Chico State Enterprises

Finance and Investment Committee

Meeting Minutes
Wednesday, September 14, 2022, 10:00 am
25 Main Street Conference Room (Hybrid)

https://csuchico.zoom.us/j/83091604740?pwd=MmVCUlFEaVlueEVvZDU2elJJL3E3QT09&from=addon
Meeting ID: 830 9160 4740
Passcode: 420745
+1 669 900 6833

Committee Members Present: Ron Barker, Tod Kimmelshue, Bob Kittredge, Mary Sidney

Members Absent: Anita Chaudhry, Debra Larson, Ann Sherman

Other Board Members Present: None

Also Present: Amanda Bullock, Michele Flowerdew, Vance Kelly, Dana Pitman

1. **Call to order at 10:03 am**

2. **Approval of Minutes from May 18, 2022 –** Approved as corrected
   (Kittredge/Barker)
   Motion carried unanimously (4/0/0)

3. **Finance and Investment Committee Report**

   a. **Review of year-to-date FY21-22 Financial Statements** – Kelly reviewed the preliminary financial statements in detail, starting with the General Fund Combined Budget to Actual through June 30, 2022. In the revenue category, he indicated that Indirect Cost Recovery (F&A) increased year over year (YOY) by $152K for a total of $4.24M. Administrative fees were positive $78K over last year. Actual investment income was positive over last year by $4.4K. Unrealized investments gain/(loss) ended at a negative $4.6M as compared to the previous year and a negative $2.9M for the current year-end. Actual total revenue, including the unrealized losses, ended the fiscal year positively, at $3.5M, but with a YOY variance of -$4.5M. Kelly reviewed expenses, noting that the wage and benefits category came in at 10% over budget due to market rate adjustments, increased associated fringe rates, and additional staff hires. Office operations decreased slightly over last year. Facility fees were accrued at $206K, but that number may be adjusted. Kittredge asked for an update on the facilities' use fees status. Sidney shared that this topic is unresolved. Her initial proposal was not accepted but she received feedback, and then she and Larson countered with an amended proposal three days ago. That proposal is currently under consideration by the Business and Finance department. Sidney estimates the facilities use fees to be no more than $250K annually once an agreement is reached. This will affect FY2021-22 and set the stage for the current FY2022-23. Kelly continued with his recap of the financials, noting that other contract services including IT services are less than last year by $145K due to the budgeted software conversion that has not yet taken place. Insurance costs continue to climb each year. Total expenses YOY increased by $399K, ending at $5.4M. He noted that, had we not experienced the unrealized investment losses, the year's $3.5M actual revenue would've been $6.5M and the net operating activities would've been a positive $1.0M instead of the actual loss of -$1.9M.

Kelly reviewed the Statement of Net Position as of June 30, 2022, noting that these are still preliminary numbers. Total assets ended at $47.0M, a loss of $228K over the prior year. Cash and investments were negative by $2.9M YOY. There was a slight increase in short-term investments of $476K. Accounts receivable increased by $5.1M YOY. Long-term investments decreased over last year by $2.3M. Kelly reviewed the liabilities, noting that total liabilities at year-end were $15.4M as compared to $14.2M in the prior year. Accounts payable decreased YOY by $312K. Accrued expenses increased by $1.9M, largely due to expenses that didn't make it into the AP module prior to year-end. Unearned revenue has decreased slightly, as have long-term debt obligations. Other post-employment benefits obligations decreased over the prior year. Total liabilities increased by $1.2M YOY. The total net position at year-end was $31.6M as compared to $32.9M the prior year, showing a YOY decrease of $1.4M. Kimmelshue asked about the management of the investments with Arnerich Messina, whose services we share with the University Foundation. Kittredge indicated that there hasn't been a reason to change investment advisors since engaging them. Kelly noted that our fees are lower due to the joint engagement as well as providing CSE with greater investment opportunities. There is an outside consulting firm that reviews investment managers and they recommended staying with Arnerich Messina.

Kelly reviewed the Statement of Revenue and Changes in Net Position through June 30, 2022, as compared to the same period, prior year, beginning with revenues and other support. Grant and contract revenue increased by $6.6M over the prior year, indicating increased activities, sponsored programs, and development. There was a slight uptick of $571K in event and membership revenue. Rental income was down slightly YOY. Administrative revenue is down by $47K over the prior year. Investment activity is negative $4.6M over the prior year. With FY20-21 ending at $48.1M last year, there was an increase of $3.1M in total revenues and other support, ending FY21-22 at $51.2M.

Kelly reviewed expenses, noting that salaries and wages increased by $1.7M YOY. Employee benefits increased by $647K more than the prior year. Faculty and student support expenses increased by $767K YOY. Contract services increased by $588K YOY. Operating expenses increased by $890K. Hospitality and hosting have increased by $210K since pandemic restrictions have relaxed somewhat. Participant costs increased by $698K. Sidney noted that participant costs have doubled over the prior year, sharing that analysis is being done to identify high participant costs for programs with very low indirect reimbursement. Key learnings thus far have shown just how high the participant transaction cost is. This is primarily comprised of stipends paid to students for tuition, books, travel, and other expenses. Due to our existing rate agreement, CSE may not collect indirect costs on any amounts over $25K and many of the grants/contract awards are much larger than that. Kittredge noted that CSE is clearly losing money and profitability, noting that a lot of that seems to be tied directly to the low indirect cost recovery that drives a lot of the profitability of the general fund and subsequently affects F&A distributions. Flowerdew explained that subcontracts over $25K only allow the collection of indirect cost recovery on the first $25K based on the negotiated NICRA rate with the federal government. Any amounts over $25K are ineligible for cost recovery.

Kelly resumed his review of the Statement of Revenue and Changes in Net Position through June 30, 2022, noting that Equipment/IT increased $324K over last year. Travel increased 100% or $322K over last year due to the decrease in COVID restrictions. Kelly noted that CSE was awarded a grant, which approved the setup of a quasi-endowment that would fund that program in perpetuity. Kittredge asked if this could be renewed in future years. There is a 10 to 15-year term during which the endowment can't be touched. Kelly noted it did cause a bit of an issue because there is an endowment policy with the University Foundation which has a limitation that we can only spend 50% of the earnings. He shared that the change in operations before transfers at year-end was negative by $1.4M, showing a negative variance of $3.4M over the prior year-end. Total expenses ended at $52.6M, an increase of $6.5M over the prior year. The net position ended at $31.6M, a negative variance over the prior year of $1.4M.

Kelly presented a General Fund Net Position review displaying the fiscal year beginning balance, change, and ending balances for 2020, 2021, and 2022. He reviewed the composition of the change in net position, explaining that the net investment results are the primary reason for the large disparity in year-over-year totals. The total change for each year minus unrealized investment results shows the results for all other activities. He pointed out that the ending balance for 2022, $4.9M, as compared to the ending balance of 2020, $4.4M, shows some growth. In 2020, the results for all other activities after removing the net investment results ended the year at $187K, as compared to -$95K in 2021, and -$300K in 2022, showing that our expenses continue to outweigh income for activities. Kelly reviewed the indirect cost recovery analysis for those same three years, noting that the way that we earn revenue is to spend funds. Grants and contracts show increases in expenditures, but not at the same rate as costs. He explained that our indirect cost recovery rate has dropped from 13.21% in 2020 to 11.72% in 2021, and down further to 10.87% in 2022.

Our grant and contract expenditures over the past three years have increased by nearly $10M, but the actual indirect cost recovery rates are going in the wrong direction. Barker asked if this was due to many of the grants and awards having subcontracts. Kelly replied that there are many reasons this can happen. CSE can only collect indirect fees on expenditures up to $25K. For large grants/contracts, we collect indirect costs up to that $25K, but don't collect any indirect revenue after that, despite that we must continue to administer the contract, so it becomes a losing proposition. Some of the grants are capped at very low indirect cost recovery amounts. As an example, the Department of Education only reimburses at 8%, not even covering our cost of doing business. A portfolio of at least 60% of grants and contracts where we collect full indirect rates would allow CSE to be profitable. But once that mix shifts closer to 50% or lower, we begin to lose money. There are several contracts/subcontracts in the portfolio that cost more to administer than we can get reimbursed for.

Sidney noted that the volume of large grants and contracts that don't pay full indirect costs has increased significantly. Many of the funds pass through to subcontractors, but the liability and responsibility of the administration still falls to CSE. One of the considerations going forward must be, to what extent can we continue to take on the grants and contracts that don't cover our cost of doing business at the current reimbursement rate. Kimmelshue noted that we might need to adjust how much we charge. He also asked if CSE can decline to take on certain grants or contracts based on their reimbursement rate. Sidney stated that, historically, CSE has allowed submission of all academically approved grants or contracts, noting that that's how other auxiliaries are functioning as well. Kittredge noted the $10M jump in activity, which shows 30% growth over the past two years, is not reflected in our bottom-line numbers as we would expect. He questioned whether the university fully understands what is happening.

Kimmelshue asked what level, as the Board, we have to right-size and make the organization sustainable. Sidney noted that compliance with our operating agreement requires that CSE is self-sustaining and that the current trend is not sustainable. Kelly suggested that we need to be more creative with how we charge in the future. Kimmelshue asked where we can make more money on these projects. Historically, CSE has taken on whichever grants and contracts are recommended by the colleges. Currently, we are taking on more low-rate contracts, and there is not enough offset by the higher-rate contracts.

Kimmelshue suggested that we don't spend as much time reviewing the financial statements at the upcoming Board meeting, instead reviewing the current situation with grants and contracts and the low levels of reimbursement. This trend will continue unless we do something differently. Flowerdew shared that we are submitting our new F&A rate proposal, but she doesn't anticipate that will result in a large reimbursement rate increase. At the proposal stage, it was suggested that we need to negotiate, when possible, which low-reimbursement grants/contracts we accept. Barker suggested having boundaries such as a specific number or dollar amount cap for grants and contracts that pay below the break-even point. Sidney noted that she is researching ways to possibly build guard rails into grants such as adding a participant cost admin fee, which would only affect those projects which contain participant costs. Since proposals go through the project directors, deans, and the Provost, this provides opportunities for clear and candid conversations with the constituents on the front end of grants before the approval stage. She is also speaking with the F&A consultants about these possibilities. She anticipates being able to provide a list of options rather than simply turning away some grants. At the next Board meeting, Kittredge suggested a quick overview of the basic financial statements and then diving deeper into F&A and indirect cost recovery issues and the challenges CSE is facing. He suggested sharing the numbers in the schedules Kelly shared today for the entire Board's edification.

Kimmelshue asked about the possibility of asking the university to reimburse CSE for grants and contracts that serve the mission of the university, but that don't cover our costs. Sidney is convinced that the F&A policy approved in 2018 is not sustainable. There is no current specific formula for the sustainability of the organization. Kimmelshue suggested evaluating the success of the organization in the future by omitting the investment income from the evaluation. Kelly noted that F&A allocation and space allocation tie together. Flowerdew noted that when some of these programs are capped, there tend to be a lot of participant costs. Since participant costs are exempt from collecting indirect costs, it's a losing financial proposition for CSE.

Kelly reviewed the grant and contract expenditures showing 2020, 2021, and 2022 variances, illustrating that expenses have gone up and indirect cost recovery has consistently gone down, with indirect cost recovery dropping from 6.97% in 2020 to 5.34% in 2021, and down to 3.72% in 2022.

Sidney shared a slide entitled *Current trend in proposals and sponsored program activity* with the Committee. The data displayed indicated a significant increase in the number of applications and funding submitted in FY2021-22 over prior years. Flowerdew noted that some of the awards awarded in FY2021-22 may have been submitted in prior years. The next slide illustrated Grant and Contract Expenditures FY2017-2022, showing that, while total expenditures have increased year over year and indirect recovery has increased slightly over the previous year, the effective recovery rate has steadily declined over the past two fiscal years. Sidney has asked each of her managers to do a rigorous assessment of their staffing needs based on the current volume in order to assure adequate staffing for this increased volume in the future.

Kittredge asked about the land transfer to the Mechoopda Tribe, asking whether CSE will take a loss on that land transfer. Kelly responded that we would recognize the transfer of the land as a loss on our books. Kittredge asked if other land transfers are scheduled to transfer to tribes or other entities soon. Sidney noted that Eagle Lake is under consideration for transfer to the Susanville Rancheria. Last week, we heard that it is moving forward and going to be reviewed. Sidney has not learned of any others.

4. **The next meeting date and time will be announced and communicated electronically**

5. **The meeting was adjourned at 11:30 a.m.**

Respectfully submitted,

Mary Sidney

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Mary Sidney, Secretary

Chico State Enterprises

Finance and Investment Committee

Meeting Minutes
Friday, November 4, 2022, 9:00 am
25 Main Street Conference Room (Hybrid)

https://csuchico.zoom.us/j/81266501731?pwd=Q3owcTdRZldQYkczdmYxZ0JuUTB0QT09&from=addon
Meeting ID: 812 6650 1731
Passcode: 143861
+1 669 900 6833

Committee Members Present: Ron Barker, Anita Chaudhry, Bob Kittredge, Debra Larson, Mary Sidney

Members Absent: Ann Sherman, Tod Kimmelshue

Other Board Members Present: None

Also Present: Amanda Bullock, Michele Flowerdew, Vance Kelly, Dana Pitman

1. **Call to order at 9:04 am**

2. **Approval of Minutes from September 14, 2022 –** Tabled until the next meeting

3. **Presentation, review, and discussion of F&A recovery data**

   Sidney advised that she has done an in-depth review of F&A data and walked the committee through a slide presentation. Grant and contract expenditures and the indirect cost recovery year-over-year were reviewed and reflected an indirect cost recovery decline. She displayed the chart titled F&A Variances from Break-Even (BE) which was included in the packet materials. Data was reviewed project by project, then PI by PI, and finally, by each PI and center's portfolio of projects, looking at the variances from break-even. In the past, some projects provided enough reimbursement to compensate for the projects that didn't reimburse adequately. But something has changed and that is no longer the case. Management grouped projects by broad categories of variances from the organizational break-even point of 13%. They then identified who the program directors are and how many there are in each group. The centers have a break-even shortfall greater than $200K. There was good news in that, if we need to define an alternative F&A recovery strategy, there are only currently three PIs leading the centers. The magnitude of their F&A shortfall makes sense because they are doing business in the multi-millions. Most of the PIs are not doing projects at this level. So while the group of centers fall into the category of having a break-even shortfall greater than $200K, most of the campus--63 PIs-- is either in the zero-$100K shortfall from break-even category (46 PIs) or their projects operate above the break-even point.

Chaudhry asked for clarification about the chart and Sidney explained that the top row illustrates centers only and the next three rows illustrate non-center PIs. Sidney explained that break-even is defined as 13%. She also clarified that, during the initial data review, she was analyzing the data project by project, looking for how portfolios performed year-over-year. All three PIs for all three centers had an F&A shortfall based on their annual expenditures. The highest impact is coming from the centers due to the scale of their center grant and contracts and subcontractors. Subcontracting is often disadvantageous to F&A recovery because the government restricts the amount that can be collected on a subcontract. Sidney plans to have conversations with the PIs about these aspects of their funding. For example, the PI leading the Center for Healthy Communities has expanded to 53 subcontractors, but Chico State Enterprises (CSE) still only receives $25K on each subcontract. Also, there is a huge increase in stipends in some of these larger projects requiring significant CSE administrative staff effort, although we aren't receiving any additional F&A revenue. We are analyzing each PI's entire portfolio to determine their overall variance from the break-even point. Thus far, we know that a significant amount of these issues come from the centers.

Sidney has already started her conversations with the center directors whose projects are performing at less than F&A break even. The three PIs in this group are Stephanie Bianco with the Center for Healthy Communities, Joe Cobery with Passages, and Jason Schwenkler with the Geographic Information Center and the Center for Economic Development.

Further, Provost Larson will meet with two college deans, Angela Trethewey and David Hassenzahl, today to continue the discussion from the Board meeting to understand and articulate the academic perspective and priorities with regard to the low reimbursement for specific types of grants such as the Department of Education and HSI, and how we might restructure those going forward. There are many expenses that are exempt from F&A, including stipends. There are also many sponsors that cap F&A.

Sidney shared some possible alternative F&A recovery strategies

- Direct charge CSE admin staff time when the sponsor allows
- Assume a subcontractor role vs. primary contractor role with partnerships
- Re-evaluate partnership and contractor definitions: sub-awardee or service provider
- Using PI discretionary funds to help offset break-even shortfall
- Exploring administrative fees for participant costs
- Some combination of all the above

Development and clarification of relevant policies is critical.

Sidney concluded her presentation by providing the status of F&A recovery analyses noting that discussions have started with center directors about improving F&A recovery strategies and alternatives are being explored. She will receive will receive feedback from the two dean Board members regarding academic principles and priorities and incorporation into strategies, and is also seeking feedback from the Finance and Investment Committee.

Kittredge commended Sidney for her analyses thus far. He asked if she had a compilation of the composition of costs, identifying which centers or contracts have the largest subcontractor groups and other non-reimbursable F&A costs, that would illustrate the makeup of reduced F&A recovery. Sidney shared a spreadsheet that provided granular PI and center data over three fiscal years. Kittredge asked if we are spending the same level of effort when supporting subcontracts. Sidney noted that vendors likely presume that CSE is using the existing CSU infrastructure, which is inaccurate. When CSE is the primary contractor, we must validate the data, make sure it reconciles to the budget, and then submit check requests for payment. Audits go through CSE, not through the subcontractors. Flowerdew noted that we also do annual monitoring, desk, and other annual audits, using the analyst's time to verify accuracy. With cost-reimbursed projects, CSE often pays the subcontractors before we receive our payment, requiring management of cash flows. There has been some discussion with subcontractors about delaying payment to those subcontractors until CSE receives their payments, but that has not been received favorably. So there is significant effort required to support subcontracting.

Sidney has started a conversation with Joe Cobery and learned that he had received $1M in COVID-relief funds, none of which allowed for any F&A recovery to CSE. Kittredge asked about Sidney's go-forward plan. Sidney suggested that this will likely take several conversations about the practicality of supporting programs that under-recover. F&A. Sidney expects that by December she should have additional information to create both short- and long-term action plans, both for the programs/centers and for CSE, for planning purposes. Kittredge expressed his appreciation, noting that Sidney's data and focus have been very helpful in understanding this complex situation.

Larson asked the group to discuss the values of sponsored program work. She believes that the sponsored program work needs to have a clear and visible relationship to the university's mission broadly. She asked for CSE Administration's perspective, for example, the financial viability of the organization. Flowerdew suggested that CSE's priorities should support Chico State students, such as paying tuition or stipends to offset some college costs. Barker opined that other programs that have participant costs, (non-Chico State students in other school districts, etc.) should be structured differently. Reputation is very important as sponsored programs/research is how universities build reputations on the national stage. Sidney noted that organizational readiness doesn't necessarily allow for pivoting quickly. Each grant or contract has its own idiosyncrasies and infrastructure requirements and Larson suggested that that is true both on the CSE side as well as the university's side. Flowerdew suggested that there are projects that don't involve students at all, and that student participation in the research should perhaps be considered. Larson noted that newer faculty research work can be vitally important for those faculty members' career growth and opportunities. Flowerdew noted that CSE administers many projects that benefit communities but noted that the communities don't necessarily know about them. We could do a better job of telling the public about them.

Chaudhry expressed her appreciation for the data shared by Sidney. She suggested, for Sidney's conversations with the center directors, sharing administrative costs to CSE with those directors might be useful. Sidney agreed.

4. **Next meeting date and time is December 7, 2022**

5. **The meeting was adjourned at 10:03 a.m.**

Respectfully submitted,

Mary Sidney, Secretary

Chico State Enterprises

Date: December 1, 2022

To: CSE Finance and Investment Committee

From: Vance Kelly, Director of Finance and Accounting

Subject: CSE Financial Statements for October 31, 2022

CSE General Fund Combined Budget to Actual

Attached, please find the October 31, 2022 financial statements. In the General Fund Budget to Actual we are on target for our overall projected revenue amount for the first four months of the fiscal year and expenses are slightly over our projected numbers for the first four months due to the timing of the payment of insurance and the insurance costs exceeding our estimate. Year over year we are $383,793 (32%) ahead of last year's indirect cost recovery through October 31. Please note that I have moved the Unrealized gain/(loss) number to the bottom of the report so that it can still be referenced without skewing the budget to actual numbers for Investment income. Our overall cash position remains strong and comparable to the cash balances at June 30, 2022 with sufficient resources to cover current and future planned operating expenses.

CSE Statement of Net Position

For CSE overall, Cash and investments are down from the same period last year due to Unrecognized losses and increased sponsored programs activity which is reflected in the $3.6 million increase in Accounts receivable from the same period last year.

Accounts Payable have decreased by $1.8 million from the comparable period last year while accrued expenses have increased by $1.1 million and Unearned revenue decreased by $333 thousand.

Total assets have decreased by $3.8 million from the same period last year with $700 thousand of attributable to operations this current year.

CSE Statement of Revenues, Expenses and Changes in Net Position

Overall Revenues have decreased by $595 thousand from the same period last year with the majority of the amounts coming from Investment activity and Transfers in from CSU, Chico and the UF.

Expenses across the organization increased by $550 thousand with notable increases in Salaries and wages, Employee benefits, Operating expenses, Participant costs and Travel offset by decreases in Contract services.

Total Net Position decreased by $519 thousand for the period.

Conclusion

Current activity levels indicate that we are on course for a fiscal year similar to the past two years. We saw a marked increase and in sponsored program activity through September with a drop in activity in October compared to the same periods last year. I would anticipate an increase in the next month for sponsored programs Contract services due to timing. As always, we continue to monitor our accounts receivable for timely collection of invoices due to the large number of our cost reimbursable projects.

CSE General Fund Combined Budget to Actual through October 31, 2022

						FY22-23 Budget to Actual		
	FY18-19 Actual	FY19-20 Actual	FY20-21 Budget	FY20-21 Actual	FY21-22 Actual	FY22-23 Budget	FY22-23 Actual	% Realized
Revenue								
Indirect cost recovery (F&A)	$ 3,627,921	$ 3,882,696	$ 3,350,000	$ 4,087,926	$ 4,240,172	$ 4,333,202	$ 1,581,320	36%
University Foundation business services	590,000	608,676	592,000	490,000	457,847	450,000	150,000	33%
Administrative fees	409,120	397,888	405,000	247,616	325,609	366,760	113,287	31%
ARI administration	-	85,000	80,000	85,000	80,000	100,000	-	0%
University lease - 25/35 Main	70,043	71,074	-	-	-	-	-	0%
Investment income	515,285	63,609	250,000	1,054,038	1,058,438	350,000	38,590	11%
Transfer from CSUC - Agreement	74,979	177,202	30,000	365,171	285,000	285,000	-	0%
Other	-	-		-	27,340	50,000	3,467	7%
Total Revenue	**5,287,348**	**5,286,145**	**4,707,000**	**6,329,751**	**6,474,406**	**5,934,962**	**1,886,664**	**32%**
Expenses								
Wages and benefits	2,932,966	3,076,518	3,100,277	3,420,882	3,866,585	4,205,702	1,414,548	34%
Office operations	276,816	233,521	200,000	223,031	207,424	205,000	81,398	40%
CSU, Chico payments								
Information Technology	85,575	295,080	147,100	139,499	130,596	156,569	53,340	34%
Facility fees	190,701	200,968	206,000	179,036	206,000	206,000	68,667	33%
Property management	39,046	39,827	41,000	40,623	41,436	43,922	14,641	33%
Risk management	22,000	22,827	22,500	23,284	24,829	26,319	8,773	33%
Financial audit and tax services	104,003	140,033	116,000	119,075	115,061	120,585	40,828	34%
Contract software maintenance fees	227,811	184,973	121,000	144,477	184,648	250,665	18,593	7%
Other contract services - IT/Audit/Other	85,010	127,924	78,500	275,374	130,015	175,677	92,628	53%
Software amortization	21,780	-	40,000	-	-	-	-	0%
Insurance	93,203	123,341	100,000	123,268	181,073	185,000	226,614	122%
25/35 Main CSE/RESP expenses	178,178	172,580	188,171	208,050	206,194	214,292	69,351	32%
25/35 Main Centers expenses	238,599	129,251	141,001	141,001	142,857	145,231	47,000	32%
Total Expenses	**4,495,688**	**4,746,843**	**4,501,549**	**5,037,600**	**5,436,718**	**5,934,962**	**2,136,381**	**36%**
Operating Activities Net	**$ 791,659**	**$ 539,302**	**$ 205,451**	**$ 1,292,151**	**$ 1,037,688**	**$ -**	**$ (249,717)**	
Unrealized gain/(loss)				1,708,137	(2,932,098)		(134,055)	

CSE Statement of Net Position as of October 31, 2022

	CSE General Fund	Plant and Bond Fund	Board Designated Fund	Auxiliary Activities Fund	Sponsored Programs Fund	Campus Program Fund	10/31/2022	10/31/2021	Change from PY
Assets									
Cash and investments	$ 151,803	$ 238,371	$ 1,953,781	$ 440,488	$ 3,386,481	$ 13,138,397	$ $ 19,309,321	$ $ 26,332,664	$ (7,023,343)
Short-term investments	-	-	-	189,578	-	-	189,578	188,325	1,253
Accounts receivable, net	1,270,541	30,082	-	350,360	11,227,139	153,519	13,031,641	9,335,117	3,696,524
Inventories	-	-	-	185,120	-	-	185,120	157,363	27,757
Prepaid expenses and other assets	322,892	-	48,083	1,237	105,494	23,866	501,572	493,875	7,697
Long-term investments	-	-	-	-	-	18,532	18,532	18,532	-
Notes receivable	-	-	-	-	-	38,013	38,013	34,796	3,217
Capital assets, net	-	6,966,532	-	1,635,743	-	294,273	8,896,548	9,385,094	(488,546)
Total Assets	$ 1,745,236	$ 7,234,985	$ 2,001,864	$ 2,802,526	$ 14,719,114	$ 13,666,600	$ $ 42,170,325	$ 45,945,766	$ (3,775,441)
Liabilities									
Accounts payable	$ 390,371	$ 177	$ 7,965	$ 119,738	$ 763,204	$ 105,303	$ $ 1,386,758	$ 3,189,870	$ (1,803,112)
Accrued expenses and other liabilities	3,059,555	176,480	16,015	5,919	13,526	447,797	3,719,292	2,558,649	1,160,643
Unearned revenue	-	-	-	-	3,236,481	43,697	3,280,178	3,614,135	(333,957)
Interfund (receivables) payables	(7,137,884)	-	(500,705)	669,168	7,119,422	-	150,001	-	150,001
Long-term debt obligations	-	1,861,846	-	-	-	-	1,861,846	2,033,879	(172,033)
Other postemployment benefits obligation	694,829	-	-	-	-	-	694,829	951,314	(256,485)
Reserve for grant cost disallowance	330,000	-	-	-	-	-	330,000	330,000	-
Total Liabilities	(2,663,129)	2,038,503	(476,725)	794,825	11,132,633	596,797	11,422,904	12,677,847	(1,254,943)
Total Net Position	$ 4,408,365	$ 5,196,482	$ 2,478,589	$ 2,007,701	$ 3,586,481	$ 13,069,803	$ $ 30,747,421	$ 33,267,919	$ (2,520,498)

CSE Statement of Revenue, Expenses and Changes in Net Position through October 31, 2022

	CSE General Fund	Plant and Bond Fund	Board Designated Fund	Auxillary Activities Fund	Sponsored Programs Fund	Campus Programs Fund	Totals 7/1/2022 - 10/31/2022	Totals 7/1/2021 - 10/31/21	Change from PY
Revenues and other support:									
Grant and contract revenue	$ -	$ -	$	$ -	$ 11,783,656	$ -	$ 11,783,656	11,941,946	$ (158,290)
Sales	-	-	-	526,228		36,809	563,037	503,138	59,899
Event and membership	-	-		23,729	-	900829	924,558	380,874	543,684
Rental income	-	46,119	-	3,756	-		49,875	50,274	(399)
Administrative revenue	150,000	-			-			150,000	-
Investment activity	(95,465)	-		996	-	177		312,728	(407,020)
Transfers from CSU , Chico		-		300,000	-			515,550	(215,550)
Transfers from other auxillaries		-		24,079		157,977		339,577	(157,521)
Other income	900			1,606	74,544	102,653		440,311	(260,608)
Total revenues and other support:		46,119		880,394	11,858,200	1,198,445		14,634,398	(595,805)
Expenses:									
Salaries and wages		-		138,496	5,115,197	300,265		5,324,184	1,218,700
Employee benefits		-		36,194	1,533,230	76,019		1,607,814	494,610
Faculty and student support		-		14	1,030,095	46,496		1,128,094	(51,489)
Contract services		-		104,522	1,042,420	71,771		3,860,457	(2,202,415)
Operating expenses		29,526		413,191	367,559	276,278		923,333	435,495
Office supplies and expenses				11,035	80,478	12,428		122,173	5,948
Hospitality and hosting		-		4,688	35,940	35,280		55,317	35,306
Participant costs		-			597,192	514		340,970	257,802
Equipment and IT		-		63,315	117,201	9,634		351,812	(113,399)
Travel		-			294,786	2,874		115,891	207,842
Other operating expenses		-		3,067	10,097	6,087		8,232	27,177
Depreciation and amortization		255,604		169,955		3,932		419,543	9,948
Transfers to CSU, Chico					120,000	30,001		22,891	143,300
Transfers to other auxillaries		-	-		65,001	41,308		34,925	71,384
Total expenses:	2,160,758	285,130	143,397	944,477	10,409,196	912,887		14,315,636	540,209
Change in operations before transfers:		(239,011)		(64,083)	1,449,004	285,558		318,762	(1,136,014)

CSE Statement of Revenue, Expenses and Changes in Net Position through October 31, 2022

	CSE General Fund	Plant and Bond Fund	Board Designated Fund	Auxillary Activities Fund	Sponsored Programs Fund	Campus Programs Fund	Totals 7/1/2022 - 10/31/2022	Totals 7/1/2021 - 10/31/21	Change from PY
Transfers:									
Indirect Cost Recovery	1,581,320	-	-	-	(1,581,320)	-	-	-	-
Administrative fees	113,287	-	-	(45,969)	-	(67,318)	-	-	-
Interfund transfers	(113,783)	124,629	845,044	400	(878,519)	22,229	-	-	-
Change in Net Postion:	(524,499)	(114,382)	701,647	(109,652)	(1,010,835)	240,469	(817,252)	318,762	(1,136,014)
Net Position, beginning	4,932,864	5,310,864	1,776,942	2,117,353	4,597,316	12,829,334	31,564,673	30,948,285	616,388
Net Position, ending	$ 4,408,365	$ 5,196,482	$ 2,478,589	$ 2,007,701	$ 3,586,481	$ 13,069,803	$ 30,747,421	$ 31,267,047	$ (519,626)