19,962)
Endowment income (loss), net	-
Interest expense	-
Other nonoperating revenues (expenses)	1,383,362
Net nonoperating revenues (expenses)	1,452,532
Income (loss) before other revenues (expenses)	135,961

State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
Increase (decrease) in net position	135,961
Net position:	
Net position at beginning of year, as previously reported	2,370,857
Restatements	-
Net position at beginning of year, as restated	2,370,857
Net position at end of year	\$ 2,506,818

See Independent Auditor's Report.

Associated Students of California State University, Los Angeles, Inc.

Other Information June 30, 2022 (for Inclusion in the California State University)

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments	\$	-
All other restricted cash and cash equivalents		-
Noncurrent restricted cash and cash equivalents		-
Current cash and cash equivalents		359,898
Total	\$	359,898

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds	\$ -	\$ -	\$ -
Repurchase agreements	-	-	-
Certificates of deposit	-	-	-
U.S. agency securities	-	-	-
U.S. treasury securities	-	-	-
Municipal bonds	-	-	-
Corporate bonds	-	-	-
Asset backed securities	-	-	-
Mortgage backed securities	-	-	-
Commercial paper	-	-	-
Mutual funds	-	-	-
Exchange traded funds	-	-	-
Equity securities	-	-	-
Alternative investments:			
Private equity (including limited partnerships)	-	-	-
Hedge funds	-	-	-
Managed futures	-	-	-
Real estate investments (including REITs)	-	-	-
Commodities	-	-	-
Derivatives	-	-	-
Other alternative investment	-	-	-
Other external investment pools	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-
State of California Local Agency Investment Fund (LAIF)	2,083,015	-	2,083,015
State of California Surplus Money Investment Fund (SMIF)	-	-	-
Other investments:			
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
Total Other investments	-	-	-
Total investments	2,083,015	-	2,083,015
Less endowment investments		-	-
Total investments, net of endowments	\$ 2,083,015	\$ -	\$ 2,083,015

See Independent Auditor's Report.

Associated Students of California State University, Los Angeles, Inc.

**Other Information
June 30, 2022
(for Inclusion in the California State University)**

2.2 Fair value hierarchy in investments:

Investment Type	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds	\$ -	\$ -	\$ -	\$ -	\$ -
Repurchase agreements	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
U.S. agency securities	-	-	-	-	-
U.S. treasury securities	-	-	-	-	-
Municipal bonds	-	-	-	-	-
Corporate bonds	-	-	-	-	-
Asset backed securities	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-
Commercial paper	-	-	-	-	-
Mutual funds	-	-	-	-	-
Exchange traded funds	-	-	-	-	-
Equity securities	-	-	-	-	-
Alternative investments:					
Private equity (including limited partnerships)	-	-	-	-	-
Hedge funds	-	-	-	-	-
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investment	-	-	-	-	-
Other external investment pools	-	-	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	2,083,015	-	-	-	2,083,015
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
Other investments:					
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Total Other investments	-	-	-	-	-
Total investments	\$ 2,083,015	\$ -	\$ -	\$ -	\$ 2,083,015

2.3 Investments held by the University under contractual agreements:

	Current	Noncurrent	Total
Investments held by the University under contractual agreements e.g - CSU Consolidated Investment Pool (formerly SWIFT):	\$ -	\$ -	\$ -

See Independent Auditor's Report.

Associated Students of California State University, Los Angeles, Inc.

Other Information June 30, 2022 (for Inclusion in the California State University)

3.1 Composition of capital assets:

	Balance June 30, 2021	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2021 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2022
Non-depreciable/Non-amortizable capital assets:									
Land and land improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Works of art and historical treasures	-	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	-	-	-	-	-	-	-	-	-
Intangible assets:									
Intangible assets:									
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Intangible assets in progress (PWIP)	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable capital assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable capital assets:									
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	264,920	-	-	-	264,920	23,761	(13,386)	-	275,295
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	264,920	-	-	-	264,920	23,761	(13,386)	-	275,295
Total capital assets	\$ 264,920	\$ -	\$ -	\$ -	\$ 264,920	\$ 23,761	\$ (13,386)	\$ -	\$ 275,295
Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)									
Buildings and building improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	(199,724)	-	-	-	(199,724)	(30,926)	13,386	-	(217,264)
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	(199,724)	-	-	-	(199,724)	(30,926)	13,386	-	(217,264)
Total capital assets, net excluding lease assets	\$ 65,196	\$ -	\$ -	\$ -	\$ 65,196	\$ (7,165)	\$ -	\$ -	\$ 58,031
Lease assets, net									
Total capital assets, net									\$ 58,031

See Independent Auditor's Report.

Associated Students of California State University, Los Angeles, Inc.

Other Information June 30, 2022 (for Inclusion in the California State University)

Composition of lease assets:	Balance June 30, 2021	Additions	Remeasurements	Reductions	Balance June 30, 2022
Non-depreciable/Non-amortizable lease assets:					
Land and land improvements	\$ -	\$ -	-	\$ -	-
Total non-depreciable/non-amortizable lease assets	-	-	-	-	-
Depreciable/Amortizable lease assets:					
Land and land improvements	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-
Infrastructure	-	-	-	-	-
Personal property:					
Equipment	-	-	-	-	-
Total depreciable/amortizable lease assets	-	-	-	-	-
Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)					
Land and land improvements	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-
Infrastructure	-	-	-	-	-
Personal property:					
Equipment	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-
Total lease assets, net	\$ -	\$ -	\$ -	\$ -	\$ -

3.2 Detail of depreciation and amortization expense:	
Depreciation and amortization expense related to capital assets	\$ 30,926
Amortization expense related to other assets	-
Total depreciation and amortization	\$ 30,926

4 Long-term liabilities:									
	Balance June 30, 2021	Prior Period Adjustments/Reclassifications	Balance June 30, 2021 (Restated)	Additions	Reductions	Balance June 30, 2022	Current Portion	Noncurrent Portion	
1. Accrued compensated absences	\$ 31,224	\$ -	\$ 31,224	\$ 20,056	\$ (11,840)	\$ 39,440	\$ 11,840	\$ 27,600	
2. Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-	
3. Capital lease obligations:									
Gross balance	-	-	-	-	-	-	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-	-
Total capital lease obligations	-	-	-	-	-	-	-	-	
4. Long-term debt obligations:									
4.1 Auxiliary revenue bonds (non-SRB related)	-	-	-	-	-	-	-	-	-
4.2 Commercial paper	-	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	-	-	-	-	-	-	-	-	-
4.4 Others:									
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total others	-	-	-	-	-	-	-	-	-
Sub-total long-term debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4.5 Unamortized net bond premium/(discount)	-	-	-	-	-	-	-	-	
Total long-term debt obligations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

See Independent Auditor's Report.

Other Information
June 30, 2022
(for Inclusion in the California State University)

5 Lease Liabilities schedule:

6 Long-term debt obligations schedule:

7 Transactions with related entities:

See Independent Auditor's Report.

Associated Students of California State University, Los Angeles, Inc.

Other Information June 30, 2022 (for Inclusion in the California State University)

8 Restatements

Provide a detailed breakdown of the journal entries (at the financial statement line items level) booked to record each restatement:

Restatement #1

Debit/(Credit)

Restatement #2

\$ -

9 Natural classifications of operating expenses:

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Research	-	-	-	-	-	-	-	-
Public service	-	-	-	-	-	-	-	-
Academic support	-	-	-	-	-	-	-	-
Student services	265,688	72,733	26,246	15,569	-	579,976	-	960,212
Institutional support	113,867	31,172	11,248	6,672	-	56,864	-	219,823
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	107,734	-	-	107,734
Auxiliary enterprise expenses	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	30,926	30,926
Total operating expenses	\$ 379,555	\$ 103,905	\$ 37,494	\$ 22,241	\$ 107,734	\$ 636,840	\$ 30,926	\$ 1,318,695

10 Deferred outflows/inflows of resources:

1. Deferred Outflows of Resources

Deferred outflows - unamortized loss on refunding(s)	\$ -
Deferred outflows - net pension liability	-
Deferred outflows - net OPEB liability	-
Deferred outflows - leases	-
Deferred outflows - others:	-
Sales/intra-entity transfers of future revenues	-
Gain/loss on sale leaseback	-
Loan origination fees and costs	-
Change in fair value of hedging derivative instrument	-
Irrevocable split-interest agreements	-
	-
	-

Total deferred outflows - others

Total deferred outflows of resources

2. Deferred Inflows of Resources

Deferred inflows - service concession arrangements	\$ -
Deferred inflows - net pension liability	-
Deferred inflows - net OPEB liability	-
Deferred inflows - unamortized gain on debt refunding(s)	-
Deferred inflows - nonexchange transactions	-
Deferred inflows - leases	-
Deferred inflows - others:	-
Sales/intra-entity transfers of future revenues	-
Gain/loss on sale leaseback	-
Loan origination fees and costs	-
Change in fair value of hedging derivative instrument	-
Irrevocable split-interest agreements	-
	-
	-

Total deferred inflows - others

Total deferred inflows of resources

11 Other nonoperating revenues (expenses)

Other nonoperating revenues	\$ 1,383,362
Other nonoperating (expenses)	-
Total other nonoperating revenues (expenses)	\$ 1,383,362

See Independent Auditor's Report.

Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

The Board of Directors
Associated Students of California State University, Los Angeles, Inc.
(A California State Auxiliary Organization)

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Associated Students of California State University, Los Angeles, Inc. ("Associated Students"), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated September 27, 2022.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

CohnReznick LLP

Los Angeles, California
September 27, 2022



Independent Member of Nexia International

cohnreznick.com