

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS,
PHILANTHROPIC FOUNDATION**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2022



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YEAR ENDED JUNE 30, 2022**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
California State University, Dominguez Hills, Philanthropic Foundation
Carson, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of California State University, Dominguez Hills, Philanthropic Foundation, a component unit of California State University, Dominguez Hills, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise California State University, Dominguez Hills, Philanthropic Foundation's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of California State University, Dominguez Hills, Philanthropic Foundation, as of June 30, 2022, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of California State University, Dominguez Hills, Philanthropic Foundation 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.

Emphasis of Matter

As discussed in Note 2 to the financial statements, California State University, Dominguez Hills, Philanthropic Foundation identified an error in recognizing promises to give in prior years. As a result, beginning net assets have been restated. Our auditor's opinion is not modified with respect to this matter.

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.

Responsibilities of Management for the Financial Statements (Continued)

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, Philanthropic Foundation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

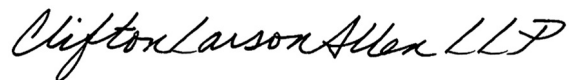
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the California State University, Dominguez Hills, Philanthropic Foundation's basic financial statements. The schedule of net position, the schedule of revenues, expenses, and changes in net position, and other information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of the California State University, Dominguez Hills, Philanthropic Foundation, referred to above, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2022 October 14, 2022, on our consideration of California State University, Dominguez Hills, Philanthropic Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Glendora, California
October 14, 2022

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 2,326,349
Note Receivable	184,266
Pledges Receivable, Net	2,833,455
Short-Term Investments	5,009,494
Accounts Receivable	43,802
Total Current Assets	10,397,366

NONCURRENT ASSETS

Gift Annuity Receivable	273,968
Endowment Investments	20,122,769
Note Receivable	1,227,437
Pledges Receivable, Net	512,354
Total Noncurrent Assets	22,136,528

Total Assets	\$ 32,533,894
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	\$ 190,248
Accrued Expenses	38,009
Total Current Liabilities	228,257

NET ASSETS

Without Donor Restrictions	979,061
With Donor Restrictions	31,326,576
Total Net Assets	32,305,637

Total Liabilities and Net Assets	\$ 32,533,894
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See accompanying Notes to Financial Statements.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE AND SUPPORT			
Grants and Contracts, Noncapital:			
Contributions and Gifts	\$ 423,510	\$ 7,174,870	\$ 7,598,380
Contributed Goods and Services	-	-	-
Campus Programs	330,710	-	330,710
Change in Fair Value of Gift Annuity	-	(77,849)	(77,849)
Endowment Management Fee	196,931	(196,931)	-
Investment Income (Loss), Net	44,309	(2,620,602)	(2,576,293)
Net Assets Released from Restrictions	<u>3,671,311</u>	<u>(3,671,311)</u>	<u>-</u>
Total Revenue and Support	4,666,771	608,177	5,274,948
EXPENSES			
Program Expenses:			
Campus	2,086,259	-	2,086,259
Scholarships	<u>984,995</u>	<u>-</u>	<u>984,995</u>
Total Program Expenses	3,071,254	-	3,071,254
Support Services Expenses:			
General and Administrative	301,987	-	301,987
Fundraising	<u>600,057</u>	<u>-</u>	<u>600,057</u>
Total Support Services Expenses	<u>902,044</u>	<u>-</u>	<u>902,044</u>
Total Expenses	<u>3,973,298</u>	<u>-</u>	<u>3,973,298</u>
CHANGE IN NET ASSETS	693,473	608,177	1,301,650
Net Assets - Beginning of Year, Before Restatement	285,588	26,224,375	26,509,963
RESTATEMENT - PRIOR PERIOD ERROR (NOTE 2)	<u>-</u>	<u>4,494,024</u>	<u>4,494,024</u>
Net Assets - Beginning of Year, After Restatement	<u>285,588</u>	<u>30,718,399</u>	<u>31,003,987</u>
NET ASSETS - END OF YEAR	<u>\$ 979,061</u>	<u>\$ 31,326,576</u>	<u>\$ 32,305,637</u>

See accompanying Notes to Financial Statements.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	\$ 1,301,650
Adjustment to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Realized and Unrealized Loss on Investments	2,932,244
Loss on Disposal of Fixed Assets	385,001
Depreciation	40,525
Contributions With Donor Restrictions	(4,135,240)
(Increase) Decrease in Assets:	
Accounts Receivable	(37,542)
Gift Annuity Receivable	77,849
Pledges Receivable	1,148,215
Increase (Decrease) in Liabilities:	
Accounts Payable	111,239
Accrued Expenses	(47,254)
Net Cash Provided by Operating Activities	<u>1,776,687</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Acquisition of Capital Assets	(228,057)
Decrease in Note Receivable	88,297
Proceeds from Sales of Maturities of Investments	-
Purchases of Investments	<u>(9,778,538)</u>
Net Cash Used by Investing Activities	(9,918,298)
CASH FLOWS FROM FINANCING ACTIVITIES	
Contributions With Donor Restrictions	<u>4,135,240</u>
Net Cash Provided by Financing Activities	<u>4,135,240</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,006,371)
Cash and Cash Equivalents - Beginning of Year	<u>6,332,720</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 2,326,349</u></u>

See accompanying Notes to Financial Statements.

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 ORGANIZATION

Nature of Organization

California State University, Dominguez Hills, Philanthropic Foundation (Philanthropic Foundation) is a 501(c)3 nonprofit corporation that exists to actively promote, pursue and steward private support for the advancement of California State University, Dominguez Hills. The Philanthropic Foundation is an auxiliary organization of California State University, Dominguez Hills.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Philanthropic Foundation have been prepared on the accrual basis of accounting to conform to accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to nonprofit educational institutions. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Philanthropic Foundation and changes therein have been classified and are reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are released when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues are reported as increases in net assets without donor restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities, other than endowment and similar funds, are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation.

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of deposits with the California State University, Dominguez Hills Foundation, a related party organization that provides accounting and management services for the Philanthropic Foundation. The California State University, Dominguez Hills Foundation holds these funds on behalf of the Philanthropic Foundation, and a substantive portion of its reported cash and cash equivalents is composed of the cash and cash equivalents it holds on behalf of the auxiliary organizations of the California State University, Dominguez Hills campus, including the Philanthropic Foundation.

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivables

Receivables consist of purchase advances for campus program donations accounts, as well as miscellaneous outstanding donations that are considered accounts receivables. The Philanthropic Foundation uses the allowance method of accounting for receivables determined to be potentially uncollectable. In management's opinion, all receivables were collectible at year-end and therefore no allowance has been established.

Gift Annuity Receivable

The Philanthropic Foundation holds a gift annuity receivable with the California State University Foundation. The California State University Foundation maintains the CSU Charitable Gift Annuity Program and the related receivable represented on the financial statements is for the present value of the amounts designated for the benefit of the Philanthropic Foundation.

Pledges Receivable

Pledges that are expected to be collected within one year of original receipt are reflected as current and are recorded at their net realizable value. Pledges that are due in subsequent years are reflected as noncurrent and are discounted to their present value using risk-adjusted rates. The discount rates for the year ended June 30, 2022 range from 2.80% to 3.04%. Allowance for uncollectible pledges is provided based on management's judgment, considering such factors as prior collection history, type of contribution, relationship with the donor, and other relevant factors.

Endowment Investments

The Philanthropic Foundation accounts for investments in equity securities with readily determinable fair values, investments in debt securities, and investments in alternative investments at fair value, with gains and losses included in the statement of activities. Gains and losses on investments are reported in the statement of activities as increases or decreases in net assets without donor restrictions, unless their use is temporarily or permanently restricted by donor-imposed stipulations. The fair value for investments in equity securities traded on national securities exchanges is determined by the closing price on the last business day of the fiscal year; securities traded on the over-the-counter market are valued at the last reported bid price. The fair value of open-end mutual fund units is determined by the published net asset value per unit at the end of the last trading day of the fiscal year.

Property and Equipment

Property and equipment are stated at cost or estimated historical cost if purchased or, at estimated fair value at date of donation if donated. Property and equipment with a value of less than \$5,000 are not capitalized. Depreciation is determined using the straight-line method over the estimated 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. All property, plant and equipment was transferred to the University during the year ended June 30, 2022.

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of property, plant, and equipment without donor restrictions concerning the use of such long-lived assets are reported as revenue of the net assets without donor restrictions. Contributions of cash or other assets to be used to acquire property, plant, and equipment are reported as revenue of the net assets with donor restrictions; the restrictions are considered to be released at the time such long-lived assets are placed in service. Contributions of assets other than cash are recorded at their estimated fair value.

Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contribution, and nature of fundraising activity.

Functional Expense Allocation Methodology

The functional allocation of expenses shared between programs, management and general, and fundraising is based on a reasonable and consistent basis using factors such as direct payroll allocation, square footage, full time equivalents within each department, and total direct expenses.

Income Taxes

The Philanthropic Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and California income taxes under section 23701(d) of the California Revenue and Taxation Code. The IRS classified the organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

The Philanthropic Foundation has adopted Financial Accounting Standards Board *Accounting Standards Codification* (ASC) Section 740-10, which clarifies the accounting for uncertainty in income taxes. ASC Section 740-10 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

ASC Section 740-10 requires that an organization recognize in the financial statements the impact of the tax position if that position will more likely than not be sustained on audit, based on the technical merits of the position. As of and for the year ended June 30, 2022, the Philanthropic Foundation had no material unrecognized tax benefits, tax penalties or interest.

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the Philanthropic Foundation's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The Philanthropic Foundation's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Prior Period Error in Recording Promises to Give

Net assets have been restated to correct for errors in the previous years. The Philanthropic Foundation understated prior year donor-restricted net assets as a result of failing to record unconditional promises to give. The June 30, 2021 balances presented in these financial statements, have been restated to reflect the corrected balances as shown in the following page:

<u>Statement of Financial Position</u>	<u>As Previously Reported</u>	<u>Adjustments and Reclassification</u>	<u>As Restated</u>
Net Assets Without Donor Restrictions	\$ 285,588	\$ -	\$ 285,588
Net Assets With Donor Restrictions	26,224,375	4,494,024	30,718,399

NOTE 3 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date:

Net assets exceeds the amount of liquid assets (cash, current receivables, gift annuity receivable, and investments) at June 30, 2022 by \$1,511,534.

Philanthropic Foundation has approximately \$11,370,141 in net assets donor-restricted for scholarships and campus programs, which represented 80% of 2022 total expenditures.

The endowment funds consist of donor-restricted endowments, income from which is restricted for specific purposes. Donor-restricted endowment funds are not available for general expenditure.

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 PLEDGES RECEIVABLE

Pledges receivable consist of the following:

Receivable in Less Than One Year	\$ 2,915,077
Receivable in One to Five Years	528,000
Less: Discount Factor to Present Value	<u>(97,268)</u>
Total	<u><u>\$ 3,345,809</u></u>

NOTE 5 ENDOWMENT INVESTMENTS

FASB ASC 820, which among other things requires enhanced disclosures about assets and liabilities that are measured and reported at fair value, establishes a hierarchal disclosure framework which prioritizes and ranks the level of market price observability used in measuring fair value. This hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 – Quoted market prices are available in active market for identical assets or liabilities as of the reporting date.

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

Level 3 – Pricing inputs are unobservable and shall be used to measure fair value to the extent that observable inputs are not available. The inputs into the determination of fair value are based upon the best information available and require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The Philanthropic Foundation estimates the fair value of investments in investment companies for which the investment does not have readily determinable fair value using net asset value (NAV) per share or its equivalent. Those estimated fair values may differ significantly from the value that would be used had a ready market for these securities existed.

The Philanthropic Foundation uses the following ways to determine the fair value of its investments:

Equities: Determined by the closing price on the last business day of the fiscal year.

Mutual Funds: Determined by the published NAV per unit at the end of the last trading day of the fiscal year.

Hedge Funds: Determined by the NAV on the last business day of the fiscal year.

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 ENDOWMENT INVESTMENTS (CONTINUED)

The following table presents investments measured at fair value on a recurring basis at June 30, 2022:

	Level 1	Level 2	Level 3	NAV	Total
Equities	\$ 11,712,313	\$ -	\$ -	-	\$ 11,712,313
Fixed Income	3,752,836	-	-	-	3,752,836
Money Market Mutual Funds	1,065,812	-	-	-	1,065,812
Local Agency Investment Fund	-	5,009,494	-	-	5,009,494
Alternative Investments	-	-	-	3,591,808	3,591,808
Total	<u>\$ 16,530,961</u>	<u>\$ 5,009,494</u>	<u>\$ -</u>	<u>\$ 3,591,808</u>	<u>\$ 25,132,263</u>

The following table summarized information regarding investment terms, unfunded commitments and redemption terms for investments value using NAV at June 30, 2022:

Investment	Net Asset Value	Strategy	Unfunded Commitments	Redemption Terms	Redemption Restrictions
Blackstone Real Estate Income Trust	\$ 1,007,276	Achieve capital appreciation principally through investing in real estate	None	Redeemable on a quarterly basis	90 day notice
Partners Group Private Equity, LLC	914,431	Achieve capital appreciation principally through investing in investment funds	None	Redeemable on a quarterly basis	90 day notice
CPG Focused Access Fund, LLC	970,677	Achieve capital appreciation principally through investing in investment funds	None	Redeemable on a quarterly basis	90 day notice
Ironwood Institutional Multi-Strategy Fund LLC	699,424	Capital appreciation with limited variability of returns	None	Redeemable on a quarterly basis	30 day notice
Total	<u>\$ 3,591,808</u>				

Concentration of Investment Credit Risk

The Philanthropic Foundation's Investment Policy Statement limits the assets to the following target and maximum allocations:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Minimum Allocation</u>	<u>Maximum Allocation</u>
Global Public Equity	60.0 %	40.0 %	80.0 %
Global Fixed Income	20.0	10.0	40.0
Hedge Funds	10.0	-	20.0
Private Equity	5.0	-	15.0
Real Assets	5.0	-	15.0
Total Portfolio (Target Allocation)	<u>100.0 %</u>		

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 ENDOWMENT INVESTMENTS (CONTINUED)

Investment Income and Expenditures

The following is a breakdown of the investment income (net of fees), which has been allocated among the various revenue accounts on the statement of activities:

Interest and Dividends	\$ 421,906
Realized Gain (Loss), Net	(247,024)
Unrealized Gain (Loss) on Sales, Net	<u>(2,685,220)</u>
Total Investment Income	(2,510,338)
Management Fees	<u>(110,264)</u>
Net Endowment Investment Income	<u><u>\$ (2,620,602)</u></u>

NOTE 6 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at June 30, 2022:

Subject to Expenditure for Specified Purpose:	
Scholarships	\$ 2,364,896
Campus Programs	<u>6,207,285</u>
	8,572,181
Subject to the Passage of Time:	
Charitable Gift Annuity Not Restricted by Donor, But Which Are Unavailable for Expenditure Until Due	273,968
Endowments:	
Subject to Appropriation and Expenditure When a Specified Event Occurs	823,543
Promises to Giver, Net	2,420,407
Subject to Endowment Spending Policy and Appropriation	<u>19,236,477</u>
Total Endowments	<u>22,480,427</u>
Total	<u><u>\$ 31,326,576</u></u>

During the year ended June 30, 2022, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

Net Assets Released from Restrictions:	
Satisfaction of Purpose Restrictions:	
Scholarships	\$ 353,821
Campus Programs	2,686,316
Restricted-Purpose Spending-Rate Distributions and Appropriations, Scholarships	<u>631,174</u>
Total	<u><u>\$ 3,671,311</u></u>

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 ENDOWMENT

California State University, Dominguez Hills Philanthropic Foundation's endowment consists of 114 individual funds established either by donors (referred to as *donor-restricted endowment funds*) or by resources set aside by the board of directors to function as endowments (referred to as *board-designated endowment funds*). Donor-restricted endowment funds are further divided into those that provide a perpetual source of support for California State University, Dominguez Hills Philanthropic Foundation's activities (referred to as *permanent endowments*) and those that are restricted by donors to investment for a specified term (referred to as *term endowments*). As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The board of directors of the Philanthropic Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Philanthropic Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with UPMIFA, the Philanthropic Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Philanthropic Foundation and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Philanthropic Foundation
- (7) The investment policies of the Philanthropic Foundation

The Philanthropic Foundation's endowment net assets by class and by type of endowment, at June 30 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-Designated Endowment	\$ -	\$ -	\$ -
Donor-Restricted Endowment:			
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity by Donor	-	19,236,477	19,236,477
Accumulated Investment Gains	-	1,308,174	1,308,174
Promises to Give, Net	-	2,420,407	2,420,407
Underwater Funds	-	(484,631)	(484,631)
Total Endowment	\$ -	\$ 22,480,427	\$ 22,480,427

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 ENDOWMENT (CONTINUED)

Changes in endowment assets held in investments for the year ended June 30, 2022 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Net Assets - July 1, 2021	\$ -	\$ 21,793,894	\$ 21,793,894
Investment Return:			
Investment Interest and Dividend Income	-	421,906	421,906
Net Loss (Realized and Unrealized)	-	(2,932,244)	(2,932,244)
Contributions	-	4,135,240	4,135,240
Less: Appropriations	-	(631,174)	(631,174)
Less: Endowment Management Fee	-	(196,931)	(196,931)
Less: Investment Management Fee	-	(110,264)	(110,264)
	<u>-</u>	<u>(110,264)</u>	<u>(110,264)</u>
Endowment Net Assets - June 30, 2022	<u>\$ -</u>	<u>\$ 22,480,427</u>	<u>\$ 22,480,427</u>

From time to time, the fair value of endowment funds associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Philanthropic Foundation to retain as a fund of perpetual duration. At June 30, 2022, 37 donor-restricted funds with original gift values of \$10,256,017, fair values of \$9,771,386, and deficiencies of \$484,631 were reported in net assets with donor restrictions. These deficiencies resulted from unfavorable market fluctuations that occurred after the investment of new donor-restricted contributions and continued appropriation for certain programs that was deemed prudent by the Philanthropic Foundation.

NOTE 8 RELATED PARTY TRANSACTIONS AND RECEIVABLES

The Philanthropic Foundation receives various services from the California State University, Dominguez Hills Foundation (Foundation) and California State University, Dominguez Hills (University). These services are appropriately billed to the California State University, Dominguez Hills Philanthropic Foundation and recovered via payments to these entities. The Philanthropic Foundation paid the University \$1,181,543 and the Foundation \$95,000 during fiscal year 2022. The amount due to the California State University, Dominguez Hills Foundation and California State University, Dominguez Hills at June 30, 2022 was \$-0- and \$163,895, respectively. There were no amounts due as amount receivable from the University at June 30, 2022.

The Philanthropic Foundation transferred \$390,501 to the California State University, Dominguez Hills during fiscal year 2022.

The amount due to other auxiliary organization or related party at June 30, 2022 was \$-0-. California State University, Dominguez Hills Philanthropic Foundation did not have any receivables due from any other auxiliary organization or related party.

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 8 RELATED PARTY TRANSACTIONS AND RECEIVABLES (CONTINUED)

Effective July 1, 2020, the California State University, Dominguez Hills Philanthropic Foundation executed a \$1,500,000 promissory note with the California State University Dominguez Hills Foundation. The note matures on November 30, 2030 and bears interest at 2.25% per annum. Initially monthly interest payments of \$2,812.50 were due starting December 1, 2020 and then the monthly interest and principal payments increased to \$15,355.54 starting December 1, 2021.

As discussed in Note 1, California State University, Dominguez Hills Philanthropic Foundation operates under agreements with the Trustees. Accordingly, essentially all revenues, and realization of certain assets, are dependent upon the continuation of this agreement.

NOTE 9 CONCENTRATION RISK

California State University, Dominguez Hills Philanthropic Foundation maintains its cash accounts with the California State University, Dominguez Hills Foundation, which utilizes Wells Fargo Bank, N.A. as its primary banking provider. As such, the California State University, Dominguez Hills Philanthropic Foundation is exposed to credit risk for amounts exceeding amounts insured by the Federal Deposit Insurance Corporation. California State University, Philanthropic Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk for cash and cash equivalents.

California State University, Dominguez Hills Philanthropic Foundation's investments are subject to various risks, such as interest rate, credit, and overall market volatility risks. Further, because of the significance of the investments to California State University, Dominguez Hills Philanthropic Foundation's financial position and the level of risk inherent in most investments, it is reasonably possible that changes in the values of these investments could occur in the near term and such changes could materially affect the amounts reported in the financial statements. Management is of the opinion that the diversification of its invested assets among the various asset classes should mitigate the impact of changes in any one class.

NOTE 10 EMPLOYMENT AND BENEFITS

All administrative activities performed on behalf of the California State University, Philanthropic Foundation are undertaken by either (a) employees of the California State University, Dominguez Hills Foundation under a Business Services Agreement or (b) employees of California State University, Dominguez Hills under a Cost Recovery Agreement in accordance with Executive Order 1000 of the California State University.

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
NOTES TO FINANCIAL STATEMENTS
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NOTE 11 SUBSEQUENT EVENTS

The Philanthropic Foundation has evaluated events subsequent to June 30, 2022, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through October 14, 2022, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

NOTE 12 FUNCTIONAL EXPENSES

The table below presents expenses by both their nature and function for the fiscal year ended June 30, 2022.

	Program Activities	Management and General	Fundraising	Total
Salaries	\$ 494,701	\$ -	\$ -	\$ 494,701
Benefits	52,976	-	-	52,976
Professional Services	441,064	29,405	-	470,469
Contributions to University	390,501	-	-	390,501
Scholarships	1,059,082	-	-	1,059,082
Conference, Meetings, and Travel	133,924	1,067	-	134,991
Supplies	182,895	1,830	-	184,725
Depreciation	40,525	-	-	40,525
Advertising, Public Relations, and Special Events	-	124,818	600,057	724,875
Other	275,586	144,867	-	420,453
Total Expenses	<u>\$ 3,071,254</u>	<u>\$ 301,987</u>	<u>\$ 600,057</u>	<u>\$ 3,973,298</u>

OTHER SUPPLEMENTARY INFORMATION

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
GASB SCHEDULE OF NET POSITION
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT)

Assets:	
Current assets:	
Cash and cash equivalents	\$ -
Short-term investments	5,009,494
Accounts receivable, net	43,802
Capital lease receivable, current portion	-
Notes receivable, current portion	184,266
Pledges receivable, net	2,833,455
Prepaid expenses and other current assets	-
Total current assets	8,071,017
Noncurrent assets:	
Restricted cash and cash equivalents	2,326,349
Accounts receivable, net	273,968
Capital lease receivable, net of current portion	-
Notes receivable, net of current portion	1,227,437
Student loans receivable, net	-
Pledges receivable, net	512,354
Endowment investments	20,122,769
Other long-term investments	-
Capital assets, net	-
Other assets	-
Total noncurrent assets	24,462,877
Total assets	32,533,894
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Others	-
Total deferred outflows of resources	-
Liabilities:	
Current liabilities:	
Accounts payable	190,248
Accrued salaries and benefits	-
Accrued compensated absences, current portion	-
Unearned revenues	-
Capital lease obligations, current portion	-
Long-term debt obligations, current portion	-
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	-
Other liabilities	38,009
Total current liabilities	228,257
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	-
Unearned revenues	-
Grants refundable	-
Capital lease obligations, 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	228,257
Deferred inflows of resources:	
Service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Others	-
Total deferred inflows of resources	-
Net position:	
Net investment in capital assets	-
Restricted for:	
Nonexpendable – endowments	22,480,427
Expendable:	
Scholarships and fellowships	8,572,181
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	273,968
Unrestricted	979,061
Total net position	32,305,637

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
OTHER INFORMATION
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT)

Revenues:	
Operating revenues:	
Student tuition and fees, gross	\$ -
Scholarship allowances (enter as negative)	-
Grants and contracts, noncapital:	
Federal	-
State	-
Local	-
Nongovernmental	-
Sales and services of educational activities	-
Sales and services of auxiliary enterprises, gross	-
Scholarship allowances (enter as negative)	-
Other operating revenues	330,710
Total operating revenues	330,710
Expenses:	
Operating expenses:	
Instruction	47,212
Research	88,668
Public service	-
Academic support	1,640,856
Student services	363,979
Institutional support	536,860
Operation and maintenance of plant	-
Student grants and scholarships	982,995
Auxiliary enterprise expenses	272,203
Depreciation and amortization	40,525
Total operating expenses	3,973,298
Operating income (loss)	(3,642,588)
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	7,520,531
Investment income (loss), net	-
Endowment income (loss), net	(2,576,293)
Interest expense	-
Other nonoperating revenues (expenses) - excl. interagency transfers	-
Net nonoperating revenues (expenses)	4,944,238
Income (loss) before other revenues (expenses)	1,301,650
State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
Increase (decrease) in net position	1,301,650
Net position:	
Net position at beginning of year, as previously reported	26,509,963
Restatements	4,494,024
Net position at beginning of year, as restated	31,003,987
Net position at end of year	32,305,637

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
OTHER INFORMATION
YEAR ENDED JUNE 30, 2022
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1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments

All other restricted cash and cash equivalents	\$ 2,326,349
Noncurrent restricted cash and cash equivalents	2,326,349
Current cash and cash equivalents	
Total	\$ 2,326,349

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Fair Value
Money market funds	\$ -	1,065,812	\$ 1,065,812
Repurchase agreements	-	-	-
Certificates of deposit	-	-	-
U.S. agency securities	-	-	-
U.S. treasury securities	-	-	-
Municipal bonds	-	3,752,836	3,752,836
Corporate bonds	-	-	-
Asset backed securities	-	-	-
Mortgage backed securities	-	-	-
Commercial paper	-	-	-
Mutual funds	-	-	-
Exchange traded funds	-	-	-
Equity securities	-	11,712,313	11,712,313
Alternative investments:			
Private equity (including limited partnerships)	-	3,591,808	3,591,808
Hedge funds	-	-	-
Managed futures	-	-	-
Real estate investments (including REITs)	-	-	-
Commodities	-	-	-
Derivatives	-	-	-
Other alternative investment	-	-	-
Other external investment pools			
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-
State of California Local Agency Investment Fund (LAIF)	5,009,494	-	5,009,494
State of California Surplus Money Investment Fund (SMIF)	-	-	-
Other investments:			
	-	-	-
	-	-	-
Total Other investments	-	-	-
Total investments	5,009,494	20,122,769	25,132,263
Less endowment investments (enter as negative number)	-	(20,122,769)	(20,122,769)
Total investments, net of endowments	\$ 5,009,494	(0)	5,009,494

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
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2.2 Fair value hierarchy in investments:

Investment Type	Fair Value	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	\$ 1,065,812	1,065,812	-	-	-
Repurchase agreements	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
U.S. agency securities	-	-	-	-	-
U.S. treasury securities	-	-	-	-	-
Municipal bonds	3,752,836	3,752,836	-	-	-
Corporate bonds	-	-	-	-	-
Asset backed securities	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-
Commercial paper	-	-	-	-	-
Mutual funds	-	-	-	-	-
Exchange traded funds	-	-	-	-	-
Equity securities	11,712,313	11,712,313	-	-	-
Alternative investments:					
Private equity (including limited partnerships)	3,591,808	-	-	-	3,591,808
Hedge funds	-	-	-	-	-
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investment	-	-	-	-	-
Other external investment pools					
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	5,009,494	-	-	-	5,009,494
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
Other investments:					
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Total Other investments	\$ -	-	-	-	-
Total investments	25,132,263	16,530,961	-	-	8,601,302

2.3 Investments held by the University under contractual agreements:

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

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
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Lease assets, net
Total capital assets, net

Composition of lease assets:	Balance	Additions	Remeasurements	Reductions	Balance
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					
Land and land improvements					-
Buildings and building improvements					-
Improvements, other than buildings					-
Infrastructure					-
Personal property:					-
Equipment					-
Total accumulated depreciation/amortization	-	-	-	-	-
Total lease assets, net	\$ -	-	-	-	\$ -

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense related to capital assets	\$	40,525
Amortization expense related to other assets		-
Total depreciation and amortization	\$	40,525

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
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4 Long-term liabilities:

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

5 Lease Liabilities schedule:

	Lease Liabilities related to SRB			All other lease liabilities			Total lease liabilities		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:									
2023	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-
2028 - 2032	-	-	-	-	-	-	-	-	-
2033 - 2037	-	-	-	-	-	-	-	-	-
2038 - 2042	-	-	-	-	-	-	-	-	-
2043 - 2047	-	-	-	-	-	-	-	-	-
2048 - 2052	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
Total minimum lease payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: amounts representing interest	-	-	-	-	-	-	-	-	-
Present value of future minimum lease payments	-	-	-	-	-	-	-	-	-
Total lease liabilities	-	-	-	-	-	-	-	-	-
Less: current portion	-	-	-	-	-	-	-	-	-
Lease liabilities, net of current portion	-	-	-	-	-	-	-	-	-

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
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6 Long-term debt obligations schedule:

	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Year ending June 30:									
2023	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-
2028 - 2032	-	-	-	-	-	-	-	-	-
2033 - 2037	-	-	-	-	-	-	-	-	-
2038 - 2042	-	-	-	-	-	-	-	-	-
2043 - 2047	-	-	-	-	-	-	-	-	-
2048 - 2052	-	-	-	-	-	-	-	-	-
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									-

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
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7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	92,157
Payments to University for other than salaries of University personnel	1,089,386
Payments received from University for services, space, and programs	241,495
Gifts-in-kind to the University from discretely presented component units	-
Gifts (cash or assets) to the University from discretely presented component units	390,501
Accounts (payable to) University (enter as negative number)	(163,895)
Other amounts (payable to) University (enter as negative number)	-
Accounts receivable from University (enter as positive number)	-
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:

		Debit/(Credit)
Restatement #1	Prior Period Error in Recording Pledges Receivable	
	Pledges receivable, net	4,494,024
	Restricted nonexpendable: Endowments	(3,577,214)
	Restricted expendable: Scholarships and fellowships	(632,355)
	Restricted expendable: Others	(284,455)
		-
Restatement #2		-
		-
		-
		-

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
OTHER INFORMATION
YEAR ENDED JUNE 30, 2022
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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	-	-	-	-	-	47,212	-	47,212
Research	-	-	-	-	-	88,668	-	88,668
Public service	-	-	-	-	-	-	-	-
Academic support	-	-	-	-	-	1,640,856	-	1,640,856
Student services	-	-	-	-	-	363,979	-	363,979
Institutional support	-	-	-	-	-	536,860	-	536,860
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	982,995	-	-	982,995
Auxiliary enterprise expenses	-	-	-	-	-	272,203	-	272,203
Depreciation and amortization	-	-	-	-	-	-	40,525	40,525
Total operating expenses	\$ -	-	-	-	982,995	2,949,778	40,525	3,973,298

10 Deferred outflows/inflows of resources:

1. Deferred Outflows of Resources

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

2. Deferred Inflows of Resources

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

11 Other nonoperating revenues (expenses)

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



**INDEPENDENT AUDITORS' 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**

Board of Directors
California State University, Dominguez Hills, Philanthropic Foundation
Carson, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of California State University, Dominguez Hills Philanthropic Foundation (Philanthropic Foundation), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 14, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Philanthropic Foundation's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Philanthropic Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of California State University Philanthropic Foundation'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 have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and responses as items 2022-001 that we consider to be a material weakness.

Compliance and Other Matters

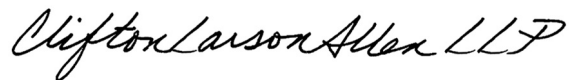
As part of obtaining reasonable assurance about whether Philanthropic Foundation’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct 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*.

Philanthropic Foundation’s Response to Finding

The Philanthropic Foundation’s responses to the finding identified in our audit are described in the accompanying schedule of findings. The Philanthropic Foundation’s response was not subjected to the 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 organization’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 organization’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Glendora, California
October 14, 2022

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2022**

Section I – Summary of Auditors’ Results

Financial Statements

- | | | |
|--|----------------------|---------------------|
| 1. Type of auditors’ report issued: | Unmodified | |
| 2. Internal control over financial reporting: | | |
| • Material weakness(es) identified? | <u> X </u> yes | <u> </u> no |
| • Significant deficiency(ies) identified? | <u> </u> yes | <u> X </u> no |
| 3. Noncompliance material to financial statements noted? | <u> </u> yes | <u> X </u> no |

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2022**

Section II – Financial Statement Findings

Finding 2022-001: Recognition of Contribution Revenue

Condition:

During fiscal year 2022, it was identified that pledged contributions had not been recognized in prior fiscal periods. In addition, there were other items that should have been recognized in the prior fiscal year.

Criteria:

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

Cause:

The Philanthropic Foundation did not previously record promises to give in the period they were pledged. In addition, the Philanthropic Foundation's established year-end closing procedures were not properly followed.

Effect:

An audit adjustment of \$4,494,023 was required to restate Net Assets as of July 1, 2021 for the pledged contributions received in prior periods. The effect of the items that were not recognized in the prior fiscal year would have increased contribution revenue and restricted net assets by \$87,441.

Recommendation:

We recommend the Philanthropic Foundation's existing policies are reinforced and updated to reflect all the processes regarding the proper recognition of promises to give and contributions received.

Management Response:

Management is reviewing Philanthropic Foundation's existing policies and related internal accounting controls to ensure all processes regarding the proper recognition of contributions received are timely recorded to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS, PHILANTHROPIC FOUNDATION
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2022**

Section III – Summary of Prior Year Findings

Finding 2021-001: Recognition of Contributions

Condition:

During our testing of contributions recognized in fiscal year 2021, we identified items that should have been recognized in the prior fiscal year. We also identified contributed goods and services that were recorded.

Status:

We identified contributions recognized in fiscal year 2022 that should have been recognized in fiscal year 2021. See finding 2022-001.



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