

**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2023



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**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
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YEAR ENDED JUNE 30, 2023**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Cal State East Bay Educational Foundation, Inc.
Hayward, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of Cal State East Bay Educational Foundation, Inc., a component unit of California State University, East Bay, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Cal State East Bay Educational Foundation, Inc.'s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Cal State East Bay Educational Foundation, Inc., as of June 30, 2023, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Cal State East Bay Educational Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Cal State East Bay Educational Foundation, Inc.'s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 Cal State East Bay Educational Foundation, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited the financial statements of the Cal State East Bay Educational Foundation, Inc. as of June 30, 2022, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 23, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

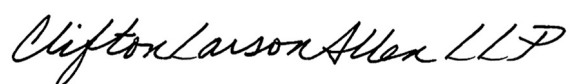
Accounting principles generally accepted in the United States of America require that management's discussion and analysis, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Cal State East Bay Educational Foundation, Inc.'s basic financial statements. The schedule of net position, the schedule of revenues, expenses, and changes in net position, and other information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of the Cal State East Bay Educational Foundation, Inc., referred to above, are fairly stated, in all material respects, in relation to the basic 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 29, 2023, on our consideration of Cal State East Bay Educational Foundation, Inc.'s 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 entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Glendora, California
September 29, 2023

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023
(UNAUDITED)

This section of Cal State East Bay Educational Foundation, Inc.'s (Educational Foundation) annual financial report includes some of management's insights and analyses of the Educational Foundation's financial performance for the year ended June 30, 2023. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes.

Financial Highlights

- Total assets increased overall by \$18.0 million primarily due to a \$12.2 million increase in current assets and a \$5.8 million increase in noncurrent assets. The increase in current assets was from capital contributions received, increase in pledges receivable, and increase in the value of the investment portfolio. The noncurrent assets increased primarily from an increase in noncurrent pledges combined with additions to permanent endowments.
- Net operating income increased by \$10.4 million primarily from capital gift contributions and pledges received for the construction of the Applied Science Center.
- Non-operating revenues increased by \$3.8 million due to an increase in the investment portfolio from an improved financial performance in the current year as compared to the prior year.

Overview of the Financial Statements

The annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*. This standard is applicable to the Educational Foundation because it is a component unit of California State University, East Bay (University). Consistent with the University, the Educational Foundation has adopted the Business-Type Activity (BTA) reporting model to represent its activities.

The financial statements include the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows. All sections should be considered together to obtain a complete understanding of the financial picture of the Educational Foundation. The discussion has been prepared by management and should be read in conjunction with the basic financial statements and accompanying notes.

Statement of Net Position: The statement of net position includes all assets and liabilities of the Educational Foundation. It is prepared under the accrual basis of accounting, whereby revenues and receivables are recognized when the service is provided and expenses and liabilities are recognized when incurred, regardless of when cash is exchanged. It also identifies major categories of restrictions on the net position of the Educational Foundation.

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

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

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023
(UNAUDITED)

Notes to Financial Statements: The notes to financial statements provide additional information that are essential to a full understanding of the data provided in the Educational Foundation's financial statements. The notes are included immediately following the basic financial statements within this report.

A summary of key financial statement information is presented below:

Statements of Net Position

	2023	2022
Assets:		
Current Assets	\$ 21,641,709	\$ 9,408,416
Noncurrent Assets	23,275,582	17,435,017
Total Assets	44,917,291	26,843,433
 Liabilities:		
Current Liabilities	31,049	12,393
 Net Position:		
Restricted:		
Nonexpendable	16,136,706	15,588,660
Expendable	27,913,397	10,519,795
Unrestricted	836,139	722,585
 Total Net Position	\$ 44,886,242	\$ 26,831,040

Assets

Current assets increased overall by \$12.2 million, or 130%, primarily due to a \$5.1 million increase in contributions received in the current year as compared to the prior year. There were also increases in current investments of \$1.8 million and in current pledges of \$5.2 million respectively.

Noncurrent assets increased by \$5.8 million, or 33%. This is primarily due to a \$5.3 million increase in noncurrent pledges combined with a \$548,000 increase in noncurrent investments.

Liabilities

Current liabilities increased by \$19,000, or 151%, due to an increase in the accounts payable balance resulting from timing of payments as compared to the prior year.

Net Position

Net position increased by 18 million, or 67%, mainly from the expendable net position increase of \$17 million, due to the increase in contributions and pledges received for capital projects. Additionally, there was a \$548,000 increase in nonexpendable net position which came from additions to permanent endowments received during the year.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2023
(UNAUDITED)

**Statements of Revenues, Expenses, and
Changes in Net Position**

	<u>2023</u>	<u>2022</u>
Operating Revenues	\$ 19,614,068	\$ 8,835,584
Operating Expenses	<u>2,727,468</u>	<u>2,301,327</u>
Operating Income	16,886,600	6,534,257
Nonoperating Revenues (Expenses)	<u>1,168,602</u>	<u>(2,606,958)</u>
Increase in Net Position	18,055,202	3,927,299
Net Position - Beginning of Year	<u>26,831,040</u>	<u>22,903,741</u>
Net Position - End of Year	<u><u>\$ 44,886,242</u></u>	<u><u>\$ 26,831,040</u></u>

Revenues and Expenses

Operating revenues increased by \$10.8 million, or 122%, primarily due to increased capital gift contributions and pledges received in the current year compared to the prior year.

Operating expenses increased by \$426,000, or 19%, primarily due to an increase in contributions to support activities of the University in the current year as compared to the prior year.

Nonoperating revenues increased by \$3.8 million, or 145%, due to an increase in the investment portfolio from an improved financial performance in the current year as compared to the prior year.

Outlook

The Educational Foundation does not anticipate any significant changes to its operations, revenues or expenses for the 2024 fiscal year.

Request for Information

The financial report is designed to provide a general overview of the Educational Foundation's finances. For questions concerning any information in this report or for additional financial information, contact Josephine Capiral, Interim University Controller, California State University, East Bay, 25800 Carlos Bee Boulevard, Hayward, California 94542 or call 510-885-7450.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
STATEMENT OF NET POSITION
JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	2023	2022
ASSETS		
Current Assets:		
Cash	\$ 9,184,406	\$ 4,026,253
Investments	5,576,150	3,764,879
Accounts Receivable	371,804	357,605
Pledges Receivable, Net	6,509,349	1,259,679
Total Current Assets	21,641,709	9,408,416
Noncurrent Assets:		
Endowment Investments	16,136,706	15,588,660
Pledges Receivable, Net	7,138,876	1,846,357
Total Noncurrent Assets	23,275,582	17,435,017
Total Assets	44,917,291	26,843,433
LIABILITIES		
Current Liabilities:		
Accounts Payable	31,049	12,393
Total Current Liabilities	31,049	12,393
NET POSITION		
Restricted:		
Nonexpendable Endowments	16,136,706	15,588,660
Expendable:		
Scholarships and Fellowships	1,599,933	1,240,764
Capital Projects	22,911,594	4,500,338
Other Programs	3,401,870	4,778,693
Unrestricted	836,139	722,585
Total Net Position	\$ 44,886,242	\$ 26,831,040

See accompanying Notes to Financial Statements.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	2023	2022
REVENUES		
Operating Revenues:		
Gifts, Capital	\$ 18,634,402	\$ 4,155,892
Gifts, Noncapital	145,478	3,476,472
Additions to Permanent Endowments	571,163	942,970
Other Operating Revenues	263,025	260,250
Total Operating Revenues	19,614,068	8,835,584
EXPENSES		
Operating Expenses:		
Contributions to Support Activities of the University	2,577,536	2,169,914
Accounting and Administrative Cost	149,932	131,413
Total Operating Expenses	2,727,468	2,301,327
NET OPERATING INCOME	16,886,600	6,534,257
NONOPERATING REVENUES (EXPENSES)		
Investment Gain (Loss), Net	1,024,203	(2,793,120)
Investment Income, Net	144,399	186,162
Total Nonoperating Revenues (Expenses)	1,168,602	(2,606,958)
INCREASE IN NET POSITION	18,055,202	3,927,299
Net Position - Beginning of Year	26,831,040	22,903,741
NET POSITION - END OF YEAR	\$ 44,886,242	\$ 26,831,040

See accompanying Notes to Financial Statements.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Contributors	\$ 8,808,854	\$ 6,290,357
Payments for Contributions to the University	(2,577,536)	(2,169,914)
Payments for Accounting and Administrative Costs	(149,932)	(131,413)
Other Operating Cash Flows	267,482	318,456
Net Cash Provided by Operating Activities	<u>6,348,868</u>	<u>4,307,486</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(7,136,051)	(8,979,977)
Sales of Investments	6,444,930	6,517,111
Investment Gain, Net	(499,594)	1,047,299
Net Cash Used by Investing Activities	<u>(1,190,715)</u>	<u>(1,415,567)</u>
NET INCREASE IN CASH	5,158,153	2,891,919
Cash - Beginning of Year	<u>4,026,253</u>	<u>1,134,334</u>
CASH - END OF YEAR	<u>\$ 9,184,406</u>	<u>\$ 4,026,253</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	\$ 16,886,600	\$ 6,534,257
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Changes in Operating Assets and Liabilities:		
Accounts Receivable	(14,199)	77,115
Pledges Receivable, Net	(10,542,189)	(2,284,977)
Accounts Payable	18,656	(18,909)
Net Cash Provided by Operating Activities	<u>\$ 6,348,868</u>	<u>\$ 4,307,486</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INFORMATION		
Change in Fair Value of Investments	<u>\$ 1,668,196</u>	<u>\$ (3,654,257)</u>

See accompanying Notes to Financial Statements.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUND
JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	2023	2022
ASSETS		
Investments at Fair Value:		
Corporate Bonds	\$ 39,410	\$ 56,960
Equity Securities	341,677	319,082
U.S. Treasury Securities	41,425	51,850
Municipal Bonds	14,443	25,686
Money Market Mutual Funds	54,432	32,358
Mutual Funds	80,951	77,005
Alternative Investments	43,804	42,028
Total Investments at Fair Value	616,142	604,969
Total Assets	616,142	604,969
LIABILITIES	-	-
NET POSITION		
Restricted:		
Individuals, Organizations, and Other Governments	616,142	604,969
Total Net Position	\$ 616,142	\$ 604,969

See accompanying Notes to Financial Statements.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUND
YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

	2023	2022
ADDITIONS		
Realized and Unrealized Gains (Losses)	\$ 32,211	\$ (94,925)
Net Interests and Dividends	11,312	12,716
Total Additions	43,523	(82,209)
DEDUCTIONS		
Distributions	26,466	26,245
Administrative Expenses	5,884	6,791
Total Deductions	32,350	33,036
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	11,173	(115,245)
Fiduciary Net Position - Beginning of Year	604,969	720,214
FIDUCIARY NET POSITION - END OF YEAR	\$ 616,142	\$ 604,969

See accompanying Notes to Financial Statements.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Cal State East Bay Educational Foundation, Inc. (Educational Foundation) is a California tax-exempt, nonprofit corporation organized in 1963 as the Cal State-Affiliates to support California State University, East Bay (University). The Educational Foundation promotes private sector support for educational activities to supplement state support. Contributions to the Educational Foundation support scholarships and other University programs.

B. Financial Reporting Entity

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

C. Basis of Presentation

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

D. Fiduciary Activities

The Educational Foundation is the custodian of investments held for the California State University East Bay, Alumni Association. These activities are presented in a separate statement of net fiduciary position and statement of changes in fiduciary net position.

E. Use of Estimates

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

F. Cash and Cash Equivalents

The Educational Foundation considers highly liquid investments with a maturity of three months or less to be cash and cash equivalents.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

G. Pledges Receivable

Pledges that are expected to be collected within one year are reflected as current and are recorded at their net realizable value. Pledges that are due in subsequent years are reflected as noncurrent and are discounted to their present value using risk-adjusted rates. The discount rate for the year ended June 30, 2023 was 4.00%. Allowance for uncollectible pledges is provided based on management's judgment, considering such factors as prior collection history, type of contribution, relationship with the donor, and other relevant factors.

H. Investments

Investments are reflected at fair value using quoted market prices. Earnings, gains, and losses are included in the statements of revenues, expenses, and changes in net position as investment gains (losses), net or investment income, net. Earnings, gains, or losses on donor-restricted endowments are available or deducted from donor-designated purposes, primarily scholarships, and are presented separately under nonoperating revenues (expenses) in the accompanying statement of revenues, expenses, and changes in net position.

Consistent with Cal State East Bay Educational Foundation's Endowment and Investment Policy Statement (Document No.301), *restricted endowment funds are funds for which the donor specifies how the endowed income will be used*. Donor gift agreements direct that Restricted Nonexpendable Endowments are to be held in perpetuity with only the investment returns being available for use in accordance with the Educational Foundation's endowment spending policy. As such, the investments attributable to the Restricted Nonexpendable Endowments are classified as long-term.

I. Capital Assets

Capital assets are stated at cost, net of accumulated depreciation. Expenses for maintenance and repairs are charged against operations. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets of three years. The Educational Foundation purchased \$112,000 of equipment in a previous fiscal year and that equipment is fully depreciated and, therefore, does not appear in this report.

J. In-kind Contributions

In-kind contributions are composed of miscellaneous tangible items and reported at fair value. All items greater than \$5,000 require a professional appraisal and the remainder are valued by the donor.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

K. Net Position

The Educational Foundation's net position is classified into the following categories:

Restricted – Expendable – Net position subject to externally imposed conditions that can be fulfilled by the actions of the Educational Foundation or by the passage of time.

Restricted – Nonexpendable – Net position subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity for the purpose of generating investment income to fund the agreed-upon purpose of the donor's gift.

Unrestricted – All other categories of net position, including those net position designated by the board and management.

L. Classification of Revenues and Expenses

The Educational Foundation considers operating revenues and expenses in the statements of revenues, expenses, and changes in net position to be those revenues and expenses that result from exchange transactions or from other activities that are connected directly with the Educational Foundation's primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services. Certain other transactions are reported as nonoperating revenues and expenses in accordance with GASB Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*, an amendment of GASB Statement No. 34. These nonoperating activities include the Educational Foundation's net investment income and interest expense.

M. Services and Facilities

Certain administrative personnel and office facilities provided to the Educational Foundation by the University were subject to reimbursement through the University cost recovery process. As these services and facilities have been priced via an objective valuation process, the related expenses have been reflected in the financial statements of the Educational Foundation as reimbursements to the University.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

N. Income Taxes

The Educational Foundation is exempt from Federal and State corporate income taxes under Internal Revenue Service (IRS) Code Section 501(c)(3) and California Revenue and Taxation Service Code 23701d. In addition, the Educational Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(1). However, the Educational Foundation remains subject to taxes on any net income which is derived from a trade or business, regularly carried on, and unrelated to its exempt purpose.

The Educational Foundation recognizes accrued interest and penalties associated with uncertain tax positions as part of the income tax provision, when applicable. There are no amounts accrued in the financial statements related to uncertain tax positions.

The Educational Foundation files informational and income tax returns in the United States and various state and local jurisdictions. The Educational Foundation's Federal income tax and informational returns are subject to examination by the IRS and state taxing authorities generally for three and four years, respectively, after the returns were filed.

O. Risks Financing Activities

The Educational Foundation is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Educational Foundation carries commercial insurance. The Educational Foundation has not had any significant reduction in insurance coverage, and there have been no claims in excess of coverage, in any of the past three years.

NOTE 2 INVESTMENTS

With respect to its investment decision-making, the Educational Foundation considers factors such as general economic conditions, possible effects of inflation or deflation, expected total return, availability of other resources, the needs of the University, and preservation of capital. Investment decisions are made in the context of the entire portfolio viewed as a whole.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 INVESTMENTS (CONTINUED)

The desired target for distributions from endowment funds for each year will be amounts that, over time, will result in the retention of earnings in the endowments equal to the rate of inflation plus 0% to 5%, after payment of investment, administration fees, and distributions. In order to provide stability in distribution amounts over time, the Educational Foundation's approved overall distribution percentage will be no more than 4% times the average of the quarter-end balances of endowment and quasi-endowment values over the preceding twelve quarters as of March 31.

Primary government investments consist of the following:

	<u>2023</u>	<u>2022</u>
Equity Securities	\$ 12,040,684	\$ 10,207,743
Mutual Funds	2,852,713	2,463,475
Corporate Bonds	1,388,794	1,822,191
U.S. Treasury Securities	1,459,832	1,658,748
Municipal Bonds	508,979	821,709
Money Market Mutual Funds	1,918,190	1,035,171
Alternative Investments	<u>1,543,664</u>	<u>1,344,502</u>
Total	<u><u>\$ 21,712,856</u></u>	<u><u>\$ 19,353,539</u></u>

Primary government nonoperating revenues (expenses), net, consists of the following:

	<u>2023</u>	<u>2022</u>
Realized and Unrealized Gains (Losses)	\$ 1,024,203	\$ (2,793,120)
Interest and Dividends, Net of Fees	<u>144,399</u>	<u>186,162</u>
Total	<u><u>\$ 1,168,602</u></u>	<u><u>\$ (2,606,958)</u></u>

A. Credit Risk

Credit risk is the risk that an issuer or other counterparty to a debt instrument will not fulfill its obligations. This is measured by the assignment of ratings by nationally recognized statistical rating organizations. The Educational Foundation's investment policy generally prohibits investments in the following vehicles: private placements, venture capital investments, real estate properties, futures contracts, options, short sales, or margin sales. Investments in cash equivalents, fixed income securities, equity securities and mutual funds are done in a diversified manner that is risk averse with an objective of minimized risk while obtaining a reasonable return. The Educational Foundation's investment policy dictates a diverse asset allocation as follows: equities (10-80%), fixed income (20-50%), cash (0-10%), and alternative investments (10-35%). The investment consultant is provided a maximum and minimum portfolio target for each asset class to ensure proper diversification and to avoid unnecessary risk.

**CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 2 INVESTMENTS (CONTINUED)

B. Custodial Credit Risk

Custodial credit risk for deposits is the risk that the Educational Foundation will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The California Government Code and Education Code do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the provision that a financial institution must secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The risk is mitigated in that the Educational Foundation's deposits are maintained at financial institutions that are fully insured or collateralized as required by state law.

C. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. Under the Educational Foundation's Investment Policy, no more than five percent (5%) of the total assets of the investments held by Educational Foundation may be invested in the securities of any one issuer. In order to maximize the rate of return in Educational Foundation's long-term investment portfolio while preserving capital and limiting concentration of credit risks, the Educational Foundation's investment policy dictates a diverse asset allocation as follows: equities (10-80%), fixed income (20-50%), cash (0-10%), and alternative investments (10-35%).

D. Interest Rate Risk

This is the risk of loss due to the fair value of an investment falling due to interest rates rising. As a means of limiting this exposure, short-term investments are limited to relatively liquid instruments such as certificates of deposit, savings accounts, federally guaranteed notes and bills, money market mutual funds.

The following indicates the credit and interest rate risk of investments as of June 30, 2023. The credit ratings listed are for Moody's Investor Services.

	Corporate Bonds
Weighted-Average Duration (Years)	5.82
Fair Value	\$ 1,388,794
Aa1-Aa3	46,563
A1-A3	720,830
Baa1-Baa3	620,360
NR	1,041

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 INVESTMENTS (CONTINUED)

E. Fair Value Measurement and Application

GASB Statement No. 72, *Fair Value Measurement and Application*, sets forth the framework for measuring fair value. That framework provides 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 unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Educational Foundation has the ability to access.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The valuation technique utilized to measure the investments is the market approach using prices and other relevant information generated by market transactions involving identical or comparable assets.

Money Market Funds are not categorized under the fair value hierarchy and are shown at Net Asset Value (NAV). These investments are measured at amortized cost when calculating NAV per share (or its equivalent) of the investment.

Alternative investments are not categorized under the fair value hierarchy and are shown at Net Asset Value (NAV). The Foundation uses NAV as a practical expedient to determine fair value of all underlying investments which (a) do not have a readily determinable fair value; and (b) are in investment companies or similar entities that report their investment assets at fair values.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 INVESTMENTS (CONTINUED)

E. Fair Value Measurement and Application (Continued)

The following shows the investments by fair value level as of June 30, 2023:

	Fair Value	Fair Value Measurements at Report Date Using			NAV
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Primary Government					
Corporate Bonds	\$ 1,388,794	\$ -	\$ 1,388,794	\$ -	\$ -
Equity Securities	12,040,684	12,040,684	-	-	-
Mutual Funds	2,852,713	-	2,852,713	-	-
U.S. Treasury Securities	1,459,832	-	1,459,832	-	-
Municipal Bonds	508,979	-	508,979	-	-
Money Market Mutual Funds	1,918,190	-	-	-	1,918,190
Alternative Investments	1,543,664	-	-	-	1,543,664
Total Investments by Fair Value	<u>\$ 21,712,856</u>	<u>\$ 12,040,684</u>	<u>\$ 6,210,318</u>	<u>\$ -</u>	<u>\$ 3,461,854</u>

	Fair Value	Fair Value Measurements at Report Date Using			NAV
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Fiduciary Fund					
Corporate Bonds	\$ 39,410	\$ -	\$ 39,410	\$ -	\$ -
Equity Securities	341,677	341,677	-	-	-
Mutual Funds	80,951	-	80,951	-	-
U.S. Treasury Securities	41,425	-	41,425	-	-
Municipal Bonds	14,443	-	14,443	-	-
Money Market Mutual Funds	54,432	-	-	-	54,432
Alternative Investments	43,804	-	-	-	43,804
Total Investments by Fair Value	<u>\$ 616,142</u>	<u>\$ 341,677</u>	<u>\$ 176,229</u>	<u>\$ -</u>	<u>\$ 98,236</u>

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 INVESTMENTS (CONTINUED)

E. Fair Value Measurement and Application (Continued)

The following table summarizes information regarding investment terms, unfunded commitments and redemption terms for investments value using NAV at June 30, 2023:

Investment	Net Asset Value	Strategy	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Boyd Watterson GSA Fund, LP	\$ 1,037,282	Achieve Competitive Returns Relative to Conventional and Alternative Asset Classes	None	Redeemable on a Quarterly Basis	60-Days Notice
Bridge Workforce Housing II Funds	143,098	Achieve Capital Appreciation Principally Through Investment in Investment Funds	111,921	Redeemable on a Quarterly Basis	60-Days Notice
Fortress Lending Fund	178,604	Achieve Competitive Returns Relative to Conventional and Alternative Asset Classes	118,549	Redeemable on a Quarterly Basis	60-Days Notice
Pimco Bravo Fund IV, L.P.	<u>228,484</u>	Achieve Long-Term Returns Through Investing Principally in Real Estate-Related Debt	30,000	Redeemable on a Quarterly Basis	60-Days Notice
Total	<u>\$ 1,587,468</u>				
Fiduciary Activities	\$ 43,804				
Primary Government	<u>1,543,664</u>				
Total	<u>\$ 1,587,468</u>				

NOTE 3 PLEDGES RECEIVABLE

Pledge receivables consist of the following:

	2023	2022
Receivable in Less Than One Year	\$ 6,516,391	\$ 1,261,741
Receivable in One to Five Years	7,951,397	2,066,774
Less: Allowance for Doubtful Accounts	(7,043)	(2,062)
Less: Discount Factor to Present Value	<u>(812,520)</u>	<u>(220,417)</u>
Total	<u>\$ 13,648,225</u>	<u>\$ 3,106,036</u>

NOTE 4 RELATED PARTY TRANSACTIONS

The Educational Foundation may enter into transactions with the other California State University, East Bay Auxiliaries (Associated Students, Inc. of California State University, East Bay and the California State University, East Bay Foundation, Inc. (collectively known as the Auxiliaries)) as well as transactions with the University itself.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4 RELATED PARTY TRANSACTIONS (CONTINUED)

The Educational Foundation reimburses the University for certain services to Educational Foundation. The fee for these services for the year ended June 30, 2023 was \$74,421. During the year ended June 30, 2023, the Educational Foundation contributed cash gifts of \$2,648,246 to the University. Fees of \$90,203 for services rendered in relation to these gifts were deducted from the contributions. These amounts are included as contributions to support activities of the University in the accompanying statement of revenues, expenses, and changes in net position.

Accounts receivable (payable) at June 30, 2023:

California State University, East Bay - Receivable	\$ 1,863
California State University, East Bay - Payable	<u>(30,834)</u>
Total	<u><u>\$ (28,971)</u></u>

At June 30, 2023, the Educational Foundation had pledge receivables from members and officers of the board of directors in the amount of \$31,370, net of allowances for doubtful accounts and discounts. These pledge receivables are due at various dates through 2028.

NOTE 5 FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statement of revenues, expenses, and changes in net position. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**OTHER SUPPLEMENTARY INFORMATION
FOR CALIFORNIA STATE UNIVERSITY
OFFICE OF THE CHANCELLOR**

Cal State East Bay Educational Foundation, Inc.
Schedule of Net Position
June 30, 2023
(for inclusion in the California State University Financial Statements)

Assets:	
Current assets:	
Cash and cash equivalents	9,184,406
Short-term investments	5,576,150
Accounts receivable, net	371,804
Lease receivable, current portion	-
P3 receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	6,509,349
Prepaid expenses and other current assets	-
Total current assets	21,641,709
Noncurrent assets:	
Restricted cash and cash equivalents	-
Accounts receivable, net	-
Lease receivable, net of current portion	-
P3 receivable, net of current portion	-
Notes receivable, net of current portion	-
Student loans receivable, net	-
Pledges receivable, net	7,138,876
Endowment investments	16,136,706
Other long-term investments	-
Capital assets, net	-
Other assets	-
Total noncurrent assets	23,275,582
Total assets	44,917,291
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Leases	-
P3	-
Others	-
Total deferred outflows of resources	-
Liabilities:	
Current liabilities:	
Accounts payable	31,049
Accrued salaries and benefits	-
Accrued compensated absences, current portion	-
Unearned revenues	-
Lease liabilities, current portion	-
SBITA liabilities - current portion	-
P3 liabilities - current portion	-
Long-term debt obligations, current portion	-
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	-
Other liabilities	-
Total current liabilities	31,049
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	-
Unearned revenues	-
Grants refundable	-
Lease liabilities, net of current portion	-
SBITA liabilities, net of current portion	-
P3 liabilities, net of current portion	-
Long-term debt obligations, net of current portion	-
Claims liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	-
Net pension liability	-
Other liabilities	-
Total noncurrent liabilities	-
Total liabilities	31,049
Deferred inflows of resources:	
P3 service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Lease	-
P3	-
Others	-
Total deferred inflows of resources	-
Net position:	
Net investment in capital assets	-
Restricted for:	
Nonexpendable – endowments	16,136,706
Expendable:	
Scholarships and fellowships	1,599,933
Research	-
Loans	-
Capital projects	22,911,594
Debt service	-
Others	3,401,870
Unrestricted	836,139
Total net position	44,886,242

Cal State East Bay Educational Foundation, Inc.
Schedule of Revenues, Expenses, and Changes in Net Position
Year ended June 30, 2023
(for inclusion in the California State University Financial Statements)

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	-
Scholarship allowances (enter as negative)	-
Other operating revenues	-
	<hr/>
Total operating revenues	-
Expenses:	
Operating expenses:	
Instruction	-
Research	-
Public service	-
Academic support	-
Student services	-
Institutional support	-
Operation and maintenance of plant	-
Student grants and scholarships	-
Auxiliary enterprise expenses	2,727,468
Depreciation and amortization	-
	<hr/>
Total operating expenses	2,727,468
	<hr/>
Operating income (loss)	(2,727,468)
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	145,478
Investment income (loss), net	1,024,203
Endowment income (loss), net	144,399
Interest expense	-
Other nonoperating revenues (expenses)	263,025
	<hr/>
Net nonoperating revenues (expenses)	1,577,105
	<hr/>
Income (loss) before other revenues (expenses)	(1,150,363)
State appropriations, capital	-
Grants and gifts, capital	18,634,402
Additions (reductions) to permanent endowments	571,163
	<hr/>
Increase (decrease) in net position	18,055,202
Net position:	
Net position at beginning of year, as previously reported	26,831,040
Restatements	-
	<hr/>
Net position at beginning of year, as restated	26,831,040
	<hr/>
Net position at end of year	44,886,242
	<hr/>

Capital Assets, Right of Use

<u>Composition of capital assets - Lease ROU, net:</u>	Balance June 30, 2022	Prior Period Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2022 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2023
Non-depreciable/Non-amortizable lease assets									
Land and land improvement	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable lease asset	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable lease assets:									
Land and land improvement	-	-	-	-	-	-	-	-	-
Buildings and building improvement	-	-	-	-	-	-	-	-	-
Improvements, other than building	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable lease assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Land and land improvement	-	-	-	-	-	-	-	-	-
Buildings and building improvement	-	-	-	-	-	-	-	-	-
Improvements, other than building	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - lease ROU, net	-	-	-	-	-	-	-	-	\$ -

<u>Composition of capital assets - SBITA ROU, net</u>	Balance June 30, 2022	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2022 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2023
Depreciable/Amortizable SBITA assets:									
Software	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable SBITA assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization									
Software	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - SBITA ROU, net	-	-	-	-	-	-	-	-	-

<u>Composition of capital assets - P3 ROU, net:</u>	Balance June 30, 2022	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2022 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2023
Non-depreciable/Non-amortizable P3 assets:									
Land and land improvement	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable P3 assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable P3 assets:									
Land and land improvement	-	-	-	-	-	-	-	-	-
Buildings and building improvement	-	-	-	-	-	-	-	-	-
Improvements, other than building	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable P3 assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization									
Land and land improvement	-	-	-	-	-	-	-	-	-
Buildings and building improvement	-	-	-	-	-	-	-	-	-
Improvements, other than building	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - P3 ROU, net	-	-	-	-	-	-	-	-	\$ -
Total capital assets, net including ROU assets									<u>\$ -</u>

3.2 Detail of depreciation and amortization expense

Depreciation and amortization expense - capital assets, excluding ROU assets	\$ -
Amortization expense - Leases ROU	-
Amortization expense - SBITA ROU	-
Amortization expense - P3 ROU	-
Depreciation and Amortization expense - Other	-
Total depreciation and amortization	<u>\$ -</u>

4 Long-term liabilities:

	Balance June 30, 2022	Prior Period Adjustments/Reclassifications	Balance June 30, 2022 (Restated)	Additions	Reductions	Balance June 30, 2023	Current Portion	Noncurrent Portion
1. Accrued compensated absences			-			-		-
2. Claims liability for losses and loss adjustment expense	-		-			-		-
3. Capital lease obligations (pre-ASC 842):								
Gross balance	-		-			-	-	-
Unamortized net premium/(discount)	-		-			-	-	-
Total capital lease obligations (pre ASC 842)	-		-			-	-	-
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	-		-			-		-
4.2 Commercial paper	-		-			-		-
4.3 Notes payable (SRB related)	-		-			-		-
4.4 Finance purchase of capital assets	-		-			-		-
4.5 Others:	-		-			-		-
Total others	-		-			-		-
Sub-total long-term debt	-		-			-		-
4.6 Unamortized net bond premium/(discount)	-		-			-		-
Total long-term debt obligation	\$ -		\$ -			\$ -		

5. Lease, SBITA, P3 liabilities:

	Balance June 30, 2022	Prior Period Adjustments/Reclassifications	Additions	Remeasurements	Reductions	Balance June 30, 2023	Current Portion	Noncurrent Portion
Lease liabilities	-					-		-
SBITA liabilities	-					-		-
P3 liabilities - SCA	-					-		-
P3 liabilities - non-SC/	-					-		-
Sub-total P3 liabilities	-					-		-
Total Lease, SBITA, P3 liabilities	\$ -	\$ -				\$ -		
Total long-term liabilities						\$ -		

5 Future minimum payments schedule - leases, SBITA, P3

	Lease Liabilities			SBITA liabilities			Public-Private or Public-Public Partnerships (P3)			Total Leases, SBITA, P3 liabilities		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:												
2024			-			-			-	-	-	-
2025			-			-			-	-	-	-
2026			-			-			-	-	-	-
2027			-			-			-	-	-	-
2028			-			-			-	-	-	-
2029 - 2033			-			-			-	-	-	-
2034 - 2038			-			-			-	-	-	-
2039 - 2043			-			-			-	-	-	-
2044 - 2048			-			-			-	-	-	-
2049 - 2053			-			-			-	-	-	-
Thereafter			-			-			-	-	-	-
Total minimum payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: amounts representing interest												
Present value of future minimum payment												
Total Leases, SBITA, P3 liabilities												
Less: current portion												
Leases, SBITA, P3 liabilities, net of current portion												\$ -

6 Future minimum payments schedule - Long-term debt obligations

	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Year ending June 30:									
2024			-			-			-
2025			-			-			-
2027			-			-			-
2028			-			-			-
2029 - 2033			-			-			-
2034 - 2038			-			-			-
2039 - 2043			-			-			-
2044 - 2048			-			-			-
2049 - 2053			-			-			-
Thereafter			-			-			-
Total minimum payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: amounts representing interest									
Present value of future minimum payment									
Unamortized net premium/(discount)									
Total long-term debt obligations									
Less: current portion									
Long-term debt obligations, net of current portion									\$ -

7 Transactions with related entities

Payments to University for salaries of University personnel working on contracts, grants, and other program:	
Payments to University for other than salaries of University personnel	74,421
Payments received from University for services, space, and program	90,203
Gifts-in-kind to the University from discretely presented component units	
Gifts (cash or assets) to the University from discretely presented component units	2,648,246
Accounts payable to University	(30,834)
Other amounts payable to University	
Accounts receivable from University	
Other amounts receivable from University	1,863

8 Restatements

Restatement #1	Enter transaction description	Debit/(Credit)
		\$ -
Restatement #2	Enter transaction description	\$ -

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	-	-	-	-	-	-	-	-
Institutional support	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	-	-	-	-
Auxiliary enterprise expense	-	-	-	-	-	2,727,468	-	2,727,468
Depreciation and amortization	-	-	-	-	-	-	-	-
Total operating expenses	\$ -	-	-	-	-	2,727,468	-	\$ 2,727,468

No pension plan reported

N/A

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 - P3
- Deferred outflows - others:
 - Sales/intra-entity transfers of future revenue
 - Gain/loss on sale leaseback
 - Loan origination fees and cost
 - Change in fair value of hedging derivative instrument
 - Irrevocable split-interest agreement

Total deferred outflows - others	-
Total deferred outflows of resources	\$ -

2. Deferred Inflows of Resources

- Deferred inflows - P3 service concession arrangement
- Deferred inflows - net pension liability
- Deferred inflows - net OPEB liability
- Deferred inflows - unamortized gain on debt refunding(s)
- Deferred inflows - nonexchange transaction
- Deferred inflows - leases
- Deferred inflows - P3
- Deferred inflows - others:
 - Sales/intra-entity transfers of future revenue
 - Gain/loss on sale leaseback
 - Loan origination fees and cost
 - Change in fair value of hedging derivative instrument
 - Irrevocable split-interest agreement

Total deferred inflows - others	-
Total deferred inflows of resources	\$ -

11 Other nonoperating revenues (expenses)

Other nonoperating revenue:	\$ 263,025
Other nonoperating (expenses)	-
Total other nonoperating revenues (expenses)	\$ 263,025

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.
(A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, EAST BAY)
NOTE TO SUPPLEMENTARY INFORMATION
JUNE 30, 2023

NOTE 1 SUPPLEMENTARY SCHEDULES

As an auxiliary organization, the Cal State East Bay Educational Foundation, Inc. is required to include audited supplementary information in its financial statements in the form and content specified by CSU. As a result, there are differences in reporting format between the Educational Foundation's financial statements and supplementary schedules for CSU.



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