

**California State University, Dominguez Hills
Toro Auxiliary Partners**

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

June 30, 2024

CohnReznick 
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**California State University, Dominguez Hills
Toro Auxiliary Partners**

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Independent Auditor's Report

To the Board of Directors
California State University, Dominguez Hills Toro Auxiliary Partners
(A California State University Auxiliary Organization)

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the aggregate remaining fund information of California State University, Dominguez Hills Toro Auxiliary Partners, a component unit of California State University, Dominguez Hills, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the California State University, Dominguez Hills Toro Auxiliary Partners' basic financial statements as listed in the index.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate remaining fund information of California State University, Dominguez Hills Toro Auxiliary Partners as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of California State University, Dominguez Hills Toro Auxiliary Partners 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 California State University, Dominguez Hills Toro Auxiliary Partners' 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.

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 opinions. 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 California State University, Dominguez Hills Toro Auxiliary Partners' 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 California State University, Dominguez Hills Toro Auxiliary Partners' 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 to 8, Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios on page 35, and the Schedule of Other Postemployment Benefits Contributions on page 36 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information

because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise California State University, Dominguez Hills Toro Auxiliary Partners' basic financial statements. The accompanying supplementary information on pages 38 to 50 is presented for purposes of additional analysis as required by an Administrative Directive dated June 24, 2003, *Financial Reporting Requirements for Auxiliary Organizations*, from the California State University Office of the Chancellor, and is not a required part of the basic financial statements.

The accompanying supplementary information on pages 38 to 50 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. The 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 accompanying supplementary information on pages 38 to 50 is 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 December 23, 2024 on our consideration of the California State University, Dominguez Hills Toro Auxiliary Partners' 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 California State University, Dominguez Hills Toro Auxiliary Partners' 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 California State University, Dominguez Hills Toro Auxiliary Partners' internal control over financial reporting and compliance.



Los Angeles, California
December 23, 2024

California State University, Dominguez Hills Toro Auxiliary Partners

Management's Discussion and Analysis

June 30, 2024
(Unaudited)

Introduction

The California State University, Dominguez Hills Toro Auxiliary Partners ("TAP") is a nonprofit organization formed to support the mission of California State University, Dominguez Hills (the "University"). To fulfill this mission, TAP pursues a wide range of opportunities in the areas of developing and administering research and educational grants and contracts; conducting the bookstore, food service, and vending machine operations on the campus; developing land and commercial enterprises; administering various educationally related functions, special programs, and other activities.

This section of TAP's annual financial report presents management's discussion and analysis of the financial performance of TAP during the fiscal year ended June 30, 2024. This discussion has been prepared by management along with the financial statements and related note disclosures and should be read in conjunction with, and is qualified in its entirety by, the financial statements and related notes. The financial statements, related notes and this discussion are the responsibility of management.

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*. For reporting purposes, TAP is considered a special-purpose government engaged only in business-type and fiduciary activities, which best represent the activities of TAP.

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

Statement of Net Position – The statement of net position includes all assets, deferred outflows, liabilities, and deferred inflows. It is prepared on an accrual basis as of the statement date. It also identifies major categories of restrictions on the net position of TAP.

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

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

California State University, Dominguez Hills Toro Auxiliary Partners

Management's Discussion and Analysis (Continued) June 30, 2024 (Unaudited)

Analytical overview

Summary

TAP's net position increased by approximately \$1.7M. This is primarily due to the increase in grants and contracts revenue as well as increased investment income.

Statement of Net Position

TAP's summary of net position as of June 30, 2024 and 2023 are as follows:

	FY2023-24	FY2022-23	Change
Assets:			
Current assets	\$ 18,919,125	\$ 16,280,126	\$ 2,638,999
Long-term assets	5,274,255	5,773,459	(499,204)
Capital assets, net	312,800	388,170	(75,370)
Total assets	24,506,180	22,441,755	2,064,425
Deferred outflows of resources:	313,886	482,466	(168,580)
Liabilities:			
Current liabilities	11,747,071	11,273,469	473,602
Long-term liabilities	1,250,293	1,527,379	(277,086)
Total liabilities	12,997,364	12,800,848	196,516
Deferred inflows of resources:	372,598	420,951	(48,353)
Net position:			
Net investment in capital assets	312,800	388,170	(75,370)
Unrestricted	11,137,304	9,314,252	1,823,052
Total net position	\$ 11,450,104	\$ 9,702,422	\$ 1,747,682

Assets

Total assets increased \$2.1M compared to prior year. This change is attributable to an increase in TAP's accounts receivable related to grants and contracts, and other receivables from related parties.

Liabilities

Total liabilities increased by \$197K compared to the prior year. This net increase is primarily due to increases in deferred income related to grants and contracts which is partially offset by a decrease in other liabilities.

Net Position

Total net position increased by \$1.7M compared to the prior year. This change is a result of operating revenues continuing to be higher than operating expenses as well as due to positive investment income during the year.

California State University, Dominguez Hills Toro Auxiliary Partners

Management's Discussion and Analysis (Continued)
June 30, 2024
(Unaudited)

Statement of Revenues, Expenses and Changes in Net Position

The following table is a summary of TAP's revenues, expenses and changes in net position comparing FY 2023-24 with FY 2022-23:

	FY2023-24	FY2022-23	Change
Operating revenues:			
Grants and contracts	\$ 22,930,959	\$ 22,239,002	\$ 691,957
Sales and services of auxiliary enterprises	2,035,088	1,973,596	61,492
Other operating revenues	<u>3,073,901</u>	<u>5,248,005</u>	<u>(2,174,104)</u>
Total operating revenues	<u>28,039,948</u>	<u>29,460,603</u>	<u>(1,420,655)</u>
Operating expenses:			
Instruction	2,816,143	4,355,228	(1,539,085)
Research	6,703,108	6,913,006	(209,898)
Academic support	7,540,235	6,658,716	881,519
Student services	2,574,329	2,574,191	138
Institutional support	2,422,469	908,483	1,513,986
Student grants and scholarships	13,683	54,933	(41,250)
Auxiliary enterprise expenses	5,285,030	5,601,376	(316,346)
Depreciation	<u>115,163</u>	<u>121,014</u>	<u>(5,851)</u>
Total operating expenses	<u>27,470,160</u>	<u>27,186,947</u>	<u>283,213</u>
Nonoperating revenues (expenses):			
Investment income, net	1,212,349	843,258	369,091
Gain on PPP loan forgiveness	-	1,077,976	(1,077,976)
Interest expense	<u>(34,455)</u>	<u>(4,342)</u>	<u>(30,113)</u>
Net nonoperating revenues (expenses)	<u>1,177,894</u>	<u>1,916,892</u>	<u>(738,998)</u>
Changes in net position	1,747,682	4,190,548	(2,442,866)
Net position - beginning	9,702,422	5,511,874	4,190,548
Net position - ending	\$ 11,450,104	\$ 9,702,422	\$ 1,747,682

Operating revenues

Total operating revenues decreased \$1.4M compared to the prior year. The overall decrease in total operating revenues is primarily attributable to revenues from related parties.

Operating expenses

Total operating expenses increased \$283K compared to the prior year. The increase is primarily attributable to an increase academic and institutional support.

California State University, Dominguez Hills Toro Auxiliary Partners

Management's Discussion and Analysis (Continued) June 30, 2024 (Unaudited)

Capital assets and debt administration

Capital assets

TAP has \$313K in capital assets, net of accumulated depreciation, a decrease from \$75K from prior year, primarily related to current year depreciation of \$115K, which is offset by purchases of 40K.

Debt

As of June 30, 2024, TAP had \$1.6M in debt with a decrease of \$115K resulting from a \$38K decrease in compensated absences and \$78K decrease in note payable. Note 8 provides additional information on long-term liabilities. A comparison is summarized below:

	FY2023-24	FY2022-23	Change
Compensated absences	\$ 373,105	\$ 410,897	\$ (37,792)
Notes payable	1,244,620	1,322,242	(77,622)
	<u>\$ 1,617,725</u>	<u>\$ 1,733,139</u>	<u>\$ (115,414)</u>

Basic Financial Statements

California State University, Dominguez Hills Toro Auxiliary Partners

Statement of Net Position
June 30, 2024

Assets	
Current assets	
Cash and cash equivalents	\$ 6,440,288
Accounts receivable, net	11,264,927
Due from related parties	1,062,794
Prepaid expenses and other current assets	<u>151,116</u>
Total current assets	<u>18,919,125</u>
Noncurrent assets	
Long-term investments	5,274,255
Capital assets, net	<u>312,800</u>
Total noncurrent assets	<u>5,587,055</u>
Total assets	<u>24,506,180</u>
Deferred outflows of resources - other postemployment benefits	<u>313,886</u>
Liabilities	
Current liabilities	
Accounts payable and accrued liabilities	601,036
Accrued salaries and benefits payable	716,009
Accrued compensated absences	373,105
Unearned revenue	8,038,870
Debt	305,762
Due to related parties	1,550,886
Interest payable	24,797
Other liabilities	<u>136,606</u>
Total current liabilities	<u>11,747,071</u>
Long-term liabilities	
Postemployment benefits other than pensions	311,435
Debt	<u>938,858</u>
Total long-term liabilities	<u>1,250,293</u>
Total liabilities	<u>12,997,364</u>
Deferred inflows of resources - other postemployment benefits	<u>372,598</u>
Net position	
Net investment in capital assets	312,800
Unrestricted	<u>11,137,304</u>
Total net position	<u>\$ 11,450,104</u>

See Notes to Financial Statements.

California State University, Dominguez Hills Toro Auxiliary Partners

**Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2024**

Operating revenues	
Grants and contracts	
Federal	\$ 18,325,069
State and local	1,243,581
Nongovernmental	3,362,309
Sales and services of auxiliary enterprises	2,035,088
Other operating revenues	<u>3,073,901</u>
 Total operating revenues	 <u>28,039,948</u>
 Operating expenses	
Instruction	2,816,143
Research	6,703,108
Academic support	7,540,235
Student services	2,574,329
Institutional support	2,422,469
Student grants and scholarships	13,683
Auxiliary enterprise expenses	5,285,030
Depreciation	<u>115,163</u>
 Total operating expenses	 <u>27,470,160</u>
 Operating income	 <u>569,788</u>
 Nonoperating revenues (expenses)	
Investment income, net of fees	1,212,349
Interest expense	<u>(34,455)</u>
 Net nonoperating revenues	 <u>1,177,894</u>
 Change in net position	 1,747,682
 Net position, beginning of year	 <u>9,702,422</u>
 Net position, end of year	 <u>\$ 11,450,104</u>

See Notes to Financial Statements.

California State University, Dominguez Hills Toro Auxiliary Partners

Statement of Cash Flows
For the Year Ended June 30, 2024

Cash flows from operating activities	
Federal grants and contracts	\$ 18,240,899
State and local grants and contracts	1,089,158
Nongovernmental grants and contracts	2,944,791
Payments to suppliers	(12,998,560)
Payments to employees	(16,068,927)
Sales and services of auxiliary enterprises	1,409,337
Other receipts	2,428,639
	<hr/>
Net cash used in operating activities	(2,954,663)
Cash flows from noncapital financing activities	
Interest paid on notes payable	(14,512)
Payments on notes payable	(77,622)
	<hr/>
Net cash used in noncapital financing activities	(92,134)
Cash flows from capital and related financing activities	
Purchase of capital assets	(39,793)
	<hr/>
Net cash used in capital and related financing activities	(39,793)
Cash flows from investing activities	
Investment income	147,510
Investment expense	(35,023)
Purchase of investments	(465,733)
Sale of investments	2,038,009
	<hr/>
Net cash provided by investing activities	1,684,763
Net decrease in cash and cash equivalents	
Cash and cash equivalents - beginning of year	(1,401,827)
	<hr/>
Cash and cash equivalents - end of year	7,842,115
	<hr/>
\$ 6,440,288	
Reconciliation of operating income to net cash used in operating activities	
Operating income	\$ 569,788
Adjustments to reconcile operating income to net cash used in operating activities	
Depreciation	115,163
Deferred outflows of resources	168,580
Deferred inflows of resources	(48,353)
Change in assets and liabilities	
Accounts receivable	(3,331,238)
Due from related parties	(625,751)
Prepaid expenses and other assets	(57,047)
Accounts payable and accrued liabilities	(630,481)
Accrued salaries and benefits payable	210,164
Accrued compensated absences	(37,792)
Unearned revenue	2,029,865
Due to related parties	358,930
Other liabilities	(1,625,200)
Postemployment benefits other than pensions	(51,291)
	<hr/>
Net cash used in operating activities	\$ (2,954,663)

See Notes to Financial Statements.

California State University, Dominguez Hills Toro Auxiliary Partners

Statement of Fiduciary Net Position
June 30, 2024

Assets	
Current assets	
Cash and cash equivalents	<u>\$ 287,413</u>
Total assets	<u>287,413</u>
Liabilities	
Current liabilities	
Accounts payable and accrued liabilities	1,168
Accrued salaries and benefits payable	2,170
Due to related parties	<u>24,331</u>
Total liabilities	<u>27,669</u>
Net position	
Restricted:	
Individuals, organizations, and other governments	<u>259,744</u>
Total net position	<u>\$ 259,744</u>

See Notes to Financial Statements.

California State University, Dominguez Hills Toro Auxiliary Partners

Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2024

Additions	
Program income	\$ 204,580
Gifts	950
Other income	<u>286,550</u>
Total additions	<u>492,080</u>
Deductions	
Distributions	450,802
Administrative expenses	<u>41,943</u>
Total deductions	<u>492,745</u>
Change in fiduciary net position	(665)
Net position, beginning of year	<u>260,409</u>
Net position, end of year	<u>\$ 259,744</u>

See Notes to Financial Statements.

California State University, Dominguez Hills Toro Auxiliary Partners

Notes to Financial Statements June 30, 2024

Note 1 - Business and summary of significant accounting policies

Reporting entity

California State University, Dominguez Hills Toro Auxiliary Partners ("TAP") is a nonprofit California public benefit corporation, which is an auxiliary organization of California State University, Dominguez Hills (the "University"). TAP is included as a component unit in the financial statements of the University. TAP assists the University in various activities including developing and administering research and educational grants and contracts; conducting the bookstore, food service, and vending machine operations on the campus; developing land and commercial enterprises; administering various educationally related functions, special programs, and other activities.

Basis of accounting and measurement focus

The accompanying basic financial statements of TAP have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), as promulgated by the Governmental Accounting Standards Board ("GASB"), the accepted standard-setting body for establishing governmental accounting and financial reporting principles. As a component unit of a public institution, TAP has presented its basic financial statements using the reporting model for special-purpose governments engaged only in business-type activities in accordance with GASB Statements No. 34 and 35.

TAP operates as a business enterprise and the accompanying financial statements reflect the flow of economic resources measurement focus and the full accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

TAP records revenue in part from assisting the University in various activities including developing and administering research and educational grants and contracts, conducting the bookstore, food service, and vending machine operations on the campus; developing land and commercial enterprises; administering various educationally related functions, special programs, and other activities. Accordingly, TAP has chosen to present its basic financial statements using the reporting model for special-purpose governments engaged in business-type activities. This model allows all financial information for TAP to be reported in a single column in each of the basic financial statements.

Fiduciary activities

TAP administers agency assets on behalf of campus organizations. TAP is acting as an agent for the transactions. Accordingly, the activity of such organizations is presented in a separate statement of fiduciary net position and a statement of changes in fiduciary net position.

Cash and cash equivalents

Cash and cash equivalents consist of deposits and a money market account with Wells Fargo Bank, N.A. ("WFB"). It is composed significantly of funds held in depository accounts for other auxiliary organizations of the California State University, Dominguez Hills campus. TAP provides accounting and management services for the California State University, Philanthropic Foundation, the Loker University Student Union, Dominguez Hills Corporation, and limited services for the Associated Students, Inc., and holds depository accounts on their behalf. These deposits, upon receipt, are normally expected to be held for three months or less.

California State University, Dominguez Hills Toro Auxiliary Partners

Notes to Financial Statements June 30, 2024

Short-term investments

Investments with original maturities greater than three months and remaining maturities less than one year are classified as short-term investments. Investments with remaining maturities greater than one year are classified as long-term investments. TAP has no short-term investments at June 30, 2024.

Accounts receivable

Receivables consist of contracts and other miscellaneous receivables. TAP uses the allowance method of accounting for receivables determined to be potentially uncollectable. Management provides for probable uncollectible amounts through a provision for an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that remain outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Prepaid expenses

Prepaid expenses and other prepaid items are expensed ratably over their respective terms of agreement.

Investments

Investments are reflected at fair value and net asset value. Gains and losses are included in the statement of revenues, expenses and changes in net position as investment income (net of fees).

Capital assets

Capital assets are stated at cost or estimated historical cost if purchased, or at acquisition value at date of donation if donated. Capital assets with a value of less than \$5,000 are not capitalized. TAP is required to capitalize infrastructure assets that have been acquired, or that have received major improvements, in fiscal years ending after June 30, 1980. Title to all assets, whether purchased, constructed, or donated, is held by TAP. Depreciation is determined using the straight-line method over the estimated useful lives of the assets ranging from three to ten years. Leasehold improvements are amortized using the straight-line method over the shorter of their estimated useful lives or the term of the lease. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are not capitalized.

Deferred outflows and deferred inflows

Deferred outflows and deferred inflows of resources related to postemployment benefit plan are certain changes in net position that are to be recognized in future postemployment benefit plan expense.

Accrued compensated absences

TAP employees accrue annual leave at rates based on length of service and job classification.

Unearned revenue

Unearned revenue consists primarily of unearned revenue related to federal grants and contracts and any commissions paid in advance for commercial enterprise activities.

Other liabilities

Other liabilities include sales tax, nonresident alien tax withholding, and miscellaneous payroll withholdings.

California State University, Dominguez Hills Toro Auxiliary Partners

Notes to Financial Statements June 30, 2024

Components of net position

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

Net investment in capital assets - This component of the net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings, lease liabilities, deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds or deferred inflows of resources at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets.

Restricted - This component of net position consists of restricted assets reduced by liabilities related to those assets.

Unrestricted - This component of net position consists of the net amount of those assets that are not included in the determination of net investment in capital assets or the restricted component of net position.

Policy regarding use of restricted versus unrestricted resources

When an expense is incurred for purposes for which both restricted and unrestricted resources are available, TAP will utilize restricted resources first, and then unrestricted resources as needed.

Classification of revenues and expenses

TAP considers operating revenues and expenses in the statement 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 to TAP's primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services. Certain other transactions are reported as nonoperating revenues and expenses in accordance with GASB Statement No. 33. These nonoperating activities include TAP's net investment income (net of fees), gifts, and interest expense.

Grants and contracts

TAP serves as administrator for various grants and contracts awarded by governmental and private institutions. Amounts administered by TAP are recorded as revenue and expense in the accompanying basic financial statements.

Income taxes

TAP is exempt from federal income and state franchise taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code, respectively. Accordingly, there is no provision for income taxes in the financial statements.

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

California State University, Dominguez Hills Toro Auxiliary Partners

Notes to Financial Statements June 30, 2024

Use of estimates

In preparing financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Fair value measurements

TAP reports its fair value measurements using a three-level hierarchy that prioritizes the inputs used to measure fair value in accordance with GASB 72, *Fair Value Measurement and Application*. Fair value is the price that would be received to sell an asset or be paid to transfer a liability in an orderly transaction in the principal or most advantageous market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. GASB 72 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

This hierarchy, established by U.S. GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

Level 1 - Quoted prices for identical assets or liabilities in active markets to which TAP has access at the measurement date.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets in markets that are not active;
- observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
- inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3 - Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

When available, TAP measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

Risk financing activities

TAP 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 TAP carries commercial insurance. TAP 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.

California State University, Dominguez Hills Toro Auxiliary Partners

Notes to Financial Statements June 30, 2024

Note 2 - Liquidity and availability

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

At June 30, 2024, TAP had the following financial assets and liquidity resources available over the next 12 months:

Cash and cash equivalents	\$ 6,440,288
Accounts receivable, net	11,264,927
Due from related parties	<u>1,062,794</u>
 Total	 <u>\$ 18,768,009</u>

Note 3 - Cash and cash equivalents

Custodial credit risk for deposits is the risk that TAP will not be able to recover deposits that are in possession of an outside party. The California Government Code and Education Code does 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 TAP's deposits are maintained at financial institutions that are fully insured or collateralized as required by state law.

Cash and cash equivalents as of June 30, 2024, are composed of the following:

Depository accounts	\$ 2,507,591
Money market account	<u>3,932,697</u>
 Total	 <u>\$ 6,440,288</u>

Cash in banks

The *California Government Code* requires California banks and savings and loan associations to secure TAP's deposits. Obligations pledged to secure deposits must be delivered to an institution other than the institution in which the deposit is made; however, the trust department of the same institution may hold them. Written custodial agreements are required that provide, among other things, that the collateral securities are held separate from the assets of the custodial institution. The pledge to secure deposits is administered by the California Superintendent of Banks. The market value of pledged securities must equal 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure an agency's deposits by pledging first trust deeds or first mortgages having a value of 150% of an agency's total deposits. All such collateral is considered to be held by the pledging financial institutions' trust departments or agents in the name of TAP. At June 30, 2024, cash held by financial institutions for TAP of \$11,372,674 was insured and collateralized as described above. At June 30, 2024, the book balance for TAP was \$6,440,288.

Financial instruments that potentially subject TAP to concentrations of credit risk consist principally of receivables and cash accounts in financial institutions. The total cash balances are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 per institution. As of June 30,

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Notes to Financial Statements June 30, 2024

2024, TAP's bank deposits exceeded the balance insured by the FDIC by \$11,122,674. TAP monitors its financial institutions and the concentration of credit risk on a regular basis and does not anticipate nonperformance by the financial institutions.

Note 4 - Accounts receivable

The following is a summary of accounts receivable at June 30, 2024:

Grants receivables	\$ 8,926,171
Other receivables	2,715,654
Allowance for doubtful accounts	<u>(376,898)</u>
 Total	 <u>\$ 11,264,927</u>

The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") provides an Employee Retention Credit ("ERC"), which is a refundable tax credit against certain employment taxes for eligible employers based on a percentage of qualified wages paid to employees through December 31, 2020. Additional relief provisions were passed by the United States government, which extended and slightly expanded the qualified wage caps on these credits through December 31, 2021. Based on these additional provisions, the tax credit is now equal to about 70% of qualified wages paid to employees during a quarter, and the CARES Act ERC can be \$26,000 per employee. The CARES Act ERC is generated through refund payments from filing an amended Form 941 Employer Quarterly Federal Tax Return for each applicable quarter in 2020 and 2021. During the fiscal year ended June 30, 2023, TAP recorded a \$445,000 receivable related to the 2021 CARES Act ERC, which is still outstanding at June 30, 2024.

Note 5 - Investments

The following is a summary of investments at June 30, 2024:

Equities	\$ 1,685,367
Money market funds	124,259
Corporate and governmental bonds	451,243
Mutual funds	1,955,020
Alternative investments	<u>1,058,366</u>
 Total	 <u>\$ 5,274,255</u>

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Notes to Financial Statements June 30, 2024

The following table summarizes information regarding TAP's investments measured using net asset value at June 30, 2024:

Investment	Net Asset Value	Strategy	Unfunded Commitments	Redemption terms	Redemption restriction
Blackstone Real Estate	\$ 163,703	Achieve capital appreciation principally through investing in investment funds	None	Redeemable on a quarterly basis	95 days notice
Ironwood Institutional Multi-strategy Fund LLC	468,421	Achieve capital appreciation principally through investing in investment funds	None	Redeemable on a quarterly basis	95 days notice
Hedger Fund Guided Portfolio Solutions Class I 71H78	<u>426,242</u>	Achieve capital appreciation principally through investing in investment funds	None	Redeemable on a quarterly basis	60-95 days notice
	<u><u>\$ 1,058,366</u></u>				

Custodial credit risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, TAP's deposits may not be returned. The cash and cash equivalents of TAP are maintained at financial institutions and are fully insured up to \$250,000 per financial institution or collateralized.

Securities Investor Protection Corporation ("SIPC") protects against the loss of cash and securities - such as stocks and bonds - held by a customer at a financially-troubled SIPC member brokerage firm. The limit of SIPC protection is \$500,000, which includes a \$250,000 limit for cash.

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, TAP will not be able to recover the value of its investments that are in the possession of the counterparty. As of June 30, 2024, investments held by financial institutions for TAP of \$5,274,255 were uninsured and of which \$374,259 was protected under the SIPC.

Investment credit risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. TAP's investment policy does not specifically address potential credit risk exposure or the extent to which it is limited.

TAP's formal investment policy limits its investment choices to the following:

- Local Agency Investment Fund ("LAIF")
- Cash equivalents having maturities of less than one year
- Global public equities, including domestic equities, international developed equity, and emerging markets
- Global fixed income, including domestic fixed income and global fixed income
- Alternative investments, including hedge funds and private equity

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Notes to Financial Statements June 30, 2024

The credit risk profile of fixed income securities is as follows:

Fixed income securities	6/30/2024	Credit rating
Corporate bonds	\$ 22,611	A
Corporate bonds	56,497	A-
Corporate bonds	8,337	A+
Corporate bonds	24,116	BBB
Corporate bonds	4,738	BBB-
Corporate bonds	56,644	BBB+
Municipal bonds	31,208	AA
Municipal bonds	9,046	AA-
Municipal bonds	9,656	AA+
Municipal bonds	37,353	Unrated
US treasury bonds and notes	<u>191,037</u>	AAA
	<u><u>\$ 451,243</u></u>	

At June 30, 2024, TAP's fixed income securities have the following maturities:

	Less than 1 year	1 - 5 years	5 - 10 years	Over 10 years	Total
Corporate bonds	\$ 14,795	\$ 92,071	\$ 66,077	\$ -	\$ 172,943
Municipal bonds	-	70,333	16,930	-	87,263
US treasury bonds and notes	<u>9,789</u>	<u>96,335</u>	<u>84,913</u>	<u>-</u>	<u>191,037</u>
	<u><u>\$ 24,584</u></u>	<u><u>\$ 258,739</u></u>	<u><u>\$ 167,920</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 451,243</u></u>

Concentration of investment credit risk

TAP's formal investment policy limits the assets to the following target and maximum allocations:

	Target allocation	Minimum allocation	Maximum allocation
Equities	55.0%	40.0%	65.0%
Fixed income	25.0%	20.0%	45.0%
Cash	2.0%	0.0%	10.0%
Alternative investments	<u>18.0%</u>	<u>0.0%</u>	<u>25.0%</u>
Total	<u><u>100%</u></u>		

The composition of the investment income (net of fees) on the statement of revenues, expenses and changes in net position:

Interest and dividends	\$ 147,510
Investment expenses	(35,023)
Unrealized gain, net	<u>1,099,862</u>
Total	<u><u>\$ 1,212,349</u></u>

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Notes to Financial Statements June 30, 2024

Note 6 - Fair value measurements

At June 30, 2024, investments are carried at fair value and are classified in the table below in one of the three categories as described in Note 1:

	Level 1	Level 2	Level 3	Investments at NAV		Total
Equities	\$ 1,685,367	\$ -	\$ -	\$ -	\$ -	\$ 1,685,367
Money market funds	124,259	-	-	-	-	124,259
Corporate and governmental bonds	-	451,243	-	-	-	451,243
Mutual funds	1,955,020	-	-	-	-	1,955,020
Alternative investments	-	-	-	1,058,366	1,058,366	1,058,366
Total	\$ 3,764,646	\$ 451,243	\$ -	\$ 1,058,366	\$ 5,274,255	

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although TAP believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

TAP measures fair value in accordance with GASB 72. GASB 72 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs, other than the quoted prices in active markets, are observable either directly or indirectly; and Level 3 unobservable inputs in which there is little or no market data, which requires TAP to develop its own assumptions. TAP uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, TAP measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. Assets reported at fair value at June 30, 2024, are Level 1 and 2 inputs.

TAP's policy is to recognize transfers in and transfers out as of the actual date of the event or change in circumstance that caused the transfer.

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Notes to Financial Statements June 30, 2024

Note 7 - Capital assets

The capital assets balance at June 30, 2024, consists of the following activity:

	Balance July 1, 2023	Increases	Decreases	Transfers	Balance June 30, 2024
Capital assets, depreciable					
Equipment	\$ 387,123	\$ 39,793	\$ (282,134)	\$ 63,541	\$ 208,323
Leasehold improvements	<u>519,835</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>519,835</u>
Total depreciable capital assets	<u>906,958</u>	<u>39,793</u>	<u>(282,134)</u>	<u>63,541</u>	<u>728,158</u>
Less accumulated depreciation					
Equipment	(348,480)	(33,563)	282,134	-	(99,909)
Leasehold improvements	<u>(233,849)</u>	<u>(81,600)</u>	<u>-</u>	<u>-</u>	<u>(315,449)</u>
Total accumulated depreciation	<u>(582,329)</u>	<u>(115,163)</u>	<u>282,134</u>	<u>-</u>	<u>(415,358)</u>
Capital assets, depreciable, net	324,629	(75,370)	-	63,541	312,800
Capital project work in progress	<u>63,541</u>	<u>-</u>	<u>-</u>	<u>(63,541)</u>	<u>-</u>
Capital assets - net	<u>\$ 388,170</u>	<u>\$ (75,370)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 312,800</u>

For the year ended June 30, 2024, depreciation expense was \$115,163.

Note 8 - Debt

Effective July 1, 2020, TAP executed a \$1,500,000 promissory note with the California State University Dominguez Hills Philanthropic Foundation. The note matures on November 30, 2030, and bears interest at 2.25% per annum. Initially, monthly interest and principal payments of \$2,813 were due starting December 1, 2020, and increased to \$15,356 on December 1, 2021.

Debt obligations activity for the year ended June 30, 2024, is as follows:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024	Due in one year
Notes payable	\$ 1,322,242	\$ -	\$ (77,622)	\$ 1,244,620	\$ 305,762
	<u>\$ 1,322,242</u>	<u>\$ -</u>	<u>\$ (77,622)</u>	<u>1,244,620</u>	<u>\$ 305,762</u>
Less current portion				305,762	
Total long-term obligation				<u>\$ 938,858</u>	

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Notes to Financial Statements June 30, 2024

TAP's future payments of notes payable are as follows:

Year ending June 30,	Principal	Interest	Principal and Interest
2025	\$ 305,762	\$ 26,678	\$ 332,440
2026	164,835	19,432	184,267
2027	168,582	15,685	184,267
2028	172,415	11,852	184,267
2029	176,334	7,932	184,266
2030 - 2031	256,692	4,325	261,017
Total	\$ 1,244,620	\$ 85,904	\$ 1,330,524

Accrued compensated absences at year-end are included in current liabilities in the statement of net position and consists of the following activity during the year ended June 30, 2024.

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024	Due in one year
Compensated absences	\$ 410,897	\$ 497,548	\$ (535,340)	\$ 373,105	\$ 373,105

Note 9 - Operating lease

TAP entered into a sublease, which expired on June 30, 2022 and is in the process of being renewed, with the Donald P. & Katherine B. Loker University Student Union (the "Student Union") for rental of the food service area located in the Student Union building. Payments of rental fee are made by TAP on a quarterly basis. In addition, TAP pays rental fees based on commissions of the University Bookstore. Total rental fees paid for the year ended June 30, 2024 amounted to \$115,699.

Note 10 - Pension plans

TAP maintains a 403(b) retirement plan for all eligible employees with Voya Financial Retirement Insurance and Annuity Company ("Voya").

Plan description – Voya is an agent which provides variable individual and group annuities for retirement and tax-deferred savings plans at non-profit or publicly supported organizations. The contributions are invested and then disbursed at the time of the employee's retirement in the form of lifetime income or other payment.

Funding policy – TAP's pension plan includes two groups of employees: those hired prior to July 1, 2014, which are grandfathered under the original funding policy, and those hired after July 1, 2014, which are subject to the current funding policy.

For those employees hired prior to July 1, 2014, participants were required to contribute 2%-4.99% to receive an employer contribution amount equivalent to 4% of their compensation. For those employees hired after July 1, 2014, participants were required to contribute 5% or higher to receive an employer contribution amount equivalent to 8% of their compensation.

Annual pension cost – For the year ended June 30, 2024, TAP's annual Voya pension cost totaled \$331,243.

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Notes to Financial Statements June 30, 2024

Annual contributions from employees – For the year ended June 30, 2024, employees contributed \$331,243 to the Pension Plan (not including tax deferred elective deferrals to TAP's non-ERISA plan).

Note 11 - Postemployment healthcare benefits

Plan description

TAP sponsors a single-employer defined benefit postretirement healthcare plan to pay a portion of the retiree's insurance premiums. TAP participates in the Auxiliaries Multiple Employer VEBA ("Voluntary Employees Beneficiary Association"). The Auxiliaries Multiple Employer VEBA is a separate 501(c)(9) organization established in August 2010 to assist in funding postretirement healthcare benefits for recognized auxiliaries of the California State University System. The Auxiliaries Multiple Employer VEBA issues separate audited financial statements. Copies of the annual report may be obtained from Keenan Associates, 2355 Crenshaw Blvd. Suite 200, Torrance, CA 90501.

TAP provides retiree medical benefits with the Auxiliary Organizations Risk Management Alliance Members – California State University Risk Management Authority ("AORMA – CSURMA") to eligible employees hired on or after October 1, 2014 and before June 23, 2016 in accordance with the following age requirement and vesting schedule:

Age and years of service requirement	Percentage of employer contribution
59 1/2+ and 20 years of service	100
65+ and 15-19 years of service	75
65+ and 10-14 years of service	50

Employees hired prior to October 1, 2014 shall be eligible for postretirement health benefits (medical) and are eligible to receive 100% of the employer contribution set by the board of directors, provided they meet the vesting period requirement of five years of employment and have attained the age of 59 ½ as of the date of their retirement. This benefit continues for the life of the retiree and then for the life of a surviving spouse, if any. Retirees may select any retiree medical plan offered by AORMA – CSURMA, including spouse or family coverage, but must incur the cost of premiums exceeding the cap.

Total OPEB liability, fiduciary net position, and net OPEB liability

In accordance with the parameters of GASB Statement 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* ("GASB 75"), the OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB that are required to be reported by an employer primarily result from changes in the components of the net OPEB liability - that is, changes in the total OPEB liability and in the OPEB plan's fiduciary net position.

This statement requires that most changes in the net OPEB liability be included in OPEB expense in the period of the change. For example, changes in the total OPEB liability resulting from current-period service cost, interest on the total OPEB liability, and changes of benefit terms are required to

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Notes to Financial Statements June 30, 2024

be included in OPEB expense immediately. Projected earnings on the OPEB plan's investments also are required to be included in the determination of OPEB expense immediately.

In circumstances in which the net OPEB liability is determined based on the results of an actuarial valuation, the effects of certain other changes in the net OPEB liability are required to be included in OPEB expense over the current and future periods. The effects on the total OPEB liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in OPEB expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the OPEB plan (active employees and inactive employees), beginning in the current period.

U.S. GAAP requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Actuarial valuation date	June 30, 2023
Measurement date	June 30, 2023
Fiscal year end	June 30, 2024

Information about the OPEB plan

Inactive employees receiving benefits	16
Inactive employees entitled but not receiving benefits	-
Covered dependents of retirees	10
Participating active employees	14
<hr/>	
Total number of participants	40
<hr/>	

Actuarial methods and assumptions

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

TAP's net OPEB liability was measured as of June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2023 rolled forward to determine the June 30, 2024 total OPEB liability, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry age normal
Discount rate	7.00%
Inflation	2.50%
Salary increases	3.25%
Net investment return	7.00%
Healthcare cost trend rate	Varies from 4.5% to 7.56%
Mortality rate	2021 CalPERS Experience Study
Pre-retirement turnover	2021 CalPERS Public Agency Miscellaneous experience study

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Notes to Financial Statements June 30, 2024

Changes in the OPEB liability

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Rollback balance - June 30, 2022	\$ 1,624,452	\$ 1,261,726	\$ 362,726
Service cost	23,374	-	23,374
Interest	109,920	-	109,920
Differences between expected and actual experience	80,978	-	80,978
Changes of assumptions	29,868	-	29,868
Net investment income	-	115,194	(115,194)
Benefit payments, including refunds of employee contributions	(155,091)	(155,091)	-
Employer contributions	-	186,128	(186,128)
Employee contributions	-	-	-
Administrative expense	-	(5,891)	5,891
Net change in Plan fiduciary net position	89,049	140,340	(51,291)
Balance at June 30, 2023	\$ 1,713,501	\$ 1,402,066	\$ 311,435

The net OPEB liability is shown as a noncurrent liability on the statement of net position.

Sensitivity of the net OPEB liability to changes in the discount and trend rate

The following presents the net OPEB liability of TAP if it were calculated using a discount rate and trend table that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2023:

	NOL/(A)	\$ Change	% Change
Discount rate:			
1%	\$ 149,983	\$ (161,452)	-52%
Base:	311,435	-	-
-1%	503,964	192,529	62%
Trend rate:			
1%	\$ 374,613	\$ 63,178	20%
Base:	311,435	-	-
-1%	253,518	(57,917)	-19%

Long-term expected rate of return

As of June 30, 2024, the long-term expected rates of return for each major investment class in the plan's portfolio are as follows:

Investment class	Target allocation	Assumed
		gross return
Equity	54.00%	5.07%
REITs	8.00%	6.85%
Fixed income	38.00%	1.56%
	100.00%	

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Notes to Financial Statements June 30, 2024

Discount rate

The discount rate is based on a blend of the long-term expected rate of return on assets for benefits covered by plan assets and a yield or index for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or better for benefits not covered by plan assets.

Above are the arithmetic long-term expected real rates of return by asset class for the next 10 years as provided in a report by JP Morgan. For years thereafter, returns were based on historical average index real returns over the last 30 years assuming a similar equity/fixed investment mix and a 2.50% inflation rate. Investment expenses were assumed to be 10 basis points per year. These returns were matched with cash flows for benefits covered by plan assets and the Fidelity 20-year General Obligation Bond index was matched with cash flows not covered by plan assets to measure the reasonableness of the choice in discount rate.

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Discount rate	7.00%	7.00%
Fidelity 20-year GO Bond Index	3.86%	3.69%

Recognition of deferred outflows and deferred inflows of resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings of OPEB plan investments	5 years
All other amounts	Expected Average Remaining Service Lifetime

OPEB expense and deferred outflows/inflows of resources related to OPEB

As of fiscal year ended June 30, 2024, TAP reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Differences between expected and actual experience in the measurement of the total OPEB liability	\$ 149,136	\$ 229,728
Changes in assumptions	25,974	142,870
Net difference between projected and actual earnings of OPEB plan investments	138,776	-
Employer contributions made after June 30, 2023	-	-
Total	\$ 313,886	\$ 372,598

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June 30, 2024

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	<u>Deferred outflows/(inflows) of resources</u>
2025	\$ 16,788
2026	10,863
2027	49,448
2028	(27,491)
2029	(22,292)
Thereafter	<u>(86,028)</u>
Total	\$ <u>(58,712)</u>

For the measurement period ended June 30, 2023, TAP recognized OPEB expense of \$68,937.

Service cost	\$ 23,374
Interest on the total OPEB liability	109,920
Changes in benefit terms	-
Recognized differences between expected and actual experience	(5,112)
Recognized changes of assumptions	(17,180)
Employer contributions	-
Projected earnings on OPEB plan investments	(89,201)
Recognized differences between projected and actual earnings on plan investments	41,245
Administrative expense	5,891
Other changes in fiduciary net position	-
Aggregate OPEB expense	\$ <u>68,937</u>

Interest on the total OPEB liability

For the measurement period ended June 30, 2023, TAP reported interest on the total OPEB liability from the following:

	<u>Amount for period a</u>	<u>Portion of period b</u>	<u>Interest rate c</u>	<u>Interest on the total OPEB liability a*b*c</u>
Beginning total OPEB liability	\$ 1,624,452	100.00%	7%	\$ 113,712
Service cost	23,374	100.00%	7%	1,636
Benefit payments, including refunds of employee contributions	(155,091)	50.00%	7%	(5,428)
Total				\$ <u>109,920</u>

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Notes to Financial Statements June 30, 2024

Earnings on plan fiduciary net position

For the measurement period ended June 30, 2023, TAP reported earnings on plan fiduciary net position from the following:

	Amount for period a	Portion of period b	Projected rate of return c	Projected earnings a*b*c
Beginning plan fiduciary net position	\$ 1,261,726	100.00%	7%	\$ 88,321
Employer contributions	186,128	50.00%	7%	6,514
Employee contributions	-	50.00%	7%	-
Benefit payments, including refunds of employee contributions	(155,091)	50.00%	7%	(5,428)
Administrative expense and other	(5,891)	50.00%	7%	<u>(206)</u>
 Total				<u>\$ 89,201</u>

Comparison of projected and actual earnings on investments is as follows:

Total projected earnings	\$ 89,201
Actuarial net investment income	<u>115,194</u>
Net difference between projected and actual earnings on investments	<u>\$ (25,993)</u>

Funding status and funding progress

Beginning in fiscal year ended June 2011, TAP participated in the Auxiliaries Multiple Employer Voluntary Employees Beneficiary Association (“VEBA”) and contributed \$45,000 in fiscal year ended June 30, 2013. TAP contributed an additional \$50,000 for the 2015-16 fiscal year. In the 2016-17 fiscal year, TAP contributed an additional \$293,962. The Auxiliaries Multiple Employer VEBA is a separate 501(c)(9) organization established in August 2010 to assist in funding postretirement healthcare benefits for recognized auxiliaries of the California State University System. The total fair market value of assets in the Auxiliaries Multiple Employer VEBA as of June 30, 2023 was \$1,402,066.

The fair value composition of the Voluntary Employees Beneficiary Association consists of the following at June 30, 2023:

	Level 1	Level 2	Level 3	Investments at NAV	Total
Domestic equity	\$ 574,884	\$ -	\$ -	\$ -	\$ 574,884
Fixed income	532,049	-	-	-	532,049
International equity	173,047	-	-	-	173,047
Real estate	122,086	-	-	-	122,086
 Total investments	<u>\$ 1,402,066</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,402,066</u>

In accordance with GASB 75, TAP has recorded the cost and obligation of these benefits in the basic financial statements.

California State University, Dominguez Hills Toro Auxiliary Partners

Notes to Financial Statements June 30, 2024

Note 12 - Commitments and contingencies

The operation of the University Bookstore is contracted to an outside vendor whose contract expired in May 2014 and was subsequently renewed. Effective June 1, 2014, to May 31, 2024, TAP will receive fees equal to 16.1% of the first \$6,000,000 in bookstore sales and 17.1% of all revenues over \$6,000,000. The fees, which totaled \$432,982 for the year ended June 30, 2024, are included in sales and services of auxiliary enterprises.

In January 1995, TAP entered into an agreement with an external vendor to provide vending services for the University. The agreement was originally for one year commencing January 5, 1995, and automatically renews annually. In connection with the contract, TAP receives 25% of all vending revenues as commission. The revenues received on this contract, included in sales and services of auxiliary enterprises, for the year ended June 30, 2024, amounted to \$8,189.

TAP entered into a sponsorship agreement with Pepsi to give exclusive beverage availability and merchandising rights on the University campus for a five-year period beginning January 2015. In December 2017, an amendment was entered into that extended the agreement for a five-year period beyond the initial term, such that the new expiration date of the agreement is December 31, 2023, and the full term of the agreement is now the ten-year period from January 1, 2015, to December 31, 2024. In connection with the contract, the sponsor agreed to pay TAP up front commissions each year, annual product donations, and sales-based commission. The commission received on this contract, included in sales and services of auxiliary enterprises, for the year ended June 30, 2024, amounted to \$47,700.

Aramark agreement

On July 5, 2022, the University and TAP entered a campus dining partnership with Aramark, a national food services hospitality service vendor. The 10-year partnership agreement makes Aramark the exclusive food service provider for the University while providing strategic capital investments, sponsorships, and other innovative programs. These expenses will flow through to TAP from Aramark's monthly operating statement after being offset by related revenue.

The agreement is dated September 7, 2022, commenced on July 5, 2022, and is in the initial three years of the agreement, TAP participates in surpluses and subsidizes losses using a cost-plus management fee model. When Aramark reports a monthly surplus, TAP pays a 3% management fee based on revenue which excludes sales from catering; in year one, the management fee was waived. When Aramark reports a loss, TAP subsidizes the loss to make Aramark whole. In July 2023, TAP and Aramark amended the terms of the agreement, with the amendment being effective April 1, 2023, which amended the original agreement to make the maximum operating subsidy for which TAP shall be responsible to reimburse Aramark in year one of \$712,000.

In years four through ten, the agreement converts into a profit and loss model. When a particular month reports a surplus, then TAP will profit share with Aramark by taking a commission which starts at 6% and is based on revenue tiers. When a particular month reports a deficit, then TAP subsidizes the loss to make Aramark whole.

Upon execution, Aramark provided an advance in the form of a restricted reimbursable grant for \$1,500,000 with a \$250,000 cap for the purchase of smallwares. Aramark will recoup the grant each month with a \$12,500 expense through its operating statement over the life of the agreement.

For the year ended June 30, 2024, commission expense totaled \$543,596.

California State University, Dominguez Hills Toro Auxiliary Partners

Notes to Financial Statements

June 30, 2024

Grants and Contracts

Amounts received or claimed from federal and state agencies are subject to audit and any claims may constitute a liability of applicable funds. The amount, if any, of expenses which may be potentially disallowed cannot be determined at this time. TAP expects such amounts, if any, to be insignificant as of June 30, 2024.

Litigation

TAP is subject to certain claims that arise out of the normal operations of TAP. In the opinion of management, TAP has sufficient liability insurance to cover any such claims, and these matters will not have a material effect on the financial position of TAP if disposed of unfavorably.

Note 13 - Transactions with related parties

California State University, Dominguez Hills (the "University")

TAP and the University provide various services on each other's behalf. Such services are appropriately billed. Amounts payable to the University at June 30, 2024 totaled \$1,796,193. Amounts receivable from the University totaled \$1,035,410 at June 30, 2024.

TAP made payments of \$3,842,468 to the University during the current fiscal year based on the agreements. Amounts paid to TAP during fiscal year 2023-24 totaled \$1,376,355.

Associated Students, Inc., California State University, Dominguez Hills ("ASI")

TAP and ASI provide various services on each other's behalf. Such services are appropriately billed. Amounts payable to ASI at June 30, 2024 totaled \$0. Amounts receivable from ASI totaled \$97,386.

TAP made payments of \$0 to ASI during the current fiscal year based on the agreements. Amounts paid to TAP during fiscal year 2023-24 totaled \$1,371,430.

The Donald P. and Katherine B. Loker University Student Union, Inc., California State University, Dominguez Hills ("USU")

TAP and USU provide various services on each other's behalf. Such services are appropriately billed. Amounts payable to USU at June 30, 2024 totaled \$151,290. Amounts receivable from USU totaled \$0.

TAP made payments of \$334,681 to USU during the current fiscal year based on the agreements. Amounts paid to TAP during fiscal year 2023-24 totaled \$130,000.

California State University, Dominguez Hills Philanthropic Foundation (the "Foundation")

TAP and the Foundation provide various services on each other's behalf. Such services are appropriately billed. Amounts payable to the Foundation at June 30, 2024 totaled \$0. Amounts receivable from the Foundation totaled \$0.

TAP made payments of \$92,133 to the Foundation during the current fiscal year based on the agreements. Amounts paid to TAP during fiscal year 2023-24 totaled \$125,000.

Required Supplementary Information

California State University, Dominguez Hills Toro Auxiliary Partners

Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios
June 30, 2024¹
(Unaudited)

The following reflects changes in net OPEB liability for the measurement periods ending June 30:

Total OPEB Liability	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 23,374	\$ 22,261	\$ 30,797	\$ 29,330	\$ 53,266	\$ 50,730	\$ 48,314
Interest	109,920	110,345	118,466	120,098	141,737	138,988	135,706
Differences between expected and actual experience	80,978	17,725	93,975	(28,240)	(312,654)	(7,683)	(18,032)
Changes of assumptions	29,868	-	(183,114)	-	(27,064)	-	-
Benefit payments, including refunds of employee contributions	(155,091)	(157,307)	(177,518)	(115,492)	(164,635)	(126,600)	(116,595)
Net change in Total OPEB Liability	89,049	(6,976)	(117,394)	5,696	(309,350)	55,435	49,393
Total OPEB Liability - beginning <a>	<u>1,624,452</u>	<u>1,631,428</u>	<u>1,748,822</u>	<u>1,743,126</u>	<u>2,052,476</u>	<u>1,997,041</u>	<u>1,947,648</u>
Total OPEB Liability - ending 	<u>\$ 1,713,501</u>	<u>\$ 1,624,452</u>	<u>\$ 1,631,428</u>	<u>\$ 1,748,822</u>	<u>\$ 1,743,126</u>	<u>\$ 2,052,476</u>	<u>\$ 1,997,041</u>
Plan Fiduciary Net Position							
Contribution - employer	\$ 186,128	\$ 247,142	\$ 361,533	\$ 115,492	\$ 488,743	\$ 126,600	\$ 561,705
Net investment income	115,194	(279,832)	269,551	38,215	42,710	41,414	24,478
Benefit payments, including refunds of employee contributions	(155,091)	(157,307)	(177,518)	(115,492)	(164,635)	(126,600)	(116,595)
Administrative expense	(5,891)	(4,206)	(3,480)	(3,159)	(3,153)	(4,203)	(1,159)
Net change in Plan Fiduciary Net Position	140,340	(194,203)	450,086	35,056	363,665	37,211	468,429
Plan Fiduciary Net Position - beginning <c>	<u>1,261,726</u>	<u>1,455,929</u>	<u>1,005,843</u>	<u>970,787</u>	<u>607,122</u>	<u>569,911</u>	<u>101,482</u>
Plan Fiduciary Net Position - ending <d>	<u>1,402,066</u>	<u>1,261,726</u>	<u>1,455,929</u>	<u>1,005,843</u>	<u>970,787</u>	<u>607,122</u>	<u>569,911</u>
Net OPEB Liability - beginning <a> - <c>	<u>362,726</u>	<u>175,499</u>	<u>742,979</u>	<u>772,339</u>	<u>1,445,354</u>	<u>1,427,130</u>	<u>1,846,166</u>
Net OPEB Liability - ending - <d>	<u>\$ 311,435</u>	<u>\$ 362,726</u>	<u>\$ 175,499</u>	<u>\$ 742,979</u>	<u>\$ 772,339</u>	<u>\$ 1,445,354</u>	<u>\$ 1,427,130</u>
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	82%	78%	89%	58%	56%	30%	29%
Covered-employee payroll	\$ 1,109,294	\$ 1,300,587	N/A	\$ 1,856,700	\$ 2,429,811	\$ 2,148,798	\$ 3,006,483
Plan Net OPEB Liability as a percentage of covered-employee payroll	28%	28%	N/A	40%	32%	67%	47%

(1) Historical information is required only for measurement periods for which GASB Statement No. 75, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions ("GASB 75") is applicable. Eventually, 10 years of data will be shown.

See Independent Auditor's Report.

California State University, Dominguez Hills Toro Auxiliary Partners

Schedule of Other Postemployment Benefits Contributions

June 30, 2024¹

(Unaudited)

The following reflects the contribution toward the plan during the measurement periods ending June 30:

	2024	2023	2022	2021	2020	2019	2018
Actuarial determined contributions	\$ 43,078	\$ 38,951	\$ 91,509	\$ 92,506	\$ 164,907	\$ 519,405	\$ 519,405
Contributions to the trust	31,037	89,835	184,015	-	324,108	-	445,110
Pay-go payments by employer unreimbursed by the trust	129,732	121,905	135,622	115,492	136,697	126,600	116,595
Active implicit rate subsidy transferred to OPEB	25,359	35,402	41,896	-	27,938	-	-
Total OPEB Contributions	186,128	247,142	361,533	115,492	488,743	126,600	561,705
Contribution deficiency (excess)	\$ (143,050)	\$ (208,191)	\$ (270,024)	\$ (22,986)	\$ (323,836)	\$ 392,805	\$ (42,300)
Covered-employee payroll	\$ 1,109,294	\$ 1,300,587	N/A	\$ 1,856,700	\$ 2,429,811	\$ 2,148,798	\$ 3,006,483
Contributions as a percentage of covered-employee payroll	17%	19%	N/A	6%	20%	6%	19%

(1) Historical information is required only for measurement periods for which GASB Statement No. 75, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions ("GASB 75") is applicable. Eventually, 10 years of data will be shown.

Changes of Benefit Terms: The plan had no changes in benefit terms since the previous valuation.

Changes in Assumptions: Inflation rate increased from 2.26% to 2.50% for the 2023 valuation.

Actuarial methods and assumptions

Actuarial Cost Method	Entry age normal
Discount rate	7.00%
Inflation	2.50%
Salary increases	3.25%
Net investment return	7.00%
Healthcare cost trend rate	Varies from 4.5% to 7.56%
Mortality rate	2021 CalPERS Experience Study
Pre-retirement turnover	2021 CalPERS Public Agency Miscellaneous experience study

See Independent Auditor's Report.

Supplementary Information

California State University, Dominguez Hills Toro Auxiliary Partners

Schedule of Net Position June 30, 2024 (for inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	\$ 6,440,288
Short-term investments	-
Accounts receivable, net	12,327,721
Lease receivable, current portion	-
P3 receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	<u>151,116</u>
Total current assets	<u><u>18,919,125</u></u>
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	-
Endowment investments	-
Other long-term investments	5,274,255
Capital assets, net	312,800
Other assets	-
Total noncurrent assets	<u>5,587,055</u>
Total assets	<u><u>24,506,180</u></u>
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	313,886
Leases	-
P3	-
Others	-
Total deferred outflows of resources	<u>313,886</u>
Liabilities:	
Current liabilities:	
Accounts payable	2,151,922
Accrued salaries and benefits	716,009
Accrued compensated absences, current portion	373,105
Unearned revenues	8,038,870
Lease liabilities, current portion	-
SBITA liabilities - current portion	-
P3 liabilities - current portion	-
Long-term debt obligations, current portion	305,762
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	-
Other liabilities	<u>161,403</u>
Total current liabilities	<u><u>11,747,071</u></u>
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	938,858
portion	-
Depository accounts	-
Net other postemployment benefits liability	311,435
Net pension liability	-
Other liabilities	-
Total noncurrent liabilities	<u>1,250,293</u>
Total liabilities	<u><u>12,997,364</u></u>
Deferred inflows of resources:	
P3 service concession arrangements	-
Net pension liability	-
Net OPEB liability	372,598
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Lease	-
P3	-
Others	-
Total deferred inflows of resources	<u>372,598</u>
Net position:	
Net investment in capital assets	312,800
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	-
Unrestricted	<u>11,137,304</u>
Total net position	<u><u>\$ 11,450,104</u></u>

See Independent Auditor's Report.

California State University, Dominguez Hills Toro Auxiliary Partners

Schedule of Revenues, Expenses and Changes in Net Position Year Ended June 30, 2024 (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	18,325,069
State	1,243,581
Local	- -
Nongovernmental	3,362,309
Sales and services of educational activities	- -
Sales and services of auxiliary enterprises, gross	2,035,088
Scholarship allowances (enter as negative)	- -
Other operating revenues	<u>3,073,901</u>
Total operating revenues	<u>28,039,948</u>
Expenses:	
Operating expenses:	
Instruction	2,816,143
Research	6,703,108
Public service	- -
Academic support	7,540,235
Student services	2,574,329
Institutional support	2,422,469
Operation and maintenance of plant	- -
Student grants and scholarships	13,683
Auxiliary enterprise expenses	5,285,030
Depreciation and amortization	<u>115,163</u>
Total operating expenses	<u>27,470,160</u>
Operating income (loss)	<u>569,788</u>
Nonoperating revenues (expenses):	
State appropriations, noncapital	- -
Federal financial aid grants, noncapital	- -
State financial aid grants, noncapital	- -
Local financial aid grants, noncapital	- -
Nongovernmental and other financial aid grants, noncapital	- -
Other federal nonoperating grants, noncapital	- -
Gifts, noncapital	- -
Investment income (loss), net	1,212,349
Endowment income (loss), net	- -
Interest expense	<u>(34,455)</u>
Other nonoperating revenues (expenses)	- -
Net nonoperating revenues (expenses)	<u>1,177,894</u>
Income (loss) before other revenues (expenses)	<u>1,747,682</u>
State appropriations, capital	- -
Grants and gifts, capital	- -
Additions (reductions) to permanent endowments	- -
Increase (decrease) in net position	<u>1,747,682</u>
Net position:	
Net position at beginning of year, as previously reported	9,702,422
Restatements	- -
Net position at beginning of year, as restated	<u>9,702,422</u>
Net position at end of year	<u>\$ 11,450,104</u>

See Independent Auditor's Report.

California State University, Dominguez Hills Toro Auxiliary Partners

Other Information June 30, 2024 (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	- <hr/>
Noncurrent restricted cash and cash equivalents	- <hr/>
Current cash and cash equivalents	6,440,288 <hr/>
Total	\$ 6,440,288 <hr/>

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds	\$ -	\$ 124,259	\$ 124,259
Repurchase agreements	- <hr/>	- <hr/>	- <hr/>
Certificates of deposit	- <hr/>	- <hr/>	- <hr/>
U.S. agency securities	- <hr/>	- <hr/>	- <hr/>
U.S. treasury securities	- <hr/>	191,037 <hr/>	191,037 <hr/>
Municipal bonds	- <hr/>	87,263 <hr/>	87,263 <hr/>
Corporate bonds	- <hr/>	172,943 <hr/>	172,943 <hr/>
Asset backed securities	- <hr/>	- <hr/>	- <hr/>
Mortgage backed securities	- <hr/>	- <hr/>	- <hr/>
Commercial paper	- <hr/>	- <hr/>	- <hr/>
Supranational	- <hr/>	- <hr/>	- <hr/>
Mutual funds	- <hr/>	1,955,020 <hr/>	1,955,020 <hr/>
Exchange traded funds	- <hr/>	- <hr/>	- <hr/>
Equity securities	- <hr/>	1,685,367 <hr/>	1,685,367 <hr/>
Alternative investments:			
Private equity (including limited partnerships)	- <hr/>	1,058,366 <hr/>	1,058,366 <hr/>
Hedge funds	- <hr/>	- <hr/>	- <hr/>
Managed futures	- <hr/>	- <hr/>	- <hr/>
Real estate investments (including REITs)	- <hr/>	- <hr/>	- <hr/>
Commodities	- <hr/>	- <hr/>	- <hr/>
Derivatives	- <hr/>	- <hr/>	- <hr/>
Other alternative investment types	- <hr/>	- <hr/>	- <hr/>
Other external investment pools	- <hr/>	- <hr/>	- <hr/>
CSU Consolidated Investment Pool (formerly SWIFT)	- <hr/>	- <hr/>	- <hr/>
State of California Local Agency Investment Fund (LAIF)	- <hr/>	- <hr/>	- <hr/>
State of California Surplus Money Investment Fund (SMIF)	- <hr/>	- <hr/>	- <hr/>
Other investments:			
Total Other investments	- <hr/>	- <hr/>	- <hr/>
Total investments	- <hr/>	5,274,255 <hr/>	5,274,255 <hr/>
Less endowment investments (enter as negative number)	- <hr/>	- <hr/>	- <hr/>
Total investments, net of endowments	\$ - <hr/>	\$ 5,274,255 <hr/>	\$ 5,274,255 <hr/>

See Independent Auditor's Report.

California State University, Dominguez Hills Toro Auxiliary Partners

Other Information
June 30, 2024
(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	\$ 124,259	\$ 124,259	\$ -	\$ -	\$ -
Repurchase agreements	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
U.S. agency securities	-	-	-	-	-
U.S. treasury securities	191,037	-	191,037	-	-
Municipal bonds	87,263	-	87,263	-	-
Corporate bonds	172,943	-	172,943	-	-
Asset backed securities	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-
Commercial paper	-	-	-	-	-
Supranational	-	-	-	-	-
Mutual funds	1,955,020	1,955,020	-	-	-
Exchange traded funds	-	-	-	-	-
Equity securities	1,685,367	1,685,367	-	-	-
Alternative investments:					
Private equity (including limited partnerships)	1,058,366	-	-	-	1,058,366
Hedge funds	-	-	-	-	-
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investment types	-	-	-	-	-
Other external investment pools	-	-	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
Other investments:					
Total other investments:	-	-	-	-	-
Total investments	\$ 5,274,255	\$ 3,764,646	\$ 451,243	\$ -	\$ 1,058,366

2.3 Investments held by the University under contractual agreements:

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

Current	Noncurrent	Total
\$ -	\$ -	\$ -

See Independent Auditor's Report.

California State University, Dominguez Hills Toro Auxiliary Partners

Other Information June 30, 2024 (for inclusion in the California State University)

3.1 Capital Assets, excluding ROU assets:

Composition of capital assets, excluding ROU assets:

	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2023 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2024
Non-depreciable/Non-amortizable capital assets:									
Land and land improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Works of art and historical treasures									
Construction work in progress (CWIP)		63,541			63,541			(63,541)	
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	63,541	-	-	-	63,541	-	-	(63,541)	-
Depreciable/Amortizable capital assets:									
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	519,835	-	-	-	519,835	-	-	-	519,835
Personal property:									
Equipment	387,123	-	-	-	387,123	39,793	(282,134)	63,541	208,323
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	906,958	-	-	-	906,958	39,793	(282,134)	63,541	728,158
Total capital assets	970,499	-	-	-	970,499	39,793	(282,134)	-	728,158
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	(233,849)	-	-	-	(233,849)	(81,600)	-	-	(315,449)
Personal property:									
Equipment	(348,480)	-	-	-	(348,480)	(33,563)	282,134	-	(99,909)
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	(582,329)	-	-	-	(582,329)	(115,163)	282,134	-	(415,358)
Total capital assets, net excluding lease assets	\$ 388,170	\$ -	\$ -	\$ -	\$ 388,170	\$ (75,370)	\$ -	\$ -	\$ 312,800

See Independent Auditor's Report.

California State University, Dominguez Hills Toro Auxiliary Partners

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Capital Assets, Right of Use

	Balance June 30, 2023	Prior Period Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
Composition of capital assets - Lease ROU, net:									
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
Composition of capital assets - SBITA ROU, net									
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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California State University, Dominguez Hills Toro Auxiliary Partners

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Composition of capital assets - P3 ROU, net:	Balance		Prior Period Additions	Prior Period Reductions	Balance		Additions	Remeasurements	Reductions	Balance	
	June 30, 2023	Reclassifications			June 30, 2023 (Restated)	June 30, 2024				June 30, 2023	June 30, 2024
Non-depreciable/Non-amortizable P3 assets:											
Land and land improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total non-depreciable/non-amortizable P3 assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciable/Amortizable P3 assets:											
Land and land improvements	-	-	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-	-
Personal property:											
Equipment	-	-	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable P3 assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less accumulated depreciation/amortization:											
Land and land improvements	-	-	-	-	-	-	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-	-
Personal property:											
Equipment	-	-	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total capital assets - P3 ROU, net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total capital assets, net including ROU assets											\$ 312,800

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense - capital assets, excluding ROU assets	\$ 115,163
Amortization expense - Leases ROU	-
Amortization expense - SBITA ROU	-
Amortization expense - P3 ROU	-
Depreciation and Amortization expense - Others	-
Total depreciation and amortization	\$ 115,163

See Independent Auditor's Report.

California State University, Dominguez Hills Toro Auxiliary Partners

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4 Long-term liabilities:

	Balance June 30, 2023	Prior Period Adjustments/ Reclassifications	Balance June 30, 2023 (Restated)	Additions	Reductions	Balance June 30, 2024	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ 410,897	\$ -	\$ 410,897	\$ 497,548	\$ (535,340)	\$ 373,105	\$ 373,105	\$ -
2. Claims liability for losses and loss adjustment expenses	- -	- -	- -	- -	- -	- -	- -	- -
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)	1,322,242		1,322,242		(77,622)	1,244,620	305,762	938,858
4.4 Finance purchase of capital assets	- -	- -	- -	- -	- -	- -	- -	- -
4.5 Others:	- -	- -	- -	- -	- -	- -	- -	- -
- -	- -	- -	- -	- -	- -	- -	- -	- -
Total others	- -	- -	- -	- -	- -	- -	- -	- -
Sub-total long-term debt	1,322,242	- -	1,322,242	- -	(77,622)	1,244,620	305,762	938,858
4.6 Unamortized net bond premium/(discount)	- -	- -	- -	- -	- -	- -	- -	- -
Total long-term debt obligations	1,322,242	- -	1,322,242	- -	(77,622)	1,244,620	305,762	938,858
5. Lease, SBITA, P3 liabilities:								
Lease liabilities	- -	- -	- -	- -	- -	- -	- -	- -
SBITA liabilities	- -	- -	- -	- -	- -	- -	- -	- -
P3 liabilities - SCA	- -	- -	- -	- -	- -	- -	- -	- -
P3 liabilities - non-SCA	- -	- -	- -	- -	- -	- -	- -	- -
Sub-total P3 liabilities	- -	- -	- -	- -	- -	- -	- -	- -
Total Lease, SBITA, P3 liabilities	- -	- -	- -	- -	- -	- -	- -	- -
						\$ 1,617,725	\$ 678,867	\$ 938,858

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California State University, Dominguez Hills Toro Auxiliary Partners

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5 Lease Liabilities schedule:

Year ending June 30:	Lease Liabilities			SBITA liabilities			Public-Private or Public-Public Partnerships (P3)			Total Leases, SBITA, P3 liabilities		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
2025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	-	-	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-	-	-	-
2030 - 2034	-	-	-	-	-	-	-	-	-	-	-	-
2035 - 2039	-	-	-	-	-	-	-	-	-	-	-	-
2040 - 2044	-	-	-	-	-	-	-	-	-	-	-	-
2045 - 2049	-	-	-	-	-	-	-	-	-	-	-	-
2050 - 2054	-	-	-	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-	-	-	-
Total minimum lease payments												
Less: amounts representing interest												
Present value of future minimum lease payments												
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:

Year ending June 30:	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
2025	\$ -	\$ -	\$ -	\$ 305,762	\$ 26,678	\$ 332,440	\$ 305,762	\$ 26,678	\$ 332,440
2026	-	-	-	164,835	19,432	184,267	164,835	19,432	184,267
2027	-	-	-	168,582	15,685	184,267	168,582	15,685	184,267
2028	-	-	-	172,415	11,852	184,267	172,415	11,852	184,267
2029	-	-	-	176,334	7,932	184,266	176,334	7,932	184,266
2030 - 2034	-	-	-	256,692	4,325	261,017	256,692	4,325	261,017
2035 - 2039	-	-	-	-	-	-	-	-	-
2040 - 2044	-	-	-	-	-	-	-	-	-
2045 - 2049	-	-	-	-	-	-	-	-	-
2050 - 2054	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
Total minimum payments									
Less: amounts representing interest									
Present value of future minimum payments									
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 programs	\$ 2,024,054
Payments to University for other than salaries of University personnel	1,818,414
Payments received from University for services, space, and programs	1,376,355
Gifts-in-kind to the University from discretely presented component units	-
Gifts (cash or assets) to the University from discretely presented component units	-
Accounts payable to University (enter as negative number)	(1,796,161)
Other amounts (payable to) University (enter as negative number)	-
Accounts receivable from University (enter as positive number)	1,035,410
Other amounts receivable from University (enter as positive number)	-

8 Restatements:

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

Note: Additional account details can be found in the Table of Object Codes and

CSU Fund Definitions

Restatement #1

Enter transaction description

Debit/(Credit)

Select the reason for restatement:

Select net position category:

Restatement #2

Enter transaction description

Debit/(Credit)

Select the reason for restatement:

Select net position category:

See Independent Auditor's Report.

California State University, Dominguez Hills Toro Auxiliary Partners

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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	\$ 1,436,762	\$ 256,822	\$ 8,319	\$ -	\$ -	\$ 1,114,240	\$ -	\$ 2,816,143
Research	4,819,234	661,057	49,173	-	-	1,173,644	-	6,703,108
Public service	-	-	-	-	-	-	-	-
Academic support	4,152,386	700,398	74,637	-	-	2,612,814	-	7,540,235
Student services	1,395,018	339,025	66,498	-	-	773,788	-	2,574,329
Institutional support	893,721	184,995	10,089	-	-	1,333,664	-	2,422,469
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	13,683	-	-	13,683
Auxiliary enterprise expenses	2,168,368	380,164	122,529	126,092	-	2,487,877	-	5,285,030
Depreciation and amortization	-	-	-	-	-	-	115,163	115,163
Total operating expenses	\$ 14,865,489	\$ 2,522,461	\$ 331,245	\$ 126,092	\$ 13,683	\$ 9,496,027	\$ 115,163	\$ 27,470,160

Select type of pension plan >>

Defined Contribution Plan

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	313,886
Deferred outflows - leases	-
Deferred outflows - P3	-
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	\$ 313,886

2. Deferred Inflows of Resources

Deferred inflows - service concession arrangements	\$ -
Deferred inflows - net pension liability	-
Deferred inflows - net OPEB liability	372,598
Deferred inflows - unamortized gain on debt refunding(s)	-
Deferred inflows - nonexchange transactions	-
Deferred inflows - leases	-
Deferred inflows - P3	-
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	\$ 372,598

11 Other nonoperating revenues (expenses)

Other nonoperating revenues	\$ -
Other nonoperating (expenses)	-
Total other nonoperating revenues (expenses)	\$ -

See Independent Auditor's Report.

California State University, Dominguez Hills Toro Auxiliary Partners

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Description Assets	DPCU - Fiduciary Funds Net Position						Total		
	Pension trust funds Net Position 992		Other employee benefit trust funds Net Position 993		Investment trust funds Net Position 994		Private-purpose trust funds Net Position 995		
	\$	-	\$	-	\$	-	\$	-	\$
Current assets:									
Cash and cash equivalents	\$	-	\$	-	\$	-	\$	-	\$ 287,413
Short-term investments	-	-	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	-	-	-	-
Lease receivable, current portion	-	-	-	-	-	-	-	-	-
P3 receivable, current portion	-	-	-	-	-	-	-	-	-
Notes receivable, current portion	-	-	-	-	-	-	-	-	-
Pledges receivable, net	-	-	-	-	-	-	-	-	-
Prepaid expenses and other current assets	-	-	-	-	-	-	-	-	-
Total current assets	-	-	-	-	-	-	-	287,413	287,413
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	-	-	-	-	-	-	-	-	-
Endowment investments	-	-	-	-	-	-	-	-	-
Other long-term investments	-	-	-	-	-	-	-	-	-
Capital assets, net	-	-	-	-	-	-	-	-	-
Capital assets, net - lease ROU	-	-	-	-	-	-	-	-	-
Capital assets, net - SBITA ROU	-	-	-	-	-	-	-	-	-
Capital assets, net - P3 ROU	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total noncurrent assets	-	-	-	-	-	-	-	-	-
Total assets	-	-	-	-	-	-	-	287,413	287,413
Deferred outflows of resources:									
Unamortized loss on debt refunding	-	-	-	-	-	-	-	-	-
Net pension liability	-	-	-	-	-	-	-	-	-
Net OPEB liability	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-
P3	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-	-	-	-

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California State University, Dominguez Hills Toro Auxiliary Partners

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Liabilities	\$	\$	\$	\$	\$	\$	\$	\$	\$
Current liabilities:									
Accounts payable	-	-	-	-	-	-	25,499	25,499	25,499
Accrued salaries and benefits	-	-	-	-	-	-	2,170	2,170	2,170
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	-	-	-	-	-	-	27,669	27,669	27,669
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	-	-	-	-	-	-	27,669	27,669	27,669
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									
Total ending net position	\$	-	\$	-	\$	-	\$	259,744	\$
	\$	-	\$	-	\$	-	\$	259,744	\$

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GAAP Account	Description	DPCU - Fiduciary Funds Net Position						Total
		Pension trust funds Net Position 992	Other employee benefit trust funds Net Position 993	Investment trust funds Net Position 994	Private-purpose trust funds Net Position 995	Custodial funds Net Position 996		
Additions	Contributions from employers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions	Contributions from nonemployer contributing entities	-	-	-	-	-	-	-
Additions	Contributions from plan members	-	-	-	-	-	-	-
Additions	Contributions from all sources	-	-	-	-	-	-	-
Additions	Investment earnings	-	-	-	-	-	-	-
Additions	Investment costs	-	-	-	-	-	-	-
Additions	Program Income	-	-	-	-	-	204,580	204,580
Additions	Gifts	-	-	-	-	-	950	950
Additions	Other income	-	-	-	-	-	286,550	286,550
Additions		-	-	-	-	-	-	-
Additions		-	-	-	-	-	-	-
Additions		-	-	-	-	-	-	-
Additions		-	-	-	-	-	-	-
Additions		-	-	-	-	-	-	-
Additions		-	-	-	-	-	-	-
Total Additions		-	-	-	-	-	492,080	492,080
Deductions	Benefit payments to plan members	-	-	-	-	-	-	-
Deductions	Total administrative expenses	-	-	-	-	-	41,943	41,943
Deductions	Benefit payments	-	-	-	-	-	-	-
Deductions	Redemptions	-	-	-	-	-	-	-
Deductions	Distributions	-	-	-	-	-	450,802	450,802
Deductions		-	-	-	-	-	-	-
Deductions		-	-	-	-	-	-	-
Deductions		-	-	-	-	-	-	-
Deductions		-	-	-	-	-	-	-
Deductions		-	-	-	-	-	-	-
Deductions		-	-	-	-	-	-	-
Deductions		-	-	-	-	-	-	-
Deductions		-	-	-	-	-	-	-
Deductions		-	-	-	-	-	-	-
Total Deductions		-	-	-	-	-	492,745	492,745
Increase (decrease) in net position		-	-	-	-	-	(665)	(665)
Net position at beginning of year, as previously reported		-	-	-	-	-	-	-
Restatements		-	-	-	-	-	260,409	260,409
Net position at beginning of year, as restated		-	-	-	-	-	260,409	260,409
Net position at end of year		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 259,744	\$ 259,744

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*

To the Board of Directors
California State University, Dominguez Hills Toro Auxiliary Partners
(A California State University 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 (*Government Auditing Standards*), the financial statements of the business-type activities and the aggregate remaining fund information of California State University, Dominguez Hills Toro Auxiliary Partners ("TAP") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise TAP's basic financial statements, and have issued our report thereon dated December 23, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered TAP's 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of TAP's internal control. Accordingly, we do not express an opinion on the effectiveness of TAP's 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether TAP's 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*.

TAP's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on TAP's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. TAP's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.



Los Angeles, California

December 23, 2024

California State University, Dominguez Hills Toro Auxiliary Partners

Schedule of Findings and Responses

Year Ended June 30, 2024

Finding No. 2024-001

Criteria

Internal controls should be in place to provide reasonable assurance that the financial statements are prepared in accordance with U.S. GAAP.

Condition / Context

During the year ended June 30, 2024, it was identified that expenditures related to grants and contracts were improperly excluded from revenues and expenses in the current and prior period.

Cause

Proper controls were not in place to ensure that grant and contract expenditures and related revenues were recorded in the proper period.

Effect

To correctly record grant operations in the proper periods, audit adjustments of \$1,257,953 for the year ended June 30, 2024 were required to decrease grants and contracts revenues and research expenditures and audit adjustments of \$63,513 were required to increase accounts receivable and accounts payable and accrued liabilities.

Repeat Finding

Yes, see prior year finding 2023-001

Auditor's Recommendation

TAP should reinforce existing policies and update policies to reflect all the processes regarding proper cut-off of grant and contract operations.

Management Response

Management has reviewed TAP's existing policies and related internal controls, and implemented controls to ensure all processes regarding the proper recognition of expenses and revenues are accurately recorded to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP.



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