



Report of Independent Auditors  
and Financial Statements  
with Supplementary Information

**Cal Poly Humboldt Foundation**

June 30, 2024

Including Schedules Prepared for  
Inclusion in the Financial Statements of  
California State University

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## **Report of Independent Auditors**

The Board of Directors  
Cal Poly Humboldt Foundation

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the business-type activities and fiduciary activities of Cal Poly Humboldt Foundation (the Foundation), a component unit of Cal Poly Humboldt, as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary activities of the Cal Poly Humboldt Foundation 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 (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 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 opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

### ***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 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 Foundation'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.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis. Such information, 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 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 the Foundation's basic financial statements. The schedule of net position, schedule of revenues, expenses, and changes in net position, other information, and notes to the supplementary information (collectively supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 supplementary information 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 September 13, 2024, on our consideration of Cal Poly Humboldt 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 Cal Poly Humboldt Foundation'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 Cal Poly Humboldt Foundation's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Medford, Oregon  
September 13, 2024

## **Management's Discussion and Analysis**

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# Cal Poly Humboldt Foundation

## Management's Discussion and Analysis

### June 30, 2024

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This section of the annual financial report of Cal Poly Humboldt Foundation (the Foundation) presents the Foundation's discussion and analysis of the financial performance of the Foundation for the fiscal years ended June 30, 2024 and 2023. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes.

#### **Introduction to the Financial Statements**

This annual report consists of a series of financial statements prepared in accordance with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended by GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*. This standard is applicable to the Foundation as it is a component unit of California State Polytechnic University, Humboldt (the University). Consistent with the University, the Foundation has adopted the business-type activity (BTA) reporting model to represent its activities.

The financial statements include the statements of net position; the statements of revenues, expenses, and changes in net position; the statements of cash flows; the statement of fiduciary net position; and the statement of changes in fiduciary net position. 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 the Foundation.

**Statement of Net Position** – The statement of net position includes all assets and deferred inflows of resources and liabilities. Assets and liabilities are generally reported on an accrual basis, as of each statement date. The statement also identifies major categories of restrictions on the net position of the Foundation.

**Statement of Revenues, Expenses, and Changes in Net Position** – The statement of revenues, expenses, and changes in net position present 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 are summarized by operating, noncapital financing, capital and related financing, and investing activities. The statements are prepared using the direct method of cash flows and, therefore, present gross rather than net amounts for the year's activities.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the Foundation. Fiduciary funds are not reported in the Foundation's financial statements because the resources of these funds are not available to support the Foundation's programs. The accounting used for fiduciary funds is similar to that used for the Foundation's financial statements.

**Custodial Funds** – Custodial funds report resources held by the Foundation in a custodial capacity for individuals, private organizations, and other governments.

**Cal Poly Humboldt Foundation**  
**Management's Discussion and Analysis**  
**June 30, 2024**

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The Foundation maintains one fiduciary fund as a custodial fund. This fund reports the resources held in the pooled investment account for funds for the Humboldt State University Center per an agreement signed by both parties in May of 2021. The purpose of the University Center Fund is to operate as an investment of principal that generates returns to cover the pension and other post-employment benefit obligations of the Humboldt State University Center. An initial investment of \$7,000,000 established the fund. Regular annual distributions from the Fund will be made at the direction of the University Center Board of Directors. The fiduciary fund financial statements are included herein, directly following the financial statements.

**Analytical Overview**

**Summary**

The following discussion highlights management's understanding of the key financial aspects of the Foundation's financial activities. Included is an analysis of current and prior year activities and balances; a discussion of the Foundation's net position restrictions; and factors impacting future reporting periods.

The Foundation's condensed summary of net position as of June 30 is as follows:

	2024	2023
<b>ASSETS</b>		
Current assets	\$ 13,685,543	\$ 10,560,709
Noncurrent assets	55,713,808	50,763,125
Total assets	69,399,351	61,323,834
<b>LIABILITIES</b>		
Current liabilities	1,336,141	482,521
Long-term debt obligations, net of current position	190,000	285,000
Total liabilities	1,526,141	767,521
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Leases	3,839,509	5,076,408
Total deferred inflows of resources	3,839,509	5,076,408
<b>NET POSITION</b>		
Net investment in capital assets - restricted	5,037,128	9,685,893
Net investment in capital assets - unrestricted	1,468,788	1,720,701
Restricted for: nonexpendable - endowments	34,998,563	27,662,539
Restricted for: expendable - other	20,759,393	12,904,246
Unrestricted	1,769,829	3,506,526
Total net position	\$ 64,033,701	\$ 55,479,905



# Cal Poly Humboldt Foundation

## Management's Discussion and Analysis

### June 30, 2024

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#### Current Assets

From 2023 to 2024, total current assets increased by \$3.1 million. This was substantially due to a new procedure for handling donor-funded scholarships whereby incoming donations are retained by the Foundation, and disbursements are made to the University in a draw down system after students awards are made each semester. As a component of this process update, approximately \$2.2 million in donations that were previously transferred to the University but remained unspent, were transferred back to the Foundation. Additional factors include new gifts and an increase in pledges receivable.

#### Other Noncurrent Assets

From 2023 to 2024, noncurrent assets increased by \$5.0 million. The component factors include increases in the value of the endowment pooled investment balance and the noncurrent portion of pledges receivable.

#### **Liabilities**

##### Current Liabilities

Total current liabilities increased by \$854 thousand from 2023 to 2024, due to accrued accounts payable at year end.

##### **Deferred Inflow of Resources**

##### Leases

Deferred inflow of resources decreased by \$1.2 million in lease obligations recorded under the requirements of GASB 87. This is explained by the lease cancellation associated with the Craftsman property sale, as well as the relief of one year of lease liabilities.

#### **Net Position**

During the 2023 to 2024 fiscal year, total net position increased \$8.6 million. The Foundation's net position as of June 30, 2024, consists of:

##### Restricted for: non-expendable – endowments - \$34,998,563

Represents endowments created by a multitude of donors over time. These endowments are intended to provide a perpetual and consistent level of financial support for the University. Net investment appreciation reduces this net position category if the endowments' market value is below historic gift value. If the endowments' market value is above historic gift value then the net investment appreciation is recorded under the restricted for: expendable – other or unrestricted net position category dependent upon if there is an underlying purpose restriction.

##### Restricted for: expendable - other - \$20,759,393

Represents net position restricted by external restrictions, but available for spending authorized by the Foundation. This category includes quasi and term endowments with a restricted purpose, trusts restricted to a purpose, and investment appreciation above endowment corpus.

**Cal Poly Humboldt Foundation**  
**Management's Discussion and Analysis**  
**June 30, 2024**

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Unrestricted - \$1,769,829

Represents the Foundation's general operating fund along with any Board designated funds including unrestricted quasi-endowments and unrestricted investment appreciation above endowment corpus. This category is not subject to external restrictions. Its use is designated by the Board of Directors of the Foundation.

Net investment in capital assets – restricted - \$5,037,128

Represents property purchased by the Foundation on 8<sup>th</sup> Street and 16<sup>th</sup> Street in Arcata, which are commercial properties designated to provide a sustained revenue stream to the endowment accounts; the gifted Schatz Tree Farm in Maple Creek, designated for the benefit of the instructional and research needs of the students and faculty of California State Polytechnic University, Humboldt and as an example for owners of small timberland parcels; and the gifted property on G Street in Arcata which houses the Natural History Museum for the benefit of the University and the public.

Net investment in capital assets – unrestricted - \$1,468,788

Represents property held by Real Estate Holdings and includes 4 residential rentals, a vacant lot, and an unrestricted portion of the 8<sup>th</sup> Street and 16<sup>th</sup> Street properties.

**Operating Results**

The Foundation's condensed summary of revenues, expenses, and changes in net position for the years ended June 30, 2024 and 2023, is as follows:

	<u>2024</u>	<u>2023</u>
Total operating revenues	\$ 1,226,912	\$ 1,586,939
Total operating expenses	<u>(4,331,892)</u>	<u>(6,173,424)</u>
Operating loss	(3,104,980)	(4,586,485)
Nonoperating revenues (expenses):		
Total gifts	6,977,020	3,452,399
Non-endowment investment income, net	266,327	86,277
Endowment investment income, net	3,982,845	2,312,401
Interest expense	-	(5,731)
Other nonoperating revenue (expense), net	<u>(968,946)</u>	<u>(1,108,757)</u>
Non nonoperating revenues (expenses)	10,257,246	4,736,589
Income (loss) before other additions	7,152,266	150,104
Additions to permanent endowments	1,203,849	2,860,754
Grants and gifts, capital	253,030	-
Net transfers to other campus entities	<u>(55,349)</u>	<u>(2,401,044)</u>
Increase (decrease) in net position	8,553,796	609,814
Net position at beginning of year	<u>55,479,905</u>	<u>54,870,091</u>
Net position at end of year	<u><u>\$ 64,033,701</u></u>	<u><u>\$ 55,479,905</u></u>

# Cal Poly Humboldt Foundation

## Management's Discussion and Analysis

### June 30, 2024

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#### ***Operating Revenues and Expenses***

Operating revenues and expenses come from sources that are connected directly to the Foundation's primary business function. This includes gift fee income and revenues collected by the Foundation from endowment funds to operate the Foundation. The UC fund pays the Foundation an annual investment fee of 1.5%, the same fee charged to other invested endowment funds. During 2023 to 2024, total operating revenue of \$1.2 million decreased (\$360 thousand) from the prior year.

Operating expenses are reported by functional program which are public service, academic support, scholarships and fellowships, student services, institutional support, research, instruction, auxiliary enterprises, and depreciation. During 2023 to 2024 total operating expenses of \$4.3 million was (\$1.8 million) lower than the previous fiscal year, primarily due to the prior year expense of transferring the Bello Forest property to a nonprofit organization.

#### ***Nonoperating Revenues and Expenses***

Nonoperating revenues and expenses include gifts, investment income, rental income, endowment income, and interest expense. During 2023 to 2024 net nonoperating revenue of \$10.3 million represents an increase of \$5.5 million from the prior year due to the following factors:

During the fiscal year ended in June, investment earnings on endowed funds increased \$1.7 million to a net gain of \$4.0 million, reflecting general market performance.

From 2023 to 2024, total gifts increased \$3.5 million to \$7.0 million. The reasons behind changes in gift revenue can be difficult to accurately explain as giving is related mainly to donor sentiment and general economic conditions.

#### **Foundation Policies and Procedures**

On October 20, 2023, the Foundation Board approved a revised investment policy. This update states the intention to select investment managers and strategies that reflect high Environmentally and Socially Responsible (ESR) standards, with a goal of reaching 100% ESR, while remaining consistent with the Foundation's overall investment objectives. The investment policy establishes a framework for the investment of Foundation assets and ensures future growth of these assets. Management believes that this framework is sufficient to allow for normal inflation plus reasonable spending. The goal of this policy is to preserve the constant dollar value and purchasing power of the assets for future generations. The policy establishes appropriate risk and return objectives considering the fund's risk tolerance and investment time horizon. The policy establishes target asset allocations, performance monitoring procedures, and identifies the roles of key responsible parties.

On March 9, 2012, the Foundation Board approved earnings distribution policy and procedures. The policy establishes a target distribution of 4.5% of the Foundation's average total market value during the twelve quarters ending with the last quarter of the previous fiscal year. The actual net return rate is approved annually by the Board of Directors. Earnings, described as realized and unrealized gains and losses, interest and dividend income, shall generally be available for distribution from those participant accounts invested for two or more quarters. Distributions for participant accounts invested for less than four quarters at the end of the fiscal year, will be prorated based on the number of quarters invested. The actual distribution occurs in July or August based on the level recommended by the Finance Committee and must be approved annually by the Board of Directors.

**Cal Poly Humboldt Foundation  
Management's Discussion and Analysis  
June 30, 2024**

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**Factors That Will Affect the Future**

The fair market value of the total endowment balance is greater than the corpus as of June 30, 2024. The Foundation's Board takes an active role in managing the Foundation's investments in alignment with the investment policy. However, volatility in the economy impacts the Foundation's investment portfolio and could impact the Foundation's ability to support the University. Because the values of the Foundation's individual investments have and will continue to fluctuate in response to changing market conditions due to a variety of factors, some entirely unforeseeable, the amount of gains or losses that might be recognized in subsequent periods cannot be determined.

**Contact Information**

This financial report is designed to provide a general overview of the auxiliary's finances. If you have questions about this report or need additional financial information, contact Cal Poly Humboldt Foundation, 1 Harpst Street, Arcata, Ca 95521.

## **Basic Financial Statements**

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**Cal Poly Humboldt Foundation**  
**Statement of Net Position**  
**June 30, 2024**

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**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 3,583,664
Investments	7,793,389
Interest receivable	2,378
Pledges receivable	1,696,412
Current portion of lease receivable	279,481
Other receivable	330,219

Total current assets	13,685,543
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**NONCURRENT ASSETS**

Pledges receivable	5,387,384
Endowment pooled investments	38,661,345
Investments	1,272,809
Land and capital assets, net	6,505,916
Lease receivable, net of current portion	3,574,270
Other assets	312,084

Total noncurrent assets	55,713,808
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Total assets	69,399,351
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**LIABILITIES**

**CURRENT LIABILITIES**

Accounts payable	1,102,244
Other liabilities	233,897

Total current liabilities	1,336,141
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**LONG-TERM LIABILITIES**

Other liabilities	190,000
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Total liabilities	1,526,141
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**DEFERRED INFLOWS OF RESOURCES**

Deferred inflows of resources - leases	3,839,509
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Total deferred inflow of resources	3,839,509
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**NET POSITION**

Net investment in capital assets - restricted	5,037,128
Net investment in capital assets - unrestricted	1,468,788
Restricted for: nonexpendable - endowments	34,998,563
Restricted for: expendable - other	20,759,393
Unrestricted	1,769,829

Total net position	\$ 64,033,701
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See accompanying notes.

**Cal Poly Humboldt Foundation**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Year Ended June 30, 2024**

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REVENUES

OPERATING REVENUES

Indirect cost - trusts	\$ 197,120
Cost recovery	694,601
Other operating revenues	335,191
Total operating revenues	1,226,912

OPERATING EXPENSES

Public service	147,421
Academic support	406,815
Scholarships and fellowships	455,156
Student services	453,105
Institutional support	580,598
Auxiliary enterprises	991,789
Instructional	670,962
Research	434,778
Depreciation	191,268
Total operating expenses	4,331,892

Operating loss	(3,104,980)
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NONOPERATING REVENUES (EXPENSE)

Gifts	
Contributions	6,645,521
Fundraising	322,491
Additions to quasi- and term-endowments	9,008
Total gifts	6,977,020
Investment income, net	266,327
Endowment income, net	3,982,845
Other nonoperating expense, net	(968,946)
Net nonoperating revenues (expense)	10,257,246

Income before other additions and transfers	7,152,266
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ADDITIONS TO PERMANENT ENDOWMENTS	1,203,849
GRANTS AND GIFTS, CAPITAL	253,030
TRANSFERS TO OTHER CAMPUS ENTITIES	(55,349)
Increase in net position	8,553,796

NET POSITION

Net position at beginning of year	55,479,905
Net position at end of year	\$ 64,033,701

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See accompanying notes.

**Cal Poly Humboldt Foundation**  
**Statement of Cash Flows**  
**Year Ended June 30, 2024**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Received for administrative services	\$ 1,128,503
Payments to vendors and suppliers	(2,553,193)
Transfers to other campus entities	<u>(733,811)</u>
Net cash (used in) operating activities	<u>(2,158,501)</u>

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES**

Gifts and grants received for other than capital purposes	4,525,415
Interagency transfers	(55,349)
Other noncapital financing activities	<u>(1,400,505)</u>
Net cash provided by noncapital financing activities	<u>3,069,561</u>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Capital grants and gifts	253,030
Proceeds from sale of capital assets	5,220,024
Purchases of capital assets	<u>(174,055)</u>
Net cash provided by capital and related financing activities	<u>5,298,999</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from sales and maturities of investments	5,519,592
Lease payments	105,963
Investment income	735,342
Purchase of investments and related fees	<u>(12,537,738)</u>
Net cash (used in) provided by investing activities	<u>(6,176,841)</u>

NET CHANGE IN CASH AND CASH EQUIVALENTS 33,218

CASH AND CASH EQUIVALENTS, beginning of year 3,550,446

CASH AND CASH EQUIVALENTS, end of year \$ 3,583,664

**RECONCILIATION OF OPERATING (LOSS) TO NET CASH**

(USED IN) OPERATING ACTIVITIES	
Operating (loss)	\$ (3,104,980)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities	
Depreciation	191,268
Changes in assets and liabilities	
Receivables and other assets	(98,409)
Accounts payable and accrued liabilities	<u>853,620</u>
Net cash (used in) operating activities	<u>\$ (2,158,501)</u>

**SUPPLEMENTAL SCHEDULE OF NONCASH TRANSACTIONS**

Changes in fair values of investments unrealized (gain)	<u>\$ (1,632,347)</u>
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See accompanying notes.



**Cal Poly Humboldt Foundation**  
**Statement of Fiduciary Net Position**  
**June 30, 2024**

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**ASSETS**

CASH AND INVESTMENTS

Pooled cash and investments \$ 7,023,903

Total assets 7,023,903

**LIABILITIES**

LIABILITIES

Accounts payable 25,704

Total liabilities 25,704

**NET POSITION**

Restricted for: individuals, organizations and other governments 6,998,199

Total net position \$ 6,998,199

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See accompanying notes.

**Cal Poly Humboldt Foundation**  
**Statement of Changes in Fiduciary Net Position**  
**Year Ended June 30, 2024**

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ADDITIONS	
Net investment income	\$ 848,445
	<u>848,445</u>
Total additions	<u>848,445</u>
DEDUCTIONS	
Total administrative expense	<u>106,209</u>
	<u>106,209</u>
Total deductions	<u>106,209</u>
Change in fiduciary net position	<u>742,236</u>
NET POSITION	
Fiduciary net position at beginning of year	<u>6,255,963</u>
Fiduciary net position at end of year.	<u><u>\$ 6,998,199</u></u>

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See accompanying notes.

# Cal Poly Humboldt Foundation

## Notes to Financial Statements

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### Note 1 – Organization

Cal Poly Humboldt Foundation (the Foundation) is organized to promote and assist the California State Polytechnic University, Humboldt campus of The California State University (the University) to receive gifts and property, to manage those resources and to make them available to the University to further their educational mission and objectives as determined by the duly appointed and acting president of the University.

### Summary of Significant Accounting Policies

*Basis of presentation* – The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. generally accepted accounting principles, as prescribed by the Government Accounting Standards Board (GASB). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The accompanying financial statements present Cal Poly Humboldt Foundation (the Foundation) and its component unit, Cal Poly Humboldt Real Estate Holdings (REH). The blended component unit, although a legally separate entity, is, in substance, part of the Foundation's operations. REH is governed by the REH Board of Directors and Foundation management has operational responsibility of REH.

The financial statements required by GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as amended by GASB Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities* and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* include a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows. The Foundation is a component unit of the University, a public university under The California State University system. The Foundation uses the reporting model for special-purpose governments engaged only in business-type activities. In accordance with the business-type activities reporting model, the Foundation prepares its statement of cash flows using the direct method.

The Foundation reports one fiduciary (custodial) fund for the pension and other post-employment benefits for the Humboldt State University Center.

*Presentation of operating expenses and transfers from/(to) other campus entities* – The Foundation disburses most contributed funds from accounts held by the Foundation for the benefit of the University. These disbursements are reported as operating expenses on the Statement of Revenues, Expenses, and Changes in Net Position. Transfers to/from other campus entities consists of funds distributed based on Board action and donor agreements. Management believes these procedures provide greater assurance that contributions are expended consistent with donor intent.

*Classification of current and noncurrent assets (other than investments) and liabilities* – The Foundation considers assets to be current that can reasonably be expected, as part of its normal business operations, to be converted to cash and be available for liquidation of current liabilities within twelve months of the statement of net position date. Liabilities that reasonably can be expected, as part of normal Foundation business operations, to be liquidated within twelve months of the statement of net position date are considered to be current. All other assets and liabilities are considered to be noncurrent.

## Cal Poly Humboldt Foundation Notes to Financial Statements

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*Cash and cash equivalents* – The Foundation considers all highly liquid investments with an original maturity date of three months or less to be cash and cash equivalents. The amount reported excludes cash held in investment accounts that are considered part of the Foundation's endowment investments. The Foundation considers amounts included in the Local Agency Investment Fund (LAIF) and Principal Government Money Market Fund to be investments.

*Pledges receivable* – Unconditional pledges receivable are recorded as receivables and revenue. To be recorded, the pledge must be documented, reasonably measured and probable of collection. The Foundation distinguishes between contributions received for each net position category in accordance with donor-imposed restrictions. As GASB neither requires nor prohibits discounting pledges receivable for the time value of money, the Foundation has elected to record pledges at the full original pledged amount.

*Investments* – Investments are reflected at fair value using quoted market prices when available. Realized and unrealized gains and losses are included in the accompanying statement of revenues, expenses, and changes in net position as endowment investment income.

*Endowment pooled investments* – Endowment investments consist of approximately 278 individual funds established for a variety of purposes. Endowment investments are reflected at fair value using quoted market prices when available. The endowments funds include true endowment funds, restricted and unrestricted quasi-endowments, and term endowments.

A true endowment is a fund created by a donor (or other external party) with the stipulation, as a condition of the gift instrument that the principal is to be maintained and invested in perpetuity to produce income, investment growth, or both. This type of endowment is also referred to as a permanent endowment.

A quasi-endowment fund is created when the Foundation's governing board elects to invest currently available resources as if they were subject to endowment restrictions. A determination is made that a portion of currently available resources should be invested for the long term rather than spent for current purposes. The source of quasi-endowments may be unrestricted or restricted expendable. If it is the former, the quasi-endowment will be classified as unrestricted. If it is the latter, the quasi-endowment will be classified as restricted expendable. Quasi-endowments are also referred to as funds functioning as endowments.

Term-endowments are created when a donor (or other external party) specifies that the funds must be held and invested until the passage of a specified time or the occurrence of a specified event. The donor (or other external party) also specifies what is to be done with the income and investment growth during the specified period. Term-endowments are classified as restricted expendable if the funds will ultimately be made available for spending or if contributions are below a set dollar threshold. If the funds ultimately will be added to a true endowment, the term-endowment ultimately is classified as restricted nonexpendable.

*Land and capital assets* – Capital assets are recorded at cost less depreciation calculated by the straight-line method over the assets' estimated useful lives. The Foundation capitalizes purchases over \$5,000. However, sensitive property, defined as any highly desirable and portable item, will be capitalized if the cost is \$1,000 or greater.

## Cal Poly Humboldt Foundation

### Notes to Financial Statements

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*Leases* – Lease-related amounts are recognized at the inception of the leases in which the Foundation is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

In addition, the Foundation uses office facilities and equipment that are the property of the California State University. No lease payments are required for the use of these facilities.

*Net position* – The Foundation's net position is classified into the following net position categories:

*Net investment in capital assets – restricted* – net position in this category represents the gifted Schatz Tree Farm property in Maple Creek, Natural History Museum in Arcata, and property purchased by the Foundation on 16th Street, and 8th Street in Arcata.

*Net investment in capital assets – unrestricted* – net position in this category consists of properties held by REH including three residential rentals, a vacant lot, and an unrestricted portion of the 8th Street, and 16th Street properties.

*Restricted for: nonexpendable – endowments* – Net position subject to externally imposed conditions such that the Foundation retains the endowments in perpetuity. Net position in this category consists of endowments held by the Foundation.

*Restricted for: expendable – other* – Net position subject to externally imposed conditions, including quasi-endowments created by board action using contributions with donor restrictions that can be fulfilled by the actions of the Foundation or by the passage of time.

*Unrestricted* – All other categories of net position. In addition, unrestricted net position may be designated for use by management or the Board of Directors of the Foundation. These designations limit the area of operations for which expenditures of resources may be made and require that unrestricted resources be designated to support future operations in these areas.

When an expense is incurred for purposes for which both restricted and unrestricted resources are available, restricted resources are applied first. In the event that restricted resources are fully expended, unrestricted resources are expended to support the activities of restricted, expendable resources.

*Classification of revenues and expenses* – The Foundation 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 the Foundation's primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services.

Certain other transactions are reported as nonoperating revenues and expenses in accordance with GASB Statement No. 35. These nonoperating activities include gifts, non-endowment investment income or loss, endowment income or loss, interest expense, and other nonoperating revenues.

## Cal Poly Humboldt Foundation

### Notes to Financial Statements

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*Income taxes* – The Foundation qualifies as a tax exempt organization under the applicable sections of the Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d. The Foundation has analyzed the tax positions taken for filings with the Internal Revenue Service and the State of California. The Foundation believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the financial statements. Accordingly, the Foundation has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at June 30, 2024.

*Use of estimates* – The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts in the accompanying financial statements. Actual results could differ from those estimates.

#### **Note 2 – Cash and Cash Equivalents and Investments**

The Foundation’s cash and cash equivalents and investments as of June 30, 2024, are classified in the accompanying statement of net position and fiduciary statement of net position as follows:

	2024
Cash and cash equivalents	\$ 3,583,664
Short-term investments	7,793,389
Noncurrent investments	1,272,809
Endowment pooled investments	45,685,248
Total investments	54,751,446
Total cash, cash equivalents, and investments	\$ 58,335,110

**Cash and cash equivalents** – At June 30, 2024, cash and cash equivalents consisted of demand deposits held at a commercial bank totaling \$3,583,664. These deposits had carrying balances with the commercial bank of \$3,596,770. The differences between the book balances and the corresponding bank balances are related to outstanding checks and deposits.

**Custodial credit risk for deposits** – The Foundation maintains its cash in bank deposit accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000 per depositor. At June 30, 2024, the Foundation’s uninsured cash balances was \$3,096,770. The Foundation has incurred no losses related to these accounts.

**Short-term investments** – At June 30, 2024, the Foundation’s short-term investment portfolio consisted of investments in the Principal Government Money Market Fund and the Local Agency Investment Fund (LAIF), a voluntary program created by statute as an alternative for California’s local governments and special districts and that allows affiliates to participate in a major investment portfolio. LAIF is under the administration of The California State Treasurer’s Office. There are no significant interest rate risks or credit risks to be disclosed in accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures*.

## Cal Poly Humboldt Foundation

### Notes to Financial Statements

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The LAIF investment is not insured. However, these funds are invested in accordance with California Government Code Sections 16430 and 16480, the stated investment authority for the Pooled Money Investment Account. At June 30, 2024, cash invested in LAIF was \$12,087.

Investment income as shown on the Statement of Revenues, Expenses, and Changes in Net Position includes income earned on the LAIF investment, Principal Government Money Market Fund, the Foundation and REH Wells Fargo checking accounts and the change in the net present value of the charitable gift annuities contracts issued by the CSU Foundation. At June 30, 2024, investment income was \$226,327.

The 18 shares of Baywood Golf and Country Club stock is also classified as a short-term investment. The stock was valued at June 30, 2024, at \$1,217.

**Noncurrent investments** – Noncurrent investments consist of the Hydrogen Demonstration Trust asset portfolio held by Principal Custody Solutions and are considered non-endowed investments. The non-endowed income/(loss) is included in endowment income. Noncurrent investments as of June 30, 2024 were:

	2024
Investment type	
Hydrogen Demonstration Trust	\$ 1,272,809
Total noncurrent Investments	\$ 1,272,809

Income/(loss) on non-endowed noncurrent investments consists of the following for the year ended June 30:

	2024
Interest, dividends, and other income	\$ 26,973
Realized gain/(loss)	44,404
Unrealized gain/(loss)	52,453
Fees	(22,864)
Total non-endowed noncurrent investment income/(loss), net	\$ 100,966

The calculation of realized gains or losses is independent of a calculation of the net change in the fair value of investments.

## Cal Poly Humboldt Foundation

### Notes to Financial Statements

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**Endowment investments** – Endowment investments consist of a pooled investment account held by Principal Custody Solutions and properties received as gifts and properties purchased by the Foundation. Properties include the Schatz Demonstration Tree Farm land in Maple Creek, received as a gift by the Foundation in June 2005, the Natural History Museum, received as a gift to CPH in 2014 and then to the Foundation in 2023, Campus Store on 8th Street in Arcata purchased by the Foundation in May 2021, and the Stewart School property on 16th Street in Arcata acquired by the foundation in December 2021. The land and buildings are classified with land and capital assets to clarify the separation from the pooled investment account.

	June 30, 2024	
	Business-type Activities	Fiduciary Activities
Investment type		
Endowment pooled investments	\$38,661,345	\$ 7,023,903
Land and capital assets, net	5,189,511	-
Total endowment investments by activity	43,850,856	\$ 7,023,903
Total endowment investments	\$50,874,759	

Income/(loss) on endowment investments consisted of the following for the year ended June 30, 2024:

	2024	
	Business-type Activities	Fiduciary Activities
Interest, dividends, and other income	\$ 534,800	\$ 349,878
Realized gain	2,000,734	279,819
Unrealized gain/(loss)	1,579,894	234,220
Fees	(233,549)	(15,473)
Total endowment investment income/(loss), net by activity	3,881,879	\$ 848,444
Total endowment investment income/(loss), net	\$ 4,730,323	

The endowment investment accounts are included in one pooled account held at Principal Custody Solutions. The bank records all changes in the market value of the underlying investments including realized and unrealized gains and losses, interest, and dividend income, as well as income from real estate investments. The investment returns are allocated monthly to the individual endowments based on the relationship of the market value of each endowment to the total market value of the pooled account.



## Cal Poly Humboldt Foundation

### Notes to Financial Statements

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The Uniform Prudent Management of Institutional Funds Act (UPMIFA) authorizes the spending of earnings and net appreciation. California adopted this act on September 30, 2008, with the passage of Senate Bill 1329. The Board of Directors understands that UPMIFA requires it to balance the goal of providing a consistent level of support for charitable purposes with the goal of protecting the value of the endowment against inflation absent explicit donor stipulations to the contrary. As a result of this interpretation the Foundation classifies the original value of the gift donated along with original value of subsequent gifts donated to the permanent endowment as corpus. These are included in the restricted for: nonexpendable – endowment net position category on the statement of net position. The Foundation’s objective is to make available for the charitable purposes of the endowment an amount equal to 4.5% of the average total market value during the 12 quarters ending with the last quarter of the previous fiscal year.

The Foundation annually reviews its endowment funds taking into account the required prudence evaluation as guided by UPMIFA which requires considering the donor’s intent, contractual agreements with donors, as well as several economic factors. For the fiscal year ended June 30, 2024, the Board of Directors authorized a distribution rate of 4.5%.

If the endowments’ market value is above corpus then the net investment appreciation, realized and unrealized, is reported in the restricted non-expendable endowment line on the statement of net position until appropriated for spending pursuant to donor agreements. If the endowments’ market value is below corpus then the net investment depreciation, realized and unrealized, is reported in the restricted for: nonexpendable - endowment net position category on the statement of net position.

As of June 30, 2024, 3 true endowment accounts have fair market values below the corpus in a combined total amount of \$2,277.

Endowment earnings distributions of \$1,690,447 were made in the year ended June 30, 2024. The Board of Directors of the Foundation has approved the planned distribution for the upcoming fiscal year ending June 30, 2025, at a rate of 4.5%.

**Investments reported at fair market value** – GASB Number 72 provides the framework for measuring the fair value of investments. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable units (Level 3). The three levels of the fair value hierarchy are described as follows:

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

**Level 2** – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly, such as:

- quoted prices for similar assets in active markets;
- quoted prices for identical or similar assets in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;

## Cal Poly Humboldt Foundation

### Notes to Financial Statements

- inputs derived principally from or corroborated by observable market data by correlation or other means.

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

The Investments included within the Foundation’s financial statements are classified as follows.

**Level 1** – \$50,789,858 (92.7%) at June 30, 2024 – Investments in this level include balances in money market accounts as well as shares in actively traded mutual funds for which market prices were readily available on the date of valuation. The fair market value is the price for these shares on the active markets.

**Level 2** – \$3,948,289 (7.2%) at June 30, 2024 – Investments in this level include shares in a real estate investment trust. These shares are not traded on any active public exchange. The values reported for these shares is provided to the Foundation by the managers of the funds and is based on observable inputs other than prices available in actively traded markets.

**Level 3** – \$1,217 (<1%) at June 30, 2024 – Investments in this level include eighteen shares in Baywood Golf and Country Club. These shares are not traded on any active public exchange. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value measurement level of an asset within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. During the year ended June 30, 2024, there were no changes in the valuation methodologies used.

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

*Net asset value* – \$12,082 (<1%) at June 30, 2024 – The net value of the LAIF investment asset is added to this table to present the total of all investments at fair market value.

	Fair Value Measurements Using				Net Asset Value
	Total	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Money Market Funds	\$ 7,888,874	\$ 7,888,874	\$ -	\$ -	\$ -
Mutual Funds - Equity	30,700,248	30,700,248	-	-	-
Mutual Funds - Fixed Income	12,200,736	12,200,736	-	-	-
Real Estate Investment Trusts	3,948,289	-	3,948,289	-	-
Equities - Stock	1,217	-	-	1,217	-
LAIF	12,082	-	-	-	12,082
<b>Total</b>	<b>\$54,751,446</b>	<b>\$ 50,789,858</b>	<b>\$ 3,948,289</b>	<b>\$ 1,217</b>	<b>\$ 12,082</b>

## Cal Poly Humboldt Foundation

### Notes to Financial Statements

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**Investment risk** – The Foundation's investment portfolio contains certain assets for which the fair market value comprises greater than 5% of the total investment portfolio. At June 30, 2024, these were:

Asset	Fair Value	% of Total
Brown Adv Sust Gro;Inst (BAFWX)	\$ 8,691,952	18.85%
Parnassus:Value Equity;Inst (PFPWX)	8,115,552	17.60%
T Rowe Price LC Val;I (TILCX)	6,865,174	14.88%
RREEF America REIT II	4,265,868	9.25%
American Funds EuPc;F3 (FEUPX)	4,029,214	8.74%
Boston Cmn ESG Imp Intl (BCAIX)	4,010,995	8.70%
Dodge & Cox Intl Stck;I (DODFX)	3,948,289	8.56%
PIMCO:Tot Rtn;Inst (PTTRX)	3,395,376	7.36%
Calvert Imp:Green Bd;I (CGBIX)	2,800,000	6.07%

The Foundation invests in various types of investment securities. Investment securities are exposed to risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net position.

**Custodial credit risk** – Custodial credit risk is the risk that in the event of the failure of a counterparty, the Foundation would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Financial instruments that potentially subject the Foundation to custodial risk are investments in excess of amounts insured by the FDIC or the Securities Investor Protector Corporation (SIPC). No policy exists related to custodial risk specifically. The Foundation's investment policy does not prohibit deposits in single institutions that expose the Foundation to custodial credit risk.

At June 30, 2024, the Foundation had 100% of its noncurrent investments with Principal Custody Solutions, the Foundation's investment bank. The investments are managed by the Foundation's consultant, RVK. Inc. Principal Custody Solutions carries \$15 million coverage for loss due to fraudulent acts, errors and omissions, and \$5 million professional liability coverage.

The credit risk profile for fixed income securities at June 30, 2024, are as follows.

#### Fixed income securities

		2024
Calvert Imp: Green Bd:I	Rated A1	\$ 6,865,174
PIMCO Total Return	Rated Aa2	3,395,376
Vanguard Inflation Prot; Adm	Rated Aa1	1,940,186
Total		\$ 12,200,736

**Interest rate risk** – Interest Rate Risk is the risk that the value of fixed income securities will decline due to decreasing interest rates. The terms of a debt investment may cause its fair value to be highly sensitive to interest rate changes. At June 30, 2024, the Foundation does not have any debt investments that are highly sensitive.

## Cal Poly Humboldt Foundation

### Notes to Financial Statements

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Duration is a measure of the sensitivity of the price – the value of principal – of a fixed income investment to a change in interest rates. Duration is expressed as a number of years. The duration of fixed income securities held within the Foundation’s portfolio at June 30, 2024, are:

Calvert Imp: Green Bd:I	Effective Duration	5.79 Years
PIMCO Total Return	Effective Duration	5.88 Years
Vanguard Inflation Prot; Adm	Effective Duration	6.50 Years

#### Note 3 – Pledges Receivable

Pledges receivable are considered to be fully collectible and accordingly, an allowance for uncollectible pledges receivable has not been recorded. Pledges receivable as of June 30, 2024 consists of the following:

	2024	
	Current	Noncurrent
To be collected by		
Fiscal year ending June 30, 2025	\$ 1,696,412	\$ -
Fiscal years ending after June 30, 2025	-	5,387,384
Total	1,696,412	5,387,384
Less allowance for doubtful accounts	-	-
Total pledges receivable, net	\$ 1,696,412	\$ 5,387,384

#### Note 4 – Interest and Other Receivable

Interest and other receivables at June 30, 2024 consists of the following:

	2024
Expenses reimbursable by outside agencies	\$ 148,141
Endowment quarterly service charge	182,078
Total other receivables	330,219
Interest receivable LAIF and sweep account	2,378
Total	\$ 332,597

The operations endowment fee receivable is 0.00375 basis points or 1.5% per year of the market value of invested funds at June 30, 2024. This is an administrative fee charged each quarter to recover costs incurred by the Foundation for operations.

There is no allowance for uncollectible accounts deemed necessary as of June 30, 2024.

## Cal Poly Humboldt Foundation

### Notes to Financial Statements

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#### Note 5 – Leases

The Foundation recognizes leases under GASB No. 87. As of June 2024, the contracts related to leases of buildings which meet the definition of a lease result in a lease receivable of \$3,853,751 and deferred inflows of resources of \$3,839,509.

The Foundation is a lessor for a noncancellable lease of a warehouse with terms through 2026, a noncancellable lease of land with lease terms through 2028, a noncancellable lease of retail space with lease terms through 2031, and a noncancellable lease of office and storage space with lease terms through 2032. For the year ending June 30, 2024, the Foundation recognized \$349,454 in lease revenue released from the deferred inflow of resources related to these leases included in nonoperating income on the statement of revenues, expenses, and changes in net position. The Foundation recognized interest revenue of \$105,963 for the year ended June 30, 2024. Inflows of resources were recognized in the year related to termination penalties or residual value guarantees during the fiscal year. Deferred inflows of resources and lease receivable were reduced by \$887,446 as a result of lease properties sold during fiscal year 2024.

The future principal and interest lease receipts as of June 30, 2024, were as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 279,481	\$ 91,403	\$ 370,884
2026	286,212	84,672	370,884
2027	293,105	77,779	370,884
2028	300,164	70,720	370,884
2029	307,394	63,490	370,884
2030-2034	1,651,694	202,726	1,854,420
2035-2038	735,701	24,984	760,685
Total	<u>\$ 3,853,751</u>	<u>\$ 615,774</u>	<u>\$ 4,469,525</u>

#### Note 6 – Implementation of GASB 100

The Foundation implemented GASB No. 100, *Accounting Changes and Error Corrections*, as of July 1, 2023. There were no adjustments as a result of this implementation.

#### Note 7 – Other Assets

The Foundation records an interest in 24 charitable gift annuities contracts issued by the CSU Foundation. The Foundation considers these to be related parties, not third parties as all entities are component units of The California State University System. The Foundation records its interest for these annuities at their estimated net present value. The net present value of these charitable gift annuities are determined by the CSU Foundation, a component unit of The California State University system.

**Cal Poly Humboldt Foundation**  
**Notes to Financial Statements**

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**Note 8 – Capital Assets**

The change in capital assets for the year ended June 30, 2024, is as follows:

	Balance June 30, 2023	Additions	Disposals	Balance June 30, 2024
Land and land improvements	\$ 7,279,758	\$ -	\$ (4,565,869)	\$ 2,713,889
Buildings	4,484,597	-	(352,885)	4,131,712
Equipment	-	174,055	-	174,055
Accumulated depreciation	(357,761)	(191,268)	35,289	(513,740)
<b>Total</b>	<b>\$ 11,406,594</b>	<b>\$ (17,213)</b>	<b>\$ (4,883,465)</b>	<b>\$ 6,505,916</b>

**Note 9 – Calculation of Net Position**

Net position restricted for nonexpendable endowments was as follows as of June 30, 2024:

	2024
Endowment pooled investments	\$ 38,661,345
Quasi- and term- endowments that are restricted expendable or unrestricted	(2,853,270)
Payables due from permanent endowments to operations for administrative fees	(156,374)
Other assets included in restricted non expendable endowment funds	4,383,990
<b>Net position - restricted for: non expendable - endowments per Statement of Net Position</b>	<b>\$ 40,035,691</b>

The change in net position is as follows:

	Restricted for Expendable - Other	Net Investment in Capital Assets- Restricted & Restricted Net Position Restricted for Nonexpendable - Endowments	Net Investment in Capital Assets - Unrestricted & Unrestricted	Total
Beginning net position as of June 30, 2023	\$ 12,904,246	\$ 37,348,432	\$ 5,227,227	\$ 55,479,905
2023-24 increase (decrease) in capital assets	-	(4,813,743)	(86,935)	(4,900,678)
2023-24 increase (decrease) in net position	7,855,147	7,501,002	(1,901,675)	13,454,474
<b>Ending net position as of June 30, 2024</b>	<b>\$ 20,759,393</b>	<b>\$ 40,035,691</b>	<b>\$ 3,238,617</b>	<b>\$ 64,033,701</b>

## Cal Poly Humboldt Foundation Notes to Financial Statements

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### Note 10 – Transactions with Related Entities

The Foundation is the beneficiary of gift annuities that are held by the CSU Foundation. These gift annuities are reported as a receivable for the Foundation and are included in other assets in the statement of net position, as they have met eligibility requirements per GASB Statement No. 33.

The Foundation receives donations on behalf of the University and all related auxiliary organizations. In the current year, the Foundation recognized and transferred \$1,244,838 in donations to the University or auxiliaries. These amounts are included in contributions, fundraising, and transfers from/to other campus entities on the statement of revenues, expenses, and changes in net position. Of the \$1,244,838 in donations transferred during the year ended June 30, 2024, \$14,720 was for Associated Students, \$729,058 was for Sponsored Programs, and \$501,060 was for the University.

The accompanying financial statements also include the following transactions with the University and related auxiliary organizations as of and for the year ended June 30, 2024:

Payments to University for salaries of University personnel working on contracts, grants and other programs	\$ 711,619
Payments to the University for other than salaries of University personnel	2,095,369
Payments received from the University for services, space and programs	370,717
Gifts (cash or assets) to the University from recognized Auxiliary organizations	501,060
Accounts payable to the University	(338,905)
Other transfers to Sponsored Program Foundation	729,058
Accounts Payable to Sponsored Program Foundation	(744,872)
Other transfers to Associated Students	14,720
Receipts from: Sponsored Program Foundation	16,598

### Note 11 – Classification of Operating Expenses

The Foundation has elected to report operating expenses by functional classification in the statement of revenues, expenses, and changes in net position, and to provide the natural classification of those expenses as an additional disclosure.

For the year ended June 30, 2024, operating expenses by natural classification consists of the following:

Functional Classification	2024				Total
	Salaries	Benefits	Scholarships and Fellowships	Supplies and Other Services	
Instruction	\$ -	\$ -	\$ -	\$ 670,962	\$ 670,962
Research	-	-	-	434,778	434,778
Public Service	-	-	-	147,421	147,421
Academic Support	-	-	-	406,815	406,815
Student Services	-	-	-	453,105	453,105
Institutional Support	-	-	-	580,598	580,598
Scholarships & Fellowships	-	-	52,091	403,065	455,156
Auxiliary Enterprises	-	-	-	991,789	991,789
Depreciation	-	-	-	191,268	191,268
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,091</u>	<u>\$ 4,279,801</u>	<u>\$ 4,331,892</u>

## **Supplementary Information**

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**Cal Poly Humboldt Foundation**  
**Schedule of Net Position**  
**(for inclusion in the California State University)**  
**June 30, 2024**

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**Assets:**

**Current assets:**

Cash and cash equivalents	3,583,664
Short-term investments	7,793,389
Accounts receivable, net	2,378
Lease receivable, current portion	279,481
P3 receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net	1,696,412
Prepaid expenses and other current assets	330,219
<b>Total current assets</b>	<b><u>13,685,543</u></b>

**Noncurrent assets:**

Restricted cash and cash equivalents	—
Accounts receivable, net	—
Lease receivable, net of current portion	3,574,270
P3 receivable, net of current portion	—
Notes receivable, net of current portion	—
Student loans receivable, net	—
Pledges receivable, net	5,387,384
Endowment investments	38,661,345
Other long-term investments	1,272,809
Capital assets, net	6,505,916
Other assets	312,084
<b>Total noncurrent assets</b>	<b><u>55,713,808</u></b>
<b>Total assets</b>	<b><u>69,399,351</u></b>

**Deferred outflows of resources:**

Unamortized loss on debt refunding	—
Net pension liability	—
Net OPEB liability	—
Leases	—
P3	—
Others	—
<b>Total deferred outflows of resources</b>	<b><u>—</u></b>

**Cal Poly Humboldt Foundation**  
**Schedule of Net Position**  
**(for inclusion in the California State University)**  
**June 30, 2024**

---

**Liabilities:**

**Current liabilities:**

Accounts payable	1,102,244
Accrued salaries and benefits	—
Accrued compensated absences, current portion	—
Unearned revenues	—
Lease liabilities, current portion	—
SBITA liabilities - current portion	—
P3 liabilities - current portion	—
Long-term debt obligations, current portion	—
Claims liability for losses and loss adjustment expenses, current portion	—
Depository accounts	—
Other liabilities	233,897
<b>Total current liabilities</b>	<b>1,336,141</b>

**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	190,000
<b>Total noncurrent liabilities</b>	<b>190,000</b>
<b>Total liabilities</b>	<b>1,526,141</b>

**Cal Poly Humboldt Foundation**  
**Schedule of Net Position**  
**(for inclusion in the California State University)**  
**June 30, 2024**

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<b>Deferred inflows of resources:</b>	
P3 service concession arrangements	—
Net pension liability	—
Net OPEB liability	—
Unamortized gain on debt refunding	—
Nonexchange transactions	—
Lease	3,839,509
P3	—
Others	—
<b>Total deferred inflows of resources</b>	<b>3,839,509</b>
<b>Net position:</b>	
Net investment in capital assets	6,505,916
Restricted for:	
Nonexpendable – endowments	34,998,563
Expendable:	
Scholarships and fellowships	—
Research	—
Loans	—
Capital projects	—
Debt service	—
Others	20,759,393
Unrestricted	1,769,829
<b>Total net position</b>	<b>64,033,701</b>

**Cal Poly Humboldt Foundation**  
**Schedule of Revenues, Expenses, and Changes in Net Position**  
**(for inclusion in the California State University)**  
**Year Ended June 30, 2024**

---

**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	1,226,912

<b>Total operating revenues</b>	<u>1,226,912</u>
---------------------------------	------------------

**Expenses:**

**Operating expenses:**

Instruction	670,962
Research	434,778
Public service	147,421
Academic support	406,815
Student services	453,105
Institutional support	580,598
Operation and maintenance of plant	—
Student grants and scholarships	455,156
Auxiliary enterprise expenses	991,789
Depreciation and amortization	191,268

<b>Total operating expenses</b>	<u>4,331,892</u>
---------------------------------	------------------

<b>Operating income (loss)</b>	<u>(3,104,980)</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	6,977,020
Investment income (loss), net	266,327
Endowment income (loss), net	3,982,845
Interest expense	—
Other nonoperating revenues (expenses)	(968,946)

<b>Net nonoperating revenues (expenses)</b>	<u>10,257,246</u>
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<b>Income (loss) before other revenues (expenses)</b>	<u>7,152,266</u>
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**Cal Poly Humboldt Foundation**  
**Schedule of Revenues, Expenses, and Changes in Net Position**  
**(for inclusion in the California State University)**  
**Year Ended June 30, 2024**

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State appropriations, capital	—
Grants and gifts, capital	253,030
Transfers to other campus entities	(55,349)
Additions (reductions) to permanent endowments	<u>1,203,849</u>
<b>Increase (decrease) in net position</b>	<b>8,553,796</b>
<b>Net position:</b>	
Net position at beginning of year, as previously reported	55,479,905
Restatements	<u>—</u>
<b>Net position at beginning of year, as restated</b>	<b><u>55,479,905</u></b>
<b>Net position at end of year</b>	<b><u><u>64,033,701</u></u></b>

**Cal Poly Humboldt Foundation**  
**Other Information**  
**(for inclusion in the California State University)**  
**June 30, 2024**

**1 Cash and cash equivalents:**

Portion of restricted cash and cash equivalents related to endowments

All other restricted cash and cash equivalents

**Noncurrent restricted cash and cash equivalents** -

Current cash and cash equivalents 3,583,664

**Total** **\$ 3,583,664**

**2.1 Composition of investments:**

Investment Type	Current	Noncurrent	Total
Money market funds	7,780,090	108,784	7,888,874
Repurchase agreements			-
Certificates of deposit			-
U.S. agency securities			-
U.S. treasury securities			-
Municipal bonds			-
Corporate bonds			-
Asset backed securities			-
Mortgage backed securities			-
Commercial paper			-
Supranational			-
Mutual funds		42,900,984	42,900,984
Exchange traded funds			-
Equity securities	1,217		1,217
Alternative investments:			
Private equity (including limited partnerships)			-
Hedge funds			-
Managed futures			-
Real estate investments (including REITs)		3,948,289	3,948,289
Commodities			-
Derivatives			-
Other alternative investment types			-
Other external investment pools			-
CSU Consolidated Investment Pool (formerly SWIFT)			-
State of California Local Agency Investment Fund (LAIF)	12,082		12,082
State of California Surplus Money Investment Fund (SMIF)			-
Other investments:			
Fiduciary portion (University Center)		(7,023,903)	(7,023,903)
			-
			-
			-
			-
Total Other investments	-	(7,023,903)	(7,023,903)
<b>Total investments</b>	<b>7,793,389</b>	<b>39,934,154</b>	<b>47,727,543</b>
Less endowment investments (enter as negative number)	-	(38,661,345)	(38,661,345)
<b>Total investments, net of endowments</b>	<b>\$ 7,793,389</b>	<b>1,272,809</b>	<b>9,066,198</b>

**Cal Poly Humboldt Foundation**  
**Other Information**  
**(for inclusion in the California State University)**  
**June 30, 2024**

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	\$ 7,888,874	7,888,874			
Repurchase agreements	-				
Certificates of deposit	-				
U.S. agency securities	-				
U.S. treasury securities	-				
Municipal bonds	-				
Corporate bonds	-				
Asset backed securities	-				
Mortgage backed securities	-				
Commercial paper	-				
Supranational	-				
Mutual funds	42,900,984	42,900,984			
Exchange traded funds	-				
Equity securities	1,217			1,217	
Alternative investments:					
Private equity (including limited partnerships)	-				
Hedge funds	-				
Managed futures	-				
Real estate investments (including REITs)	3,948,289		3,948,289		
Commodities	-				
Derivatives	-				
Other alternative investment types	-				
Other external investment pools	-				
CSU Consolidated Investment Pool (formerly SWIFT)	-				
State of California Local Agency Investment Fund (LAIF)	12,082				12,082
State of California Surplus Money Investment Fund (SMIF)	-				
Other investments:					
Fiduciary portion (University Center)	(7,023,903)	(7,023,903)			
	-				
	-				
	-				
	-				
Total other investments:	(7,023,903)	(7,023,903)	-	-	-
<b>Total investments</b>	<b>\$ 47,727,543</b>	<b>43,765,955</b>	<b>3,948,289</b>	<b>1,217</b>	<b>12,082</b>

**Cal Poly Humboldt Foundation**  
**Other Information**  
**(for inclusion in the California State University)**  
**June 30, 2024**

**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
\$		-

**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
<b>Non-depreciable/Non-amortizable capital assets:</b>									
Land and land improvements	7,279,758				7,279,758		(4,565,869)		2,713,889
Works of art and historical treasures	-				-				-
Construction work in progress (CWIP)	-				-				-
Intangible assets:									
Rights and easements	-				-				-
Patents, copyrights and trademarks	-				-				-
Intangible assets in progress (PWIP)	-				-				-
Licenses and permits	-				-				-
Other intangible assets:	-				-				-
	-				-				-
	-				-				-
	-				-				-
	-				-				-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	-	-	-	-	-	-	-	-	-
<b>Total non-depreciable/non-amortizable capital assets</b>	7,279,758	-	-	-	7,279,758	-	(4,565,869)	-	2,713,889
<b>Depreciable/Amortizable capital assets:</b>									
Buildings and building improvements	4,484,597				4,484,597		(352,885)		4,131,712
Improvements, other than buildings	-				-				-
Infrastructure	-				-				-
Leasehold improvements	-				-				-
Personal property:									
Equipment	-				-	174,055			174,055
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	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	-	-	-	-	-	-	-	-	-
<b>Total depreciable/amortizable capital assets</b>	4,484,597	-	-	-	4,484,597	174,055	(352,885)	-	4,305,767
<b>Total capital assets</b>	11,764,355	-	-	-	11,764,355	174,055	(4,918,754)	-	7,019,656



**Cal Poly Humboldt Foundation**  
**Other Information**  
**(for inclusion in the California State University)**  
**June 30, 2024**

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Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)

Buildings and building improvements	(357,761)			(357,761)	(191,268)	35,289		(513,740)
Improvements, other than buildings	-			-				-
Infrastructure	-			-				-
Leasehold improvements	-			-				-
Personal property:								
Equipment	-			-				-
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	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	-	-	-	-	-	-	-	-
<b>Total accumulated depreciation/amortization</b>	<b>(357,761)</b>	-	-	<b>(357,761)</b>	<b>(191,268)</b>	<b>35,289</b>	-	<b>(513,740)</b>
<b>Total capital assets, net excluding ROU assets</b>	<b>\$ 11,406,594</b>	-	-	<b>11,406,594</b>	<b>(17,213)</b>	<b>(4,883,465)</b>	-	<b>6,505,916</b>

**Cal Poly Humboldt Foundation**  
**Other Information**  
**(for inclusion in the California State University)**  
**June 30, 2024**

**Capital Assets, Right of Use**

Composition of capital assets - Lease ROU, net:	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
<b>Non-depreciable/Non-amortizable lease assets:</b>									
Land and land improvements	—				—				—
<b>Total non-depreciable/non-amortizable lease assets</b>	-	—	—	—	—	—	—	—	-
<b>Depreciable/Amortizable lease assets:</b>									
Land and land improvements	—				—				—
Buildings and building improvements	—				—				—
Improvements, other than buildings	—				—				—
Infrastructure	—				—				—
Personal property:									
Equipment	—				—				—
<b>Total depreciable/amortizable lease assets</b>	—	—	—	—	—	—	—	—	—
<b>Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)</b>									
Land and land improvements	—				—				—
Buildings and building improvements	—				—				—
Improvements, other than buildings	—				—				—
Infrastructure	—				—				—
Personal property:									
Equipment	—				—				—
<b>Total accumulated depreciation/amortization</b>	—	—	—	—	—	—	—	—	—
<b>Total lease assets, net</b>	—	—	—	—	—	—	—	—	—
Composition of capital assets - SBITA ROU, net	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
<b>Depreciable/Amortizable SBITA assets:</b>									
Software	—				—				—
<b>Total depreciable/amortizable SBITA assets</b>	-	-	-	-	-	-	-	-	-
<b>Less accumulated depreciation/amortization:</b>									
Software	—				—				—
<b>Total accumulated depreciation/amortization</b>	-	-	-	-	-	-	-	-	-
<b>Total capital assets - SBITA ROU, net</b>	-	-	-	-	-	-	-	-	-

**Cal Poly Humboldt Foundation**  
**Other Information**  
**(for inclusion in the California State University)**  
**June 30, 2024**

Composition of capital assets - P3 ROU, net:	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2023 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2024
<b>Non-depreciable/Non-amortizable P3 assets:</b>									
Land and land improvements	—				—				—
<b>Total non-depreciable/non-amortizable P3 assets</b>	<b>—</b>				<b>—</b>				<b>—</b>
<b>Depreciable/Amortizable P3 assets:</b>									
Land and land improvements	—				—				—
Buildings and building improvements	—				—				—
Improvements, other than buildings	—				—				—
Infrastructure	—				—				—
Personal property:									
Equipment	—				—				—
<b>Total depreciable/amortizable P3 assets</b>	<b>—</b>				<b>—</b>				<b>—</b>
<b>Less accumulated depreciation/amortization:</b>									
Land and land improvements	—				—				—
Buildings and building improvements	—				—				—
Improvements, other than buildings	—				—				—
Infrastructure	—				—				—
Personal property:									
Equipment	—				—				—
<b>Total accumulated depreciation/amortization</b>	<b>—</b>				<b>—</b>				<b>—</b>
<b>Total capital assets - P3 ROU, net</b>	<b>—</b>				<b>—</b>				<b>—</b>
									<u><u>6,505,916</u></u>
<b>Total capital assets, net including ROU assets</b>									

**3.2 Detail of depreciation and amortization expense:**

Depreciation and amortization expense - capital assets, excluding ROU assets	\$ 191,268	
Amortization expense - Leases ROU	-	
Amortization expense - SBITA ROU	-	
Amortization expense - P3 ROU	-	
Amortization expense related to other assets		Provide explanation for others:
<b>Total depreciation and amortization</b>	<u><u>\$ 191,268</u></u>	-Agree with below-

**Cal Poly Humboldt Foundation**  
**Other Information**  
**(for inclusion in the California State University)**  
**June 30, 2024**

**4 Long-term liabilities:**

	Balance June 30, 2023	Prior Period Adjustments/Recla ssifications	Balance June 30, 2023 (Restated)	Additions	Reductions	Balance June 30, 2024	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ -	-	-	-	-	-	-	-
2. Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-
<b>3. Capital lease obligations (pre-ASC 842):</b>								
Gross balance	-	-	-	-	-	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-
<b>Total capital lease obligations (pre ASC 842)</b>	-	-	-	-	-	-	-	-
<b>4. Long-term debt obligations:</b>								
4.1 Auxiliary revenue bonds (non-SRB related)	-	-	-	-	-	-	-	-
4.2 Commercial paper	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	-	-	-	-	-	-	-	-
4.4 Finance purchase of capital assets	-	-	-	-	-	-	-	-
4.5 Others:	-	-	-	-	-	-	-	-
<b>Total others</b>	-	-	-	-	-	-	-	-
<b>Sub-total long-term debt</b>	-	-	-	-	-	-	-	-
4.6 Unamortized net bond premium/(discount)	-	-	-	-	-	-	-	-
<b>Total long-term debt obligations</b>	-	-	-	-	-	-	-	-

	Balance June 30, 2023	Prior Period Adjustments/Recla ssifications	Additions	Remeasurements	Reductions	Balance June 30, 2024	Current Portion	Noncurrent Portion
<b>5. Lease, SBITA, P3 liabilities:</b>								
Lease liabilities	\$ -	-	-	-	-	-	-	-
SBITA liabilities	-	-	-	-	-	-	-	-
P3 liabilities - SCA	-	-	-	-	-	-	-	-
P3 liabilities - non-SCA	-	-	-	-	-	-	-	-
<b>Sub-total P3 liabilities</b>	-	-	-	-	-	-	-	-
<b>Total Lease, SBITA, P3 liabilities</b>	\$ -	-	-	-	-	-	-	-
<b>Total long-term liabilities</b>						<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Cal Poly Humboldt Foundation**  
**Other Information**  
**(for inclusion in the California State University)**  
**June 30, 2024**

5 Future minimum payments schedule - leases, SBITA, P3:

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

**Cal Poly Humboldt Foundation**  
**Other Information**  
**(for inclusion in the California State University)**  
**June 30, 2024**

**6 Future minimum payments schedule - Long-term debt obligations:**

	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
<b>Year ending June 30:</b>									
2025			-			-	-	-	-
2026			-			-	-	-	-
2027			-			-	-	-	-
2028			-			-	-	-	-
2029			-			-	-	-	-
2030 - 2034			-			-	-	-	-
2035 - 2039			-			-	-	-	-
2040 - 2044			-			-	-	-	-
2045 - 2049			-			-	-	-	-
2050 - 2054			-			-	-	-	-
Thereafter			-			-	-	-	-
<b>Total minimum payments</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less: amounts representing interest									-
<b>Present value of future minimum payments</b>									-
Unamortized net premium/(discount)									-
<b>Total long-term debt obligations</b>									-
Less: current portion									-
<b>Long-term debt obligations, net of current portion</b>									<b>\$ -</b>

**7 Transactions with related entities:**

Payments to University for salaries of University personnel working on contracts, grants, and other programs	711,619
Payments to University for other than salaries of University personnel	2,095,369
Payments received from University for services, space, and programs	370,717
Gifts-in-kind to the University from discretely presented component units	
Gifts (cash or assets) to the University from discretely presented component units	501,060
Accounts (payable to) University (enter as negative number)	(338,905)
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)	

**Cal Poly Humboldt Foundation  
Other Information  
(for inclusion in the California State University)  
June 30, 2024**

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**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

Debit/(Credit)
----------------

	Restatement #1	Enter transaction description
	Select the reason for restatement:	
	Select net position category:	

—
—

	Restatement #2	Enter transaction description
	Select the reason for restatement:	
	Select net position category:	

—
—

**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	—	—	—	—		670,962.00		670,962
Research	—	—	—	—		434,778.00		434,778
Public service	—	—	—	—		147,421.00		147,421
Academic support	—	—	—	—		406,815.00		406,815
Student services	—	—	—	—		453,105.00		453,105
Institutional support	—	—	—	—		580,598.00		580,598
Operation and maintenance of plant	—	—	—	—		—		-
Student grants and scholarships					455,156.00			455,156
Auxiliary enterprise expenses	—	—	—	—		991,789.00		991,789
Depreciation and amortization							191,268.00	191,268
<b>Total operating expenses</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>455,156</b>	<b>3,685,468</b>	<b>191,268</b>	<b>4,331,892</b>

No pension plan reported

N/A

**Cal Poly Humboldt Foundation**  
**Other Information**  
**(for inclusion in the California State University)**  
**June 30, 2024**

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**10 Deferred outflows/inflows of resources:**

**1. Deferred Outflows of Resources**

Deferred outflows - unamortized loss on refunding(s)  
 Deferred outflows - net pension liability  
 Deferred outflows - net OPEB liability  
 Deferred outflows - leases  
 Deferred outflows - P3  
 Deferred outflows - others:  
   Sales/intra-entity transfers of future 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	-
<b>Total deferred outflows of resources</b>	<b>\$ -</b>

**2. Deferred Inflows of Resources**

Deferred inflows - service concession arrangements  
 Deferred inflows - net pension liability  
 Deferred inflows - net OPEB liability  
 Deferred inflows - unamortized gain on debt refunding(s)  
 Deferred inflows - nonexchange transactions  
 Deferred inflows - leases 3,839,509  
 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	-
<b>Total deferred inflows of resources</b>	<b>\$ 3,839,509</b>

**11 Other nonoperating revenues (expenses)**

Other nonoperating revenues	
Other nonoperating (expenses)	(968,946)
Total other nonoperating revenues (expenses)	<b>(968,946)</b>



**Cal Poly Humboldt Foundation**  
**Statement of Fiduciary Net Position**  
(for inclusion in the California State University)  
**June 30, 2024**

Description	Custodial funds Net Position 996	Total
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	7,023,903	7,023,903
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		—
<b>Total current assets</b>	<b>7,023,903</b>	<b>7,023,903</b>
<b>Noncurrent assets:</b>		
Restricted cash and cash equivalents		—
Accounts receivable, net		—
Lease receivables, 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		—
<b>Total noncurrent assets</b>	<b>—</b>	<b>—</b>
<b>Total assets</b>	<b>7,023,903</b>	<b>7,023,903</b>
<b>Deferred outflows of resources:</b>		
Unamortized loss on debt refunding		—
Net pension liability		—
Net OPEB liability		—
Leases		—
P3		—
Others		—
<b>Total deferred outflows of resources</b>	<b>—</b>	<b>—</b>

**Cal Poly Humboldt Foundation**  
**Statement of Fiduciary Net Position**  
**(for inclusion in the California State University)**  
**June 30, 2024**

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<b>Liabilities</b>		
<b>Current liabilities:</b>		
Accounts payable	25,704	<b>25,704</b>
Accrued salaries and benefits		—
Accrued compensated absences, current portion		—
Unearned revenues		—
Lease liabilities, current portion		—
SBITA liabilities - current portion		—
P3 liabilities - current portion		—
Long-term debt obligations, current portion		—
Claims liability for losses and loss adjustment expenses, current portion		—
Depository accounts		—
Other liabilities		—
<b>Total current liabilities</b>	<b>25,704</b>	<b>25,704</b>
<b>Noncurrent liabilities:</b>		
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		—
<b>Total noncurrent liabilities</b>	—	—
<b>Total liabilities</b>	<b>25,704</b>	<b>25,704</b>

**Cal Poly Humboldt Foundation**  
**Statement of Fiduciary Net Position**  
**(for inclusion in the California State University)**  
**June 30, 2024**

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<b>Deferred inflows of resources:</b>			
P3 service concession arrangements		—	
Net pension liability		—	
Net OPEB liability		—	
Unamortized gain on debt refunding		—	
Nonexchange transactions		—	
Lease		—	
P3		—	
Others		—	
<b>Total deferred inflows of resources</b>		—	—
	<b>Net position</b>		
<b>Total ending net position</b>		6,998,199	6,998,199

**Cal Poly Humboldt Foundation**  
**Statement of Changes in Fiduciary Net Positions**  
**(for inclusion in the California State University)**  
**Year Ended June 30, 2024**

GAAP Account	Description	Custodial funds Net Position 996	Total
Additions	Contributions from employers		—
Additions	Contributions from nonemployer contributing entities		—
Additions	Contributions from plan members		—
Additions	Contributions from all sources		—
Additions	Investment earnings	848,445	848,445
Additions	Investment costs		—
Additions			—
Additions			—
Additions			—
Additions			—
Additions			—
Additions			—
Additions			—
Additions			—
Additions			—
	<b>Total Additions</b>	<b>848,445</b>	<b>848,445</b>
Deductions	Benefit payments to plan members		—
Deductions	Total administrative expenses	106,209	106,209
Deductions	Benefit payments		—
Deductions	Redemptions		—
Deductions			—
Deductions			—
Deductions			—
Deductions			—
Deductions			—
Deductions			—
Deductions			—
Deductions			—
Deductions			—
	<b>Total Deductions</b>	<b>106,209</b>	<b>106,209</b>
Increase (decrease) in net position		<b>742,236</b>	<b>742,236</b>
Net position at beginning of year, as previously reported		<b>6,255,963</b>	<b>6,255,963</b>
Restatements			—
Net position at beginning of year, as restated		<b>6,255,963</b>	<b>6,255,963</b>
Net position at end of year		<b>6,998,199</b>	<b>6,998,199</b>

## **Report of Independent Auditors 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  
Cal Poly Humboldt Foundation

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 the business-type activities and fiduciary activities of Cal Poly Humboldt Foundation (the Foundation), a component unit of Cal Poly Humboldt, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements, and have issued our report thereon dated September 13, 2024.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Foundation'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 Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether 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*.

## **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.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Medford, Oregon  
September 13, 2024

