

Chico State Enterprises

Financial Statements and Supplemental Information

Years Ended June 30, 2023 and 2022



CHICO STATE ENTERPRISES
Financial Statements and Supplemental Information
Years Ended June 30, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Chico State Enterprises

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Chico State Enterprises (a nonprofit organization), which comprise the statements of net position as of June 30, 2023 and 2022, and the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Chico State Enterprises as of June 30, 2023 and 2022, and the changes in its net position and its cash flows for the year then ended in accordance with principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller 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 Chico State Enterprises and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the 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 Chico State Enterprises' 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 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 opinion. Reasonable assurance is a high level of assurance but it is not absolute assurance and therefore not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Governmental 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 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 likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

Auditor's Responsibilities for the Audit of the Financial Statements, continued

In performing an audit in accordance with generally accepted auditing standards 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 Chico State Enterprises' 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 Chico State Enterprises' 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 Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-13 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 supplemental 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.

Management has omitted required supplementary information related to other postemployment benefits (10-year schedules of changes in the net pension liability and related ratios) that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. The supplemental information presented on pages 32 - 52 is presented for the purposes of additional analysis as required by the California State University Office of the Chancellor and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the 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 25, 2023, on our consideration of Chico State Enterprises' 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 Chico State Enterprises' 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 Chico State Enterprises' internal control over financial reporting and compliance.

Aldrich CPAs + Advisors LLP

San Diego, California
September 25, 2023

CHICO STATE ENTERPRISES

Management's Discussion and Analysis

Year Ended June 30, 2023

Introduction

Chico State Enterprises (CSE) is a not-for-profit auxiliary organization formed to develop and administer those activities that aid and supplement the educational mission of California State University, Chico (CSU, Chico). The CSU, Chico Research Foundation (RF) was incorporated in 1997 following a reorganization of the responsibilities of the University Foundation. In 2019, the RF was reorganized and renamed Chico State Enterprises. CSE solicits and manages grants and contracts as well as entrepreneurial activity and programs that directly benefit the University, its faculty and students. To fulfill its purpose of pursuing, developing and administering activities that aid and supplement the mission of the University, CSE pursues a wide range of opportunities including:

- Soliciting and managing externally funded projects orientated toward research, education, or public service, which present opportunities for scholarship, creative activity and professional development.
- Providing a source of supplemental income and discretionary funds to support University needs, such as Faculty and College Unit Incentive funds and activities which cannot be supported by State funds.
- Operating academically-related enterprises such as the CSU, Chico Farm.
- Acting as a fiscal agent for numerous campus programs, such as Professional and Continuing Education, University Public Events, the revenue-generating special projects of university departments, and providing gift administration services of the University Foundation.
- Funding and managing various ecological preserves and reserves, as well as property acquired for investment purposes or to provide space for University programs.

For the year ended June 30, 2023, CSE continued to see an uptick in activity throughout the organization, particularly in sponsored programs which saw an increase of \$5,820,037 in increased revenue and \$5,207,785 in expenses.

The following discussion and analysis provides an overview of the financial position and activities of CSE for the years ended June 30, 2023, 2022 and 2021. The discussion has been prepared by management and should be read in conjunction with the June 30, 2023 financial statements and notes thereto, which follow this section.

Introduction to the Financial Statements and Supplementary Information

This audit report consists of a series of financial statements prepared in accordance with Governmental Accounting Standards Board (GASB) principles. One of the most important questions asked is whether CSE's financial situation has improved or declined as a result of the year's activities. The main keys to answering this question are the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows.

The Statement of Net Position is one indicator of CSE's financial health and reports the difference between assets and deferred outflows of resources, less liabilities and deferred inflows of resources. Over time, increases or decreases in net position are one indicator of the improvement or decline of CSE's financial condition when considered in combination with other non-financial information.

The Statement of Revenues, Expenses, and Changes in Net Position presents revenues earned and expenses incurred during the year. Activities are reported as either operating or non-operating; with the above mentioned activities reported as operating revenues and expenses and investment results reported as non-operating revenues

CHICO STATE ENTERPRISES

Management's Discussion and Analysis

Year Ended June 30, 2023

Introduction to the Financial Statements and Supplementary Information, continued

and expenses. This statement is prepared using the accrual basis of accounting, whereby revenues and receivables are recognized when the service is provided and expenses and liabilities are recognized when incurred, regardless of when cash is exchanged.

Another way to assess the financial health of CSE is to review the Statement of Cash Flows. Its primary purpose is to provide relevant information about the sources and uses of cash of an entity during a given period. The information provided in this statement can help financial report users assess CSE's ability to generate future net cash flows, its ability to meet its current and non-current obligations as they become due, and its need for external financing. It also provides insight into the reasons for differences between operating income and associated cash receipts and payments and the effects on CSE's financial position from its cash and noncash investing, capital, and related financing transactions during the year.

CSE's financial statements must be read in conjunction with the Notes to the Financial Statements in order to fully understand the financial position and activities of CSE. The Notes to the Financial Statements provide information intended to paint a more detailed picture for the financial statement reader. Key information provided in the Notes to the Financial Statements are definitions of relevant terms, significant accounting policies, the use of estimates, additional detail on items such as capital assets and long-term debt, investments and investment classifications, postemployment benefits and important disclosures related to potential litigation or subsequent events that occurred after June 30, 2023 that could impact the financial resources of CSE.

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. While the Statement of Net Position and Statement of Revenues, Expenditures and Changes in Net Position look at CSE as a whole, the Schedule of Net Position by Fund and the Schedule of Revenue, Expenses and Changes in Net Position by Fund are presented for individual funds that comprise CSE.

Another integral part of CSE's audit report is the Schedule of Expenditures of Federal Awards (SEFA). The SEFA is a supplemental schedule that is required under the Uniform Guidance at 2 CFR 200.510 for organizations that expend more than \$750,000 in federal awards. Key reporting requirements of the SEFA include the Assistance Listing (AL) number, the amount of expenditures by each AL number, the name of the federal funding agency, the contract or agreement number, grouping of similar programs by cluster and amounts passed through to sub-recipients.

All sections and financial statement reports must be considered together to obtain a complete understanding of the financial picture of CSE.

Statement of Net Position

The Statement of Net Position presents the financial position of CSE as of June 30, 2023. It includes all assets, deferred outflows of resources, liabilities, deferred inflows of resources and the net position – the residual between the assets and liabilities of CSE. Assets and liabilities are generally measured using current values. However, investments are typically measured at fair value using quoted market prices or Net Asset Value (NAV) and capital assets are typically carried at historical cost less accumulated depreciation. The difference between current and non-current is measured from the date of the Statement of Net Position. Current means within one year and non-current would be anything past one year from the date of the Statement of Net Position. Therefore, current assets would be expected to be converted to cash within one year and current liabilities are expected to be paid within one year from current resources (assets).

CHICO STATE ENTERPRISES
Management's Discussion and Analysis
Year Ended June 30, 2023

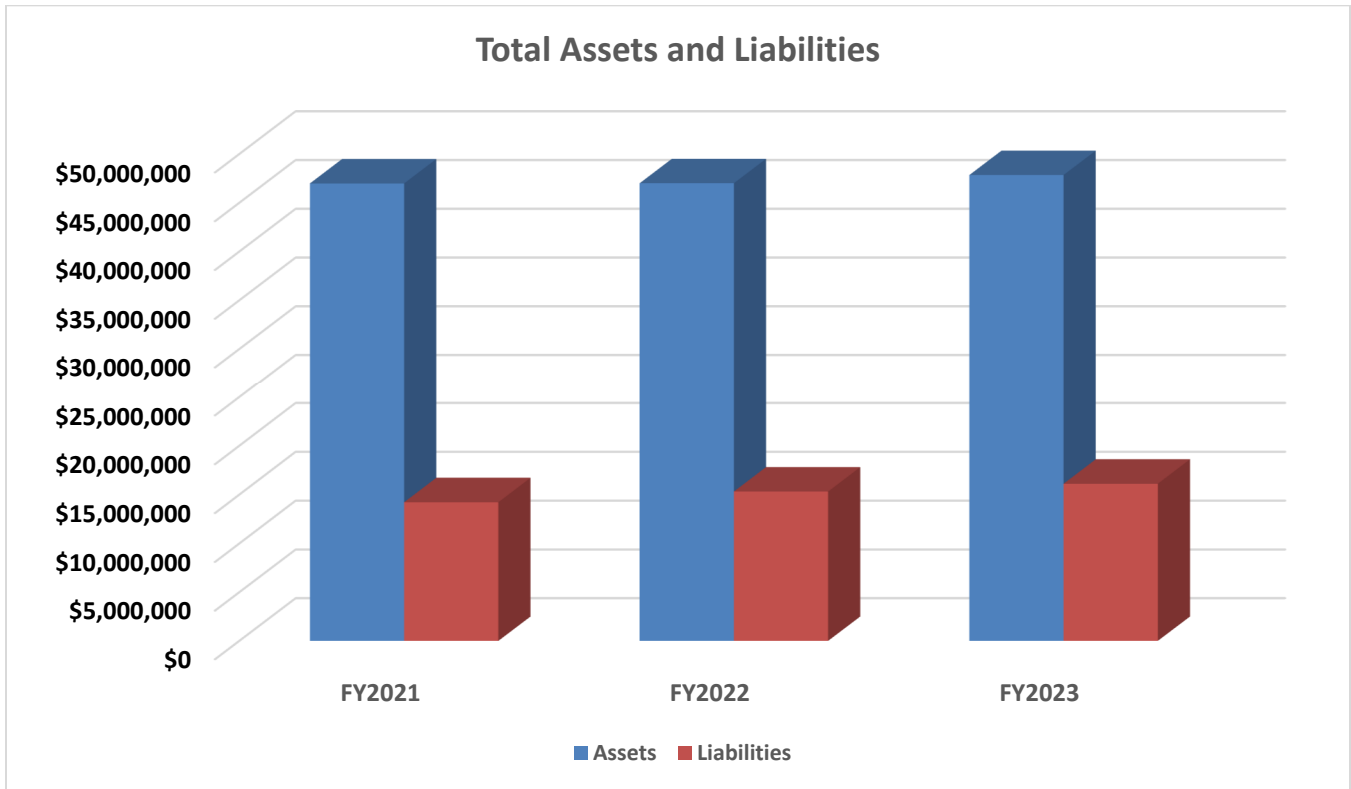
	2023	2022	2021
ASSETS			
Current Assets			
Cash and short-term investments	\$ 8,241,313	\$ 10,344,966	\$ 12,799,127
Accounts receivable, net	19,027,499	16,620,550	11,488,666
Prepaid expenses and other assets	504,906	440,924	292,380
Total Current Assets	<u>27,773,718</u>	<u>27,406,440</u>	<u>24,580,173</u>
Noncurrent assets			
Long-term investments	9,908,815	9,468,727	11,818,645
Capital assets, net	9,237,987	9,272,389	9,745,075
Other assets	928,180	857,795	843,385
Total Noncurrent Assets	<u>20,074,982</u>	<u>19,598,911</u>	<u>22,407,105</u>
Total Assets	<u>47,848,700</u>	<u>47,005,351</u>	<u>46,987,278</u>
DEFERRED OUTFLOWS OF RESOURCES			
	<u>154,002</u>	<u>177,237</u>	<u>200,472</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	4,772,330	5,114,333	3,734,561
Accrued salaries and benefits payable	2,794,411	2,605,360	2,586,859
Unearned revenue	4,883,334	3,575,275	3,714,437
Other current liabilities	740,787	957,604	693,558
Total Current Liabilities	<u>13,190,862</u>	<u>12,252,572</u>	<u>10,729,415</u>
Noncurrent Liabilities:			
Long-term debt obligations, net of current portion	1,682,234	1,861,846	2,033,879
Other postemployment benefits liability	731,791	694,829	951,314
Other long-term liabilities	510,236	505,950	506,312
Total Noncurrent Liabilities	<u>2,924,261</u>	<u>3,062,625</u>	<u>3,491,505</u>
Total Liabilities	<u>16,115,123</u>	<u>15,315,197</u>	<u>14,220,920</u>
DEFERRED INFLOWS OF RESOURCES			
	<u>285,164</u>	<u>302,718</u>	<u>17,673</u>
NET POSITION			
Net investment in capital assets	7,376,141	7,241,076	7,596,196
Restricted for:			
Research	4,474,035	4,597,316	3,213,137
Other	13,202,219	13,016,475	13,232,314
Unrestricted	6,550,020	6,709,806	8,907,510
Total Net Position	<u>\$ 31,602,415</u>	<u>\$ 31,564,673</u>	<u>\$ 32,949,157</u>

For the year ending June 30, 2023 (FY23), CSE realized a slight increase (.12%) in overall net position of \$37,742. The largest contributing factors to the increase were the aforementioned increase in sponsored programs revenue coupled with a positive increase in investment activity compared to FY22. From FY21 to FY22, CSE showed a decrease (-4.20%) in overall net position of \$1,384,484.

CHICO STATE ENTERPRISES

Management's Discussion and Analysis

Year Ended June 30, 2023



From FY22 to FY23, Total Current Assets increased by \$367,278 (1.34%) and Total Assets increased by \$843,349 (1.79%) to \$47,848,700. The increase is primarily due to the growth in sponsored programs activity as sponsored programs typically bill after the corresponding activity has taken place which in turn increased the accounts receivable balance at fiscal year-end and CSE also saw a positive increase in investment income. From FY21 to FY22, Total Current Assets increased by \$2,826,267 (11.50%) and Total Assets increased by \$18,073 (0.04%) to \$47,005,351 with an increase in sponsored programs and a corresponding increase in Accounts receivable.

From FY22 to FY23, Total Current Liabilities increased by \$983,290 (7.66%) while Total Liabilities increased by \$799,926 to \$16,115,123 with a \$342,003 decrease in Accounts payable partially offsetting an increase of \$1,308,059 in Unearned revenue. From FY21 to FY22, Total Current Liabilities increased by \$1,523,157 (14.20%) with increases in accounts payable related to sponsored program activity while Total Liabilities increased by \$1,094,277 (7.69%) to \$15,315,197 with the increase in Accounts payable outpacing declines in Long-term debt obligations and Other postemployment benefits liabilities. The ratio of current assets to current liabilities (current ratio) decreased slightly from 2.29 in FY2021, 2.24 in FY22 and 2.11 in FY23. The current ratio is a liquidity ratio that measures CSE's ability to meet its short term obligations (payable within one year) using current resources. CSE's current ratio of 2.11 indicates that it has \$2.11 of current assets for every \$1.00 of current liabilities and generally indicates a healthy financial position.

CHICO STATE ENTERPRISES
Management's Discussion and Analysis
Year Ended June 30, 2023

Capital asset balances for the year ended June 30 were as follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Nondepreciable Capital Assets:			
Land and land improvements	\$ 3,979,131	3,979,131	\$ 3,979,131
Construction in progress	32,425	33,825	-
Breeding livestock	152,626	96,130	93,540
Total Nondepreciable Capital Assets	<u>4,164,182</u>	<u>4,109,086</u>	<u>4,072,671</u>
Depreciable Capital Assets:			
Building and improvements	8,724,968	8,724,968	8,629,105
Equipment and furnishings	16,589,316	15,434,354	14,968,483
Total Depreciable Capital Assets	<u>25,314,284</u>	<u>24,159,322</u>	<u>23,597,588</u>
Total Capital Assets	<u>29,478,466</u>	<u>28,268,408</u>	<u>27,670,259</u>
Less: Accumulated Depreciation:			
Building and improvements	(6,623,193)	(6,327,635)	(6,027,166)
Equipment and furnishings	(13,648,817)	(12,714,467)	(11,898,018)
Total Accumulated Depreciation	<u>(20,272,010)</u>	<u>(19,042,102)</u>	<u>(17,925,184)</u>
Right of Use Assets:			
Equipment Lease	60,635	60,635	-
Less: Accumulated Amortization	<u>(29,104)</u>	<u>(14,552)</u>	<u>-</u>
Net Capital Assets	<u>\$ 9,237,987</u>	<u>\$ 9,272,389</u>	<u>\$ 9,745,075</u>

Capital asset purchases were \$1,310,993, \$761,014 and \$681,303 for FY23, FY22 and FY21 respectively. The basis of retirements, disposals and transfers of capital assets were \$100,935, \$162,865 and \$231,939 for FY23, FY22 and FY21 respectively. Depreciation and amortization expenses were \$1,302,377, \$1,285,552 and \$1,240,073 for FY23, FY22 and FY21, respectively. Balances of \$9,237,987, \$9,272,389 and \$9,745,075 were the amounts of capital assets net of accumulated depreciation and amortization for FY23, FY22 and FY21, respectively. Net investment in capital assets (net capital assets less associated debt) for FY23, FY22 and FY21 were \$7,376,141, \$7,241,076 and \$7,596,196, respectively.

Long-Term Debt

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Long-term debt obligations at June 30:			
Principal amount	\$ 1,861,846	2,031,313	\$ 1,880,000
Less current portion	(179,612)	(169,467)	(115,000)
Plus unamortized premium	-	-	268,879
Total non-current amount	<u>\$ 1,682,234</u>	<u>\$ 1,861,846</u>	<u>\$ 2,033,879</u>

The long-term debt consists of a note payable to the California State University Chancellor's Office (CO) and a right of use asset lease. The note payable was refinanced by the CO in 2021 and includes interest payable twice yearly and annual principal payments with a final payment scheduled for November of 2032. The right of use asset lease has thirty-eight months remaining with monthly principal and interest payments and an imputed interest rate of 1%.

CHICO STATE ENTERPRISES

Management's Discussion and Analysis

Year Ended June 30, 2023

Statement of Revenues, Expenses and Changes in Net Position

The statement of revenues, expenses and changes in net position presents the results from CSE's operations. A summary of that statement is presented below.

Operating Revenue:	2023	2022	2021
Grants and contracts - noncapital	\$ 50,522,124	\$ 45,649,207	\$ 39,019,899
Sales and services of educational activities	3,432,442	3,496,637	2,211,943
Sales and services of auxiliary enterprises	2,493,631	2,687,383	2,697,467
Other operating revenues	2,279,321	1,182,085	1,434,828
Total Operating Revenue	58,727,518	53,015,312	45,364,137
Operating Expenses:			
Instruction	3,460,340	3,530,272	2,489,689
Research	4,445,579	3,053,693	3,174,429
Public service	30,204,056	28,193,463	25,478,468
Academic support	2,389,041	2,056,849	1,552,138
Student services	3,334,012	2,398,451	2,045,957
Institutional support	7,899,886	6,603,865	4,998,840
Operation and maintenance of plant	349,238	287,137	281,550
Student grants and scholarships	4,756,863	3,350,882	2,337,224
Auxiliary enterprises expenditures	2,494,067	2,241,041	2,853,428
Depreciation and amortization	1,302,377	1,285,552	1,240,073
Total Operating Expenses	60,635,459	53,001,205	46,451,796
Net Operating Gain (Loss)	(1,907,941)	14,107	(1,087,659)
Non-Operating Revenue:			
Non-operating income	1,102,107	(1,826,367)	2,668,504
Income (Loss) Before Other Additions	(805,834)	(1,812,260)	1,580,845
Capital grants	843,576	427,776	420,027
Change in Net Position	37,742	(1,384,484)	2,000,872
Net Position, beginning	31,564,673	32,949,157	30,948,285
Net Position, ending	\$ 31,602,415	\$ 31,564,673	\$ 32,949,157

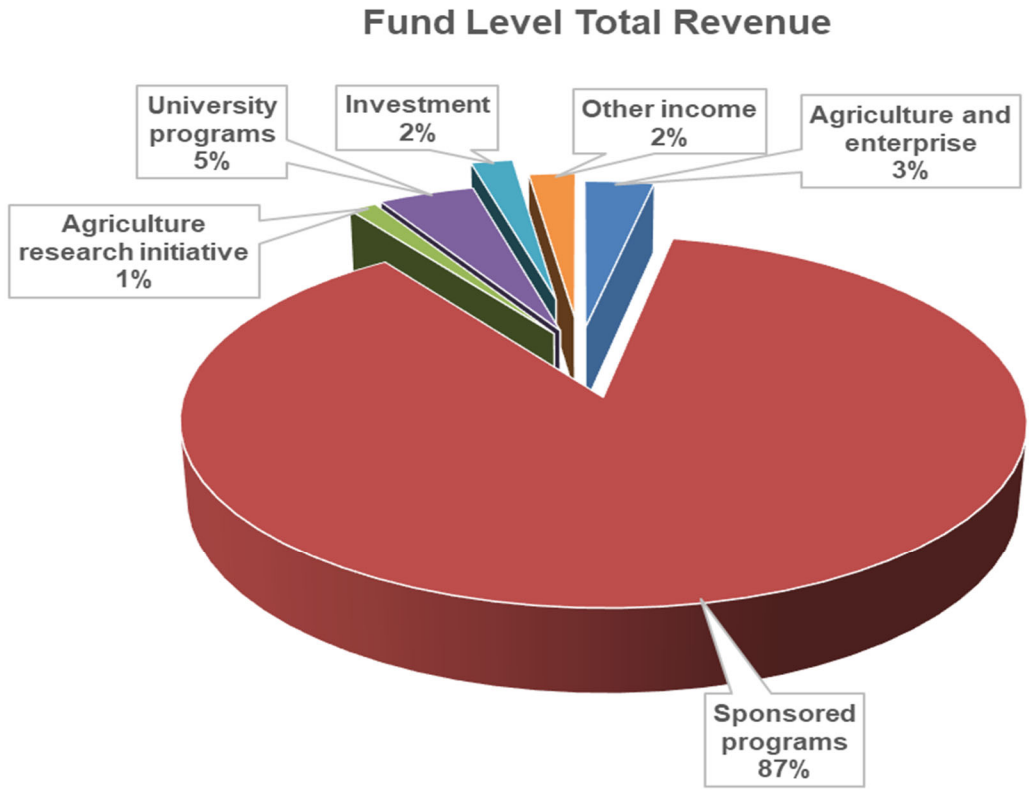
Total Operating Revenue increased by \$5,712,518 (10.77%) from FY22 to FY23 and by \$7,651,175 (16.87%) from FY2021 to FY2022, with notable increases in Grant and contracts - noncapital revenue and Other operating revenues. For FY23, the increased revenue is largely attributable to CSE's sponsored program activity which more than offset decreases in Sales and services of educational activities and Sales and services of auxiliary enterprises. FY23 Non-operating revenue saw a notable increase of \$1,582,089 in investment earnings while FY22 Non-operating Revenue saw a steep decline from FY2021 caused by the downturn in the financial markets which negatively impacted CSE's investment earnings and resulted in an earnings loss of \$1,826,367.

Overall operating expenses increased by \$7,634,254 (14.40%) from FY22 to FY23 with increases in every category except Instruction. FY21 to FY22 saw an increase of \$6,549,409 (14.10%) with noted increases in the Instruction, Academic support, Public service, Student services, Institutional support, and Student grants and scholarships functions offsetting decreases in Research and Auxiliary enterprise expenditures.

CHICO STATE ENTERPRISES

Management’s Discussion and Analysis

Year Ended June 30, 2023

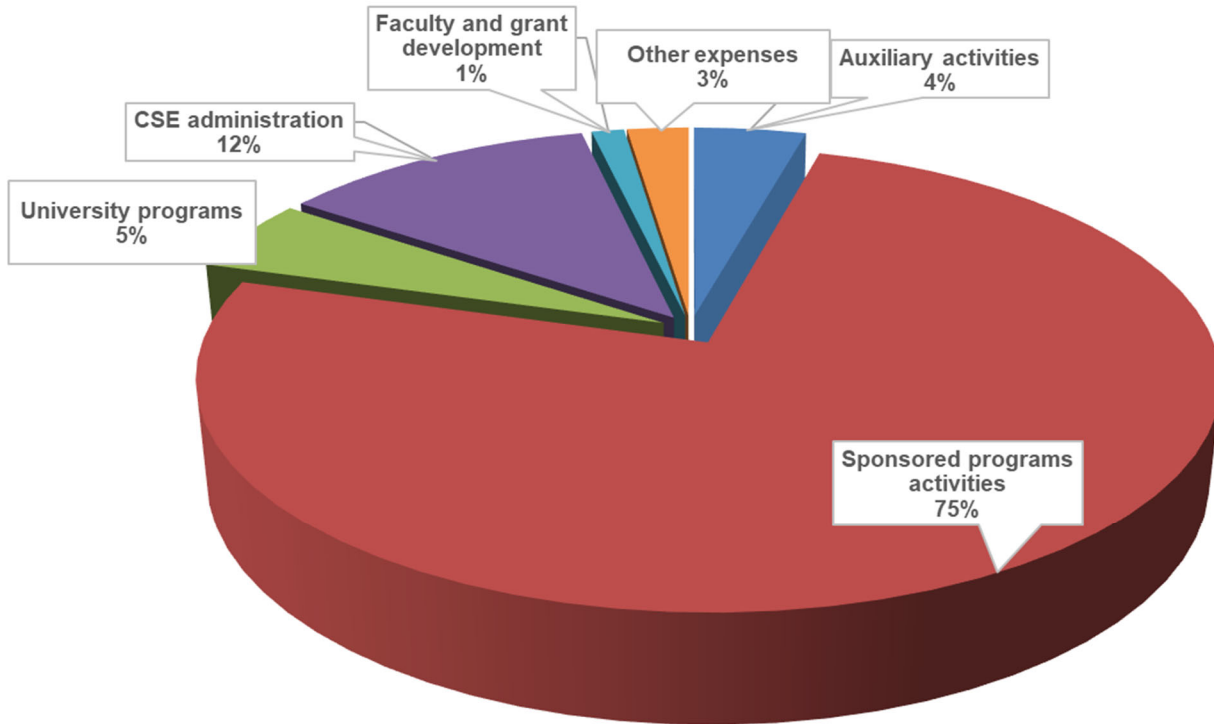


Fund Level Revenues for the Year Ended June 30:	2023	2022	2021
Agriculture and enterprise sales	1,823,277	\$ 2,120,848	\$ 2,108,780
Sponsored program receipts	50,855,653	45,035,616	38,384,367
Agriculture research initiative	737,017	624,078	632,952
University program receipts	2,538,154	2,234,712	1,461,109
Interest and investment income	1,128,070	(1,869,498)	2,967,603
Other income	1,234,003	1,092,439	1,095,211
Totals:	\$ 58,316,174	\$ 49,238,195	\$ 46,650,022

From FY22 to FY23, fund level revenues were up by \$9,077,979 (18.44%) with the majority of the increase attributable to Sponsored program receipts and Interest and investment income. FY21 to FY22 saw an increase in revenue of \$2,588,173 (5.55%), most notably due to increased Sponsored program receipts which offset the loss in Interest and investment income. From FY21 to FY22, an increase of \$773,603 (52.95%) was seen in University program receipts, which was positively impacted by the relaxation of global pandemic protocols that allowed for more in person events such as camps, conferences and performance events to be held.

CHICO STATE ENTERPRISES
Management's Discussion and Analysis
Year Ended June 30, 2023

Fund Level Total Expenses



Fund Level Expenses for the Year Ended June 30:

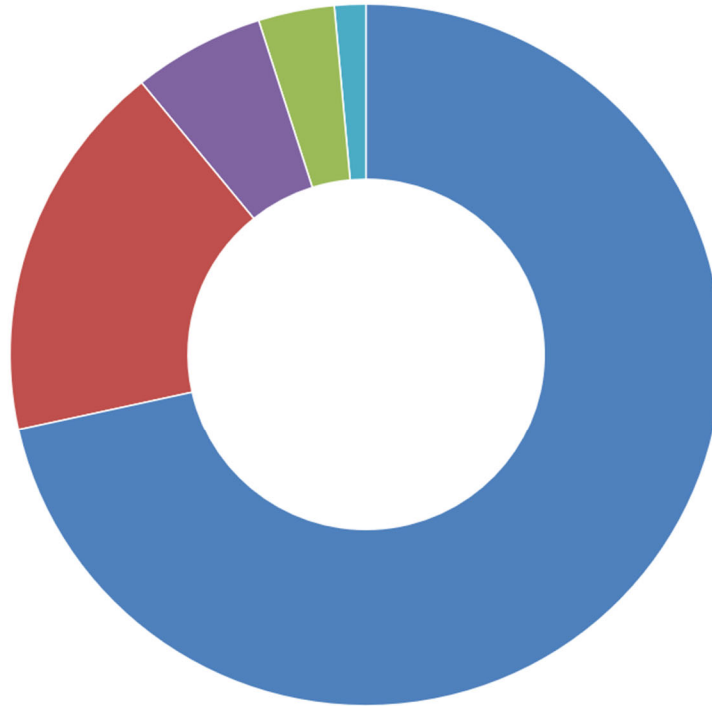
	2023	2022	2021
Auxiliary activities' expense	\$ 2,465,389	\$ 2,171,361	\$ 2,304,375
Sponsored programs' disbursements	44,211,225	39,003,440	34,872,824
University programs' expenses	3,024,040	3,198,360	1,585,988
CSE administration	6,951,513	5,655,176	5,447,829
Faculty and grant development	717,705	588,287	509,718
Other expense	1,354,912	1,348,929	1,442,968
Totals:	\$ 58,724,784	\$ 51,965,553	\$ 46,163,702

Fund level expenses increased by \$6,759,231 (13.01%) from FY22 to FY23 and \$5,801,851 (12.57%) from FY21 to FY22. In FY23, Sponsored programs saw increased activity in project staffing and CSE administration saw increases in project staffing, contract services and insurance premiums. FY22 saw increases in Sponsored programs disbursements and University programs expenses. Sponsored programs disbursements increased due to increased grants and contracts activity including increased activity under the Center for Healthy Communities Cal Fresh Resource and Referral (CFRR) program and increased activity for the Cal Fresh Outreach (CFO) project.

CHICO STATE ENTERPRISES
Management's Discussion and Analysis
Year Ended June 30, 2023

Grant and Contracts Revenue by Source

■ Federal government ■ State of California ■ Local governments ■ Nongovernmental ■ Agricultural research initiative



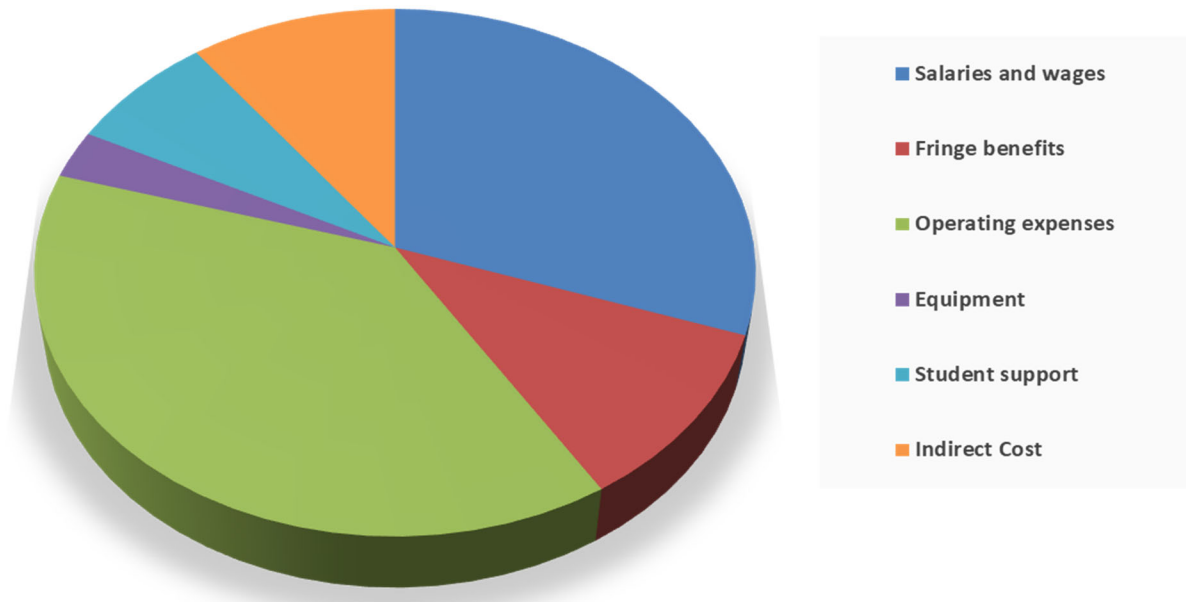
Grant and Contracts Revenue

For the year ended June 30:	2023	2022	2021
Federal government	\$ 36,916,695	\$ 33,682,756	\$28,657,938
State of California	9,070,648	6,686,832	6,080,451
Local governments	1,781,674	1,536,636	1,483,270
Nongovernmental	3,087,007	3,129,391	2,165,288
Agricultural research initiative	737,017	624,078	632,952
Totals:	\$ 51,593,041	\$ 45,659,693	\$39,019,899

Total FY23 Grants and Contracts Revenue increased by \$5,933,348 (12.99%) over FY22 figures due to the large increase in Federal government and State of California revenues. FY22 saw an increase of \$6,639,794 (17.02%) over FY21 numbers due to the large increase of \$5,024,818 (17.53%) in Federal government revenue.

Grant and contracts from the federal government account for 71.55%, 73.77% and 73.44% of the grants and contract revenue for FY23, FY22 and FY21, respectively. Grants and contracts from the State of California account for 17.58%, 14.64% and 15.58% of the grant and contracts revenue for FY23, FY22, and FY21, respectively.

Grant and Contracts Expenses



Grant and Contracts Expenses

For the Year Ended June 30:	2023	2022	2021
Salaries and wages	\$ 15,474,119	\$ 12,736,110	\$ 11,369,703
Fringe benefits	5,545,513	4,633,256	4,238,412
Operating expenses	19,621,248	19,346,282	17,996,385
Equipment	1,496,205	970,593	773,578
Student support	3,758,145	2,331,093	1,617,338
Indirect cost	5,191,005	4,240,172	4,087,924
Totals:	\$ 51,086,235	\$ 44,257,506	\$ 40,083,340

Overall, total grants and contract expenses have increased by \$6,828,729 (15.43%) from FY22 to FY23 and by \$4,174,166 (10.41%) from FY21 to FY22. Expenses related to programs for research, public service, student services, institutional support and programs that provide student grants were the largest increases for FY23.

CSE serves as the prime contractor on the Cal Fresh Outreach (CFO) program and oversees subcontractors who provide services under the CFO. In FY21, additional subcontracts were added to the CFO program. Expenses related to the CFO program and the Cal Fresh Resource and Referral program are two of the largest contributing factors to the increase in expenses from FY21 to FY22.

CHICO STATE ENTERPRISES**Statements of Net Position**

June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 5,335,589	\$ 8,127,951
Short-term investments	2,905,724	2,217,015
Accounts receivable, net	19,027,499	16,620,550
Prepaid expenses and other assets	<u>504,906</u>	<u>440,924</u>
Total Current Assets	<u>27,773,718</u>	<u>27,406,440</u>
Noncurrent Assets:		
Long-term investments	9,908,815	9,468,727
Capital assets, net	9,237,987	9,272,389
Other assets	<u>928,180</u>	<u>857,795</u>
Total Noncurrent Assets	<u>20,074,982</u>	<u>19,598,911</u>
Total Assets	<u>47,848,700</u>	<u>47,005,351</u>
DEFERRED OUTFLOWS OF RESOURCES		
Other post-employment benefits	<u>154,002</u>	<u>177,237</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	4,772,330	5,114,333
Accrued salaries and benefits payable	2,032,294	1,957,876
Accrued compensated absences	762,117	647,484
Unearned revenue	4,883,334	3,575,275
Long-term debt obligations, current portion	179,612	169,467
Other current liabilities	<u>561,175</u>	<u>788,137</u>
Total Current Liabilities	<u>13,190,862</u>	<u>12,252,572</u>
Noncurrent Liabilities:		
Accrued compensated absences, net of current portion	167,294	142,131
Long-term debt obligations, net of current portion	1,682,234	1,861,846
Other postemployment benefits liability	731,791	694,829
Other long-term liabilities	<u>342,942</u>	<u>363,819</u>
Total Noncurrent Liabilities	<u>2,924,261</u>	<u>3,062,625</u>
Total Liabilities	<u>16,115,123</u>	<u>15,315,197</u>
DEFERRED INFLOWS OF RESOURCES		
Other post-employment benefits	<u>285,164</u>	<u>302,718</u>
NET POSITION		
Net investment in capital assets	7,376,141	7,241,076
Restricted for:		
Research	4,474,035	4,597,316
Other	13,202,219	13,016,475
Unrestricted	<u>6,550,020</u>	<u>6,709,806</u>
Total Net Position	<u>\$ 31,602,415</u>	<u>\$ 31,564,673</u>

See accompanying notes to financial statements.

CHICO STATE ENTERPRISES

Statements of Revenues, Expenses, and Changes in Net Position

Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating Revenue:		
Grants and contracts - noncapital:		
Federal	\$ 36,132,050	\$ 32,565,093
State	9,755,181	8,448,249
Local	1,761,675	1,537,325
Non-governmental	2,873,218	3,098,540
Sales and services of educational activities	3,432,442	3,496,637
Sales and services of auxiliary enterprises	2,493,631	2,687,383
Other operating revenues	2,279,321	1,182,085
Total Operating Revenue	<u>58,727,518</u>	<u>53,015,312</u>
Expenses:		
Operating Expenses:		
Instruction	3,460,340	3,530,272
Research	4,445,579	3,053,693
Public service	30,204,056	28,193,463
Academic support	2,389,041	2,056,849
Student services	3,334,012	2,398,451
Institutional support	7,899,886	6,603,865
Operation and maintenance of plant	349,238	287,137
Student grants and scholarships	4,756,863	3,350,882
Auxiliary enterprises expenditures	2,494,067	2,241,041
Depreciation and amortization	1,302,377	1,285,552
Total Operating Expenses	<u>60,635,459</u>	<u>53,001,205</u>
Net Operating Gain (Loss)	(1,907,941)	14,107
Non-Operating Revenues (Expenses):		
Investment income, net	1,128,070	(1,869,560)
Interest expense	(38,470)	(25,437)
Other non-operating revenue	12,507	68,630
Total Non-Operating Income (Expense)	<u>1,102,107</u>	<u>(1,826,367)</u>
Loss Before Other Additions	(805,834)	(1,812,260)
Grants and gifts - capital	843,576	427,776
Change in Net Position	<u>37,742</u>	<u>(1,384,484)</u>
Net Position, beginning	<u>31,564,673</u>	<u>32,949,157</u>
Net Position, ending	<u>\$ 31,602,415</u>	<u>\$ 31,564,673</u>

See accompanying notes to financial statements.

CHICO STATE ENTERPRISES

Statements of Cash Flows

Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Flows From Operating Activities:		
Federal grants and contracts	\$ 34,569,609	\$ 28,753,845
State grants and contracts	9,230,145	7,505,748
Local grants and contracts	1,670,917	1,384,542
Nongovernmental grants and contracts	2,930,781	2,615,008
Payments to suppliers	(28,467,819)	(25,482,087)
Payments to employees	(25,385,830)	(21,723,242)
Payments to students	(4,756,863)	(3,350,882)
Sales and services of educational activities	3,674,050	3,519,863
Sales and services of auxiliary enterprises	2,555,469	2,856,282
Other receipts	1,933,216	1,263,068
	<u> </u>	<u> </u>
Net Cash Used by Operating Activities	(2,046,325)	(2,657,855)
Cash Flows From Capital and Related Financing Activities:		
Capital grants and gifts	843,576	427,776
Acquisitions of capital assets	(1,310,993)	(761,014)
Principal paid on capital debt	(169,467)	(153,047)
Interest paid on capital debt	(38,470)	(25,437)
	<u> </u>	<u> </u>
Net Cash Used by Capital and Related Financing Activities	(675,354)	(511,722)
Cash Flows From Investing Activities:		
Investment income	294,998	783,606
Notes receivable payments	2,707	6,853
Purchases of investments	(2,528,381)	(1,937,865)
Withdrawals from investments	2,159,993	1,386,323
	<u> </u>	<u> </u>
Net Cash Provided (Used) by Investing Activities	(70,683)	238,917
Net Decrease in Cash and Cash Equivalents	(2,792,362)	(2,930,660)
Cash and cash equivalents, beginning	<u>8,127,951</u>	<u>11,058,611</u>
Cash and cash equivalents, ending	<u>\$ 5,335,589</u>	<u>\$ 8,127,951</u>

See accompanying notes to financial statements.

CHICO STATE ENTERPRISES
Statements of Cash Flows, continued
Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Reconciliation of net operating gain (loss) to net cash provided by operating activities:		
Net operating gain (loss)	\$ (1,907,941)	\$ 14,107
Adjustments to reconcile net operating loss to net cash from operating activities:		
Depreciation and amortization	1,302,377	1,285,552
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:		
Accounts receivable, net	(2,406,949)	(5,131,884)
Prepaid expenses and other assets	(311,604)	(186,189)
Changes in deferred outflows of resources	23,235	23,235
Accounts payable	(342,003)	1,379,772
Accrued salaries and benefits payable	74,418	(28,164)
Accrued compensated absences	139,796	56,909
Unearned revenue	1,308,059	(139,162)
Other postemployment benefits obligation	36,962	(256,485)
Other liabilities	54,879	39,409
Changes in deferred inflows of resources	<u>(17,554)</u>	<u>285,045</u>
Net Cash Used by Operating Activities	<u>\$ (2,046,325)</u>	<u>\$ (2,657,855)</u>

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 1 – Organization and Summary of Significant Accounting Policies

Nature of Activities

Chico State Enterprises (CSE) is a not-for-profit auxiliary organization of California State University, Chico (CSU, Chico) that administers various funds and performs other activities related to the CSU, Chico community. CSE oversees the development and administration of grants and contracts, as well as non-philanthropic agency accounts, incentive accounts, and enterprise activities.

Basis of Accounting

Pursuant to the requirements established by the Chancellor of the California State University, CSE has adopted the provisions of Statement No. 35 of the Governmental Accounting Standards Board (GASB), *Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities*. With minor exceptions, this statement provides that public colleges and universities are subject to the financial reporting requirements of GASB Statement No. 34, which is applicable to state and local governments. CSE is an auxiliary organization to CSU, Chico. Therefore, CSE is determined to be a component unit of CSU, Chico, in accordance with GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. All component units are required to adopt GASB Statement Nos. 34 and 35. CSE adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. These statements establish standards for reporting deferred outflows of resources, deferred inflows of resources, and net position for all state and local governments.

The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred.

Cash and Cash Equivalents

Cash and cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and present insignificant risk of change in value because of a change in interest rates. They consist of cash on hand and in commercial checking and savings accounts.

Investments

Short-term investments consist of deposits in Local Agency Investment Fund (LAIF), hedge funds, and money market accounts.

CSE has a memorandum of understanding (MOU) with the University Foundation (UF) to invest CSE's cash balances that exceed operating needs. As the auxiliary managing the investment of over \$112,000,000 on behalf of CSU, Chico, a primary focus of the UF is investment oversight. The MOU between the two auxiliaries leverages the investment expertise of UF and maximizes investment earnings of CSE efficiently. CSE funds are invested in an account belonging to CSE, and management of the funds is subject to the Investment Policy of the UF. Fees to the UF are 10% of earnings on an annual basis, paid monthly. In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at the time of purchase are stated at amortized cost. All other investments are stated at fair value.

CSE participates in LAIF managed by the State of California (CA). The fair value of CSE's investment in LAIF is the same as the carrying value of the pool shares. There were no LAIF funds invested in derivatives as of June 30, 2023. Oversight of LAIF is provided by the Local Investment Advisory Board (LIAB), which consists of five members as designated by statute. The Chairman of the LIAB is the CA State Treasurer or their designated representative.

Fair Value Measurements GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value and establishes a framework for measuring fair value under generally accepted accounting principles.

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 1 – Organization and Summary of Significant Accounting Policies, continued

Investments, continued

CSE classifies its fair value assets and liabilities into a hierarchy of three levels based on the markets in which they are traded and the reliability of the assumptions used to determine fair value. The asset or liability measurement level within the hierarchy is based on the lowest level of any assumption that is significant to the measurement. The three levels are defined as follows:

- Level 1 – Quoted market prices for identical instruments traded in active exchange markets.
- Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable or can be corroborated by observable market data.
- Level 3 – Model-based techniques that use at least one significant assumption not observable in the market. These unobservable assumptions reflect CSE's estimates of assumptions that market participants would use on pricing the asset or liability. Valuation techniques include management judgment and estimation, which may be significant.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. As a practical expedient, certain financial instruments may be valued using net asset value (NAV) per share. NAV is the amount of net assets attributable to each share of outstanding capital stock at the end of the period.

Accounts Receivable

Accounts receivable includes amounts due from federal, state and local governments, and private sources in connection with reimbursement of allowable expenditures made pursuant to CSE's grants and contracts. Also included are unbilled amounts which are amounts that have been expended through grants and contracts that had not been billed to the grant or contract funder at June 30, 2023. CSE utilizes the allowance method where uncollectible accounts are determined based on past payment history. Allowance for doubtful accounts was \$26,915 and \$8,058 at June 30, 2023 and 2022, respectively.

Prepaid Expenses and Other Assets

Prepaid expenses include advance payments and deposits for grant and contract expenses for contracted services, materials and supplies, and travel. Other assets include inventories. Also included in other assets is the reserve for post-retirement health benefits held as a quasi-endowment in the UF.

Capital Assets

Capital assets are stated at cost or, if acquired by gift, are recorded at estimated market value at the date of acquisition. Livestock is recorded at a unit value which approximates average cost for the particular species, gender, size, and age of the animal. Capital assets are not capitalized by CSE if the title remains with or reverts to the grantor but amounts for right of use assets are included in the capital asset totals. Planned major maintenance is accounted for using the direct expense method. Expenditures for new construction, major renewals and replacements, and equipment over \$5,000 are capitalized.

Depreciation and amortization are provided for in amounts sufficient to relate the cost of depreciable/amortizable assets to operations over their estimated service lives using the straight-line method. Depreciation for most capital assets follow the recommended useful lives per type of asset while depreciation for capital assets purchased with grant and contract funds has been charged using an estimated useful life of five years. Livestock is not depreciated because management considers the unit values to approximate amounts to be realized on the ultimate disposition of livestock.

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 1 – Organization and Summary of Significant Accounting Policies, continued

Unearned Revenue

Unearned revenue represents payments received for grants and contracts, for which services or other deliverables have not yet been provided as well as upfront billing for amounts in which CSE is entitled to the funds but services or other deliverables have yet to be provided.

Net Position

CSE's net position is classed as follows:

- Net Investment in Capital Assets – This represents CSE's total investment in capital assets, net of outstanding debt obligations related to those capital assets.
- Restricted – Expendable – This includes resources in which CSE is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. Restricted net position amounts include funds held for CSU, Chico for campus licensing agreements.
- Unrestricted – This represents amounts that are not restricted for any project or other purposes.

When an expense is incurred for purposes of which both restricted and unrestricted net positions are available, restricted resources are applied first.

Operating and Non-operating Revenues (Expenses)

All revenues that relate to the ongoing operations of CSE are included in operating revenues. Gains and losses not directly related to the ongoing operations and interest incurred on capital related debt are reported as nonoperating.

Charges for services include revenues based on exchange transactions, namely sales of educational and student activities and sales of agricultural products.

Grants and contracts are received from federal and state governmental agencies and various other organizations. CSE receives an administration fee to cover indirect overhead costs and recognizes this fee as income over the life of the grant or contract as a percentage of total expenditures or salaries and wages as specified in the grant or contract.

Grants and Gifts – Capital

Includes real property or equipment received from donors, federal, state and other funding agencies.

Administrative Expenses

Administrative overhead charges are included in operating expenses. When these charges are made to various programs, they are included in the direct expenses of those programs. Allocations of overhead expenses from one function to another, and those within one function, are eliminated in the statement of revenues, expenses and changes in net position so that allocated expenses are reported only by the function to which they were allocated.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

CSE is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. Continuance of such exemption is subject to compliance with laws and regulations of the taxing authorities. However, income from certain activities not directly related to the tax-exempt purpose is subject to taxation as unrelated business income. Expenses have exceeded the business income; accordingly, no provision for income taxes has been recorded. CSE functionally supports CSU, Chico and has been classified in accordance with Section 509(a)(3), Type I.

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 1 – Organization and Summary of Significant Accounting Policies, continued

Income Taxes, continued

CSE utilizes accounting standards generally accepted in the United States of America related to the recognition of uncertain tax positions. CSE recognizes accrued interest and penalties associated with uncertain tax positions as part of the statement of revenues, expenses, and changes in net position, when applicable. Management has determined that CSE has no uncertain tax positions at June 30, 2023 and therefore, no amounts have been accrued.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and thus, will not be recognized as revenue until then.

Subsequent Events

Management has evaluated subsequent events through September 25, 2023, the date which the report was available to be issued.

Note 2 – Concentrations of Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, CSE's deposits may not be returned. The California Government Code and Education Code do not contain legal or policy requirements that limit exposure to custodial credit risk for deposits, other than the provision that a financial institution must secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. This risk is mitigated in that CSE's deposits are maintained at financial institutions that are collateralized as required by state law. The balances at times may exceed Federal Deposit Insurance Corporation (FDIC) limits. Accounts at each financial institution are insured by the FDIC up to \$250,000.

Note 3 – Investments and Fair Market Value

Investments consist of the following at June 30, 2023:

	Current Unrestricted	Noncurrent Unrestricted	Total
LAIF	\$ 1,140,658	\$ -	\$ 1,140,658
Money market funds	36,909	-	36,909
Mutual funds - fixed income	1,097,912	1,088,121	2,186,033
Mutual funds - equity	-	8,802,162	8,802,162
Private equity	630,245	18,532	648,777
	<u>\$ 2,905,724</u>	<u>\$ 9,908,815</u>	<u>\$ 12,814,539</u>

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 3 – Investments and Fair Market Value, continued

Investments consist of the following at June 30, 2022:

	Current Unrestricted	Noncurrent Unrestricted	Total
LAIF	\$ 1,121,213	\$ -	\$ 1,121,213
Money market funds	485,625	-	485,625
Mutual funds - fixed income	-	2,343,939	2,343,939
Mutual funds - equity	-	7,106,256	7,106,256
Private equity	610,177	18,532	628,709
	<u>\$ 2,217,015</u>	<u>\$ 9,468,727</u>	<u>\$ 11,685,742</u>

The fair value of investments is categorized as follows at June 30, 2023:

	Level 1	Level 2	Level 3	NAV	Total
LAIF	\$ -	\$ -	\$ -	\$ 1,140,658	\$ 1,140,658
Money market funds	36,909	-	-	-	36,909
Mutual funds - fixed income	2,186,033	-	-	-	2,186,033
Mutual funds - equity	8,802,162	-	-	-	8,802,162
Private equity	-	-	18,532	630,245	648,777
	<u>\$ 11,025,104</u>	<u>\$ -</u>	<u>\$ 18,532</u>	<u>\$ 1,770,903</u>	<u>\$ 12,814,539</u>

The fair value of investments is categorized as follows at June 30, 2022:

	Level 1	Level 2	Level 3	NAV	Total
LAIF	\$ -	\$ -	\$ -	\$ 1,121,213	\$ 1,121,213
Money market funds	485,625	-	-	-	485,625
Mutual funds - fixed income	2,343,939	-	-	-	2,343,939
Mutual funds - equity	7,106,256	-	-	-	7,106,256
Private equity	-	-	18,532	610,177	628,709
	<u>\$ 9,935,820</u>	<u>\$ -</u>	<u>\$ 18,532</u>	<u>\$ 1,731,390</u>	<u>\$ 11,685,742</u>

CSE's investment policy does not limit its investment choices. CSE's investment in LAIF, money market, mutual funds and private equity securities are unrated.

Financial instruments which potentially subject CSE to concentrations of credit risk consist primarily of cash investments. CSE's investment in LAIF was 8.90% and 9.59% of CSE's total investments at June 30, 2023 and 2022, respectively.

Interest rate risk is the risk whereby changes in market interest rates could adversely affect the fair value of an investment. CSE does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The average maturity for investments held within LAIF is less than one year.

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 4 – Accounts Receivable

Accounts receivable consist of the following at June 30, :

	<u>2023</u>	<u>2022</u>
Federal, state, and other grants and contracts	\$ 13,306,479	\$ 12,183,770
Unbilled revenue	4,519,230	3,574,110
Other	878,966	584,165
Due from other auxiliaries	<u>322,824</u>	<u>278,505</u>
	<u>\$ 19,027,499</u>	<u>\$ 16,620,550</u>

Note 5 – Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Nondepreciable Capital Assets:				
Land and land improvements	\$ 3,979,131	\$ -	\$ -	\$ 3,979,131
Construction in progress	33,825	32,425	(33,825)	32,425
Breeding livestock	<u>96,130</u>	<u>56,496</u>	<u>-</u>	<u>152,626</u>
Total Nondepreciable Capital Assets	4,109,086	88,921	(33,825)	4,164,182
Depreciable Capital Assets:				
Building and improvements	8,724,968	-	-	8,724,968
Equipment and furnishings	<u>15,434,354</u>	<u>1,222,072</u>	<u>(67,110)</u>	<u>16,589,316</u>
Total Depreciable Capital Assets	24,159,322	1,222,072	(67,110)	25,314,284
Total Capital Assets	28,268,408	1,310,993	(100,935)	29,478,466
Less: Accumulated Depreciation:				
Building and improvements	(6,327,635)	(295,558)		(6,623,193)
Equipment and furnishings	<u>(12,714,467)</u>	<u>(992,267)</u>	<u>57,917</u>	<u>(13,648,817)</u>
Total Accumulated Depreciation	(19,042,102)	(1,287,825)	57,917	(20,272,010)
Right of Use Assets				
Equipment Lease	60,635	-	-	60,635
Less: Accumulated Amortization	<u>(14,552)</u>	<u>(14,552)</u>	<u>-</u>	<u>(29,104)</u>
Total Right of Use Assets	46,083	(14,552)	-	31,531
Net Capital Assets	<u>\$ 9,272,389</u>	<u>\$ 8,616</u>	<u>\$ (43,018)</u>	<u>\$ 9,237,987</u>

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 5 – Capital Assets, continued

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Additions	Disposals	Balance June 30, 2022
Nondepreciable Capital Assets:				
Land and land improvements	\$ 3,979,131	\$ -	\$ -	\$ 3,979,131
Construction in progress	-	33,825	-	33,825
Breeding livestock	93,540	3,290	(700)	96,130
Total Nondepreciable Capital Assets	4,072,671	37,115	(700)	4,109,086
Depreciable Capital Assets:				
Building and improvements	8,629,105	95,863	-	8,724,968
Equipment and furnishings	14,968,483	628,036	(162,165)	15,434,354
Total Depreciable Capital Assets	23,597,588	723,899	(162,165)	24,159,322
Total Capital Assets	27,670,259	761,014	(162,865)	28,268,408
Less: Accumulated Depreciation:				
Building and improvements	(6,027,166)	(300,469)	-	(6,327,635)
Equipment and furnishings	(11,898,018)	(970,531)	154,082	(12,714,467)
Total Accumulated Depreciation	(17,925,184)	(1,271,000)	154,082	(19,042,102)
Right of Use Assets				
Equipment Lease	-	60,635	-	60,635
Less: Accumulated Amortization	-	(14,552)	-	(14,552)
Total Right of Use Assets	-	46,083	-	46,083
Net Capital Assets	\$ 9,745,075	\$ (463,903)	\$ (8,783)	\$ 9,272,389

Note 6 – Other Assets

	2023	2022
Amount for post-retirement health benefit held as a quasi-endowment in the University Foundation	\$ 632,072	\$ 589,616
Deposits held for insurance	254,560	230,166
Notes receivable	41,548	38,013
	<u>\$ 928,180</u>	<u>\$ 857,795</u>

Note 7 – Accrued Compensated Absences

Employees of CSE are entitled to paid vacation and paid sick leave based on length of service and other factors. CSE negotiates a fixed (with carry-forward) fringe benefit rate with the Department of Health and Human Services to be applied to regular wages for all CSE activities. This fringe rate includes all payroll related costs, including accrued vacation, holiday, and estimated sick leave. The liability for compensated absences relating to paid vacation has been accrued for all employees. CSE's policy is to recognize the costs of sick leave absences when actually paid to employees as sick leave does not vest to the employee.

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 8 – Long-Term Debt Obligations

Long-term debt obligations consisted of the following at June 30, :

	<u>2023</u>	<u>2022</u>
Chancellor's Office note payable in the amount of \$2,475,000 was used to refund the Auxiliary Organization Bonds Series 2003. In 2021, the Trustees of the CSU issued revenue bonds, Series 2021B, a portion of which was used to refinance Series 2014A and retire the remaining unamortized premium. Principal payments gradually escalate from \$115,000 to \$195,000 over the bond term. The note is secured by revenues of CSE and the final payment is scheduled to be made in November of 2032.	\$ 1,830,000	\$ 1,985,000
Less current portion	<u>(165,000)</u>	<u>(155,000)</u>
Noncurrent portion	<u>\$ 1,665,000</u>	<u>\$ 1,830,000</u>

In accordance with GASB 87, a right of use asset and corresponding liability was recorded during fiscal year 2022 for the lease of copiers. The lease agreement runs through August of 2025 with payments of \$1,239 per month. The incremental borrowing rate of 1% was used to calculate monthly interest. The asset will be amortized evenly over fifty months.

	\$ 31,846	\$ 46,313
Less current portion	<u>(14,612)</u>	<u>(14,467)</u>
Noncurrent portion	<u>\$ 17,234</u>	<u>\$ 31,846</u>

Amortization expense of \$14,552 was recorded for the right of use lease obligation during the years ended June 30, 2023 and 2022, respectively.

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 8 – Long-Term Debt Obligations, continued

Year Ending June 30,	Note Payable to CSU, Chancellor's Office		
	Principal	Interest	Total
2024	\$ 165,000	\$ 33,158	\$ 198,158
2025	175,000	26,360	201,360
2026	180,000	22,096	202,096
2027	180,000	20,292	200,292
2028	185,000	18,005	203,005
2029-2033	945,000	44,686	989,686
	<u>\$ 1,830,000</u>	<u>\$ 164,597</u>	<u>\$ 1,994,597</u>

Year Ending June 30,	Right of Use Assets		
	Principal	Interest	Total
2024	\$ 14,612	\$ 253	\$ 14,865
2025	14,760	105	14,865
2026	2,474	6	2,480
	<u>\$ 31,846</u>	<u>\$ 364</u>	<u>\$ 32,210</u>

Note 9 – Health Care Benefits

CSE has fully insured medical and vision healthcare plans for benefited (30 hours/week or more) employees contracted through The LBL Group. Fully insured medical coverage is offered through Blue Shield and fully insured dental & vision coverage is offered through Principal Financial Services. Postemployment health benefits (medical only) are available to those employees meeting eligibility requirements detailed in the CSE Employee Handbook.

Note 10 – Retirement Plan

CSE sponsors a 403(b) savings plan, which covers fully benefited employees in a funded position. The employer contributions to the plan are at the discretion of the Board of Directors. The employer contribution is based upon an employee's year of service. At the beginning of the second year of service, CSE contributes 2% of the employee's pay to the plan. The percentage increases by 2% for each year of service up to a maximum contribution of 8%. Employer contributions vest immediately to the employee. Expenses recognized for the plan amounted to \$794,964 and \$712,438 for the years ended June 30, 2023 and 2022, respectively.

Note 11 – Postemployment Benefits Other Than Pension Benefits (OPEB)

Plan Description

CSE administers an endowment-funded single-employer defined benefit healthcare plan. CSE currently provides retiree health benefits to eligible employees to the extent sustainable by the provided endowment and can be terminated at any time. The postemployment health care plan is contributory with retiree contributions adjusted annually. Separate stand-alone financial statements for the plan are not prepared.

Eligibility and Benefits

Tier 1: Employees hired before January 1, 2006 who have attained age 55 and have completed 15 years of credited CSE service will be eligible to receive a CSE-paid medical plan contribution upon retirement. Eligibility is lost for breaks in service that exceed one year. CSE will pay up to \$200 per month for those with single coverage and \$400

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 11 – Postemployment Benefits Other Than Pension Benefits (OPEB), continued

for those with dual or family coverage. Benefits are paid for the lifetime of the retiree. As of July 1, 2021, there are 27 active employees and 3 retirees under this benefit structure.

Tier 2: Employees hired on or after January 1, 2006 who have attained age 60 and have completed 15 years of credited CSE service will be eligible to receive a CSE-paid medical plan contribution upon retirement. Eligibility is lost for breaks in service that exceed one year. CSE will pay up to \$200 per month for those with single coverage and \$400 for those with dual or family coverage. Benefits are paid until the retiree reaches age 65. As of July 1, 2021, there are 171 active employees under this benefit structure.

As of July 1, 2021, the date of the most recent actuarial valuation, plan participation consisted of:

Retirees and beneficiaries receiving benefits	3
Active employees	198
Total plan participants	<u>201</u>

Funding Policy

CSE has the right to establish and amend the funding policy for its OPEB plan. CSE will fund the plan monthly, on a pay-as-you-go basis for members who meet the eligibility criteria. The contribution requirements of plan members and CSE are established and may be amended by CSE's Board of Directors. For the years ended June 30, 2023 and 2022, CSE contributed \$21,845, which was the annual required contribution per the July 1, 2021 Actuarial Report.

OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

CSE's OPEB Liability was measured as of June 30, 2023. CSEs' annual OPEB cost (expense) is an amount actuarially determined in accordance with GASB Statement No. 75. The Actuarially Determined Contribution (ADC) is an amount actuarially determined by the Actuarial Standards of Practice and applicable Federal and State laws. The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty (30) years. The following table shows the components of CSE's annual OPEB cost for the year, the amount actually contributed, and the changes in CSE's net OPEB plan position as of June 30, 2023 and 2022.

	2023	2022	2020
Service cost	\$ 47,748	\$ 65,691	\$ 64,849
Interest on OPEB Liability	27,002	16,707	21,503
Change in assumptions	(15,943)	(317,038)	60,800
Annual OPEB expense (revenue)	58,807	(234,640)	147,152
Benefit payments	(21,845)	(21,845)	(17,236)
Change in total OPEB liability	36,962	(256,485)	129,916
OPEB Liability - Beginning of Year	694,829	951,314	821,398
OPEB Liability - End of Year	<u>\$731,791</u>	<u>\$694,829</u>	<u>\$ 951,314</u>

The OPEB liability of \$731,791 and \$694,829 is presented as a non-current liability on CSE's statement of net position as of June 30, 2023 and 2022, respectively.

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 11 – Postemployment Benefits Other Than Pension Benefits (OPEB), continued

Year Ended June 30,	Annual OPEB Cost	Actual Employer Contributions	Percentage Contributed	Ending OPEB Liability	Covered Payroll	Unfunded Actuarial Accrued liability
2023	\$ 58,807	\$ 21,845	37.15%	\$ 731,791	\$ 14,968,171	4.89%
2022	(234,640)	21,845	0.00%	694,829	12,516,577	5.55%
2021	147,152	21,845	14.85%	951,314	15,860,853	6.00%
2020	229,901	17,236	7.50%	821,398	11,046,092	7.44%
2019	92,753	13,776	14.85%	608,733	8,647,112	7.04%
2018	32,171	17,701	55.02%	529,756	7,666,419	6.91%
2017	55,214	22,967	41.60%	598,646	7,517,676	7.96%
2016	54,096	58,427	108.01%	566,399	6,837,000	8.28%

(NOTE: The schedule above is intended to show information for the previous ten (10) years. Since 2018 was the first year for the presentation of this information, only data from 2016 and forward is available.)

On June 30, 2023 and 2022, CSE's deferred inflows of resources were:

	2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 44,729	\$ (153,416)	\$ 51,506	\$ (170,850)
Changes in assumptions or other inputs	109,273	(131,748)	125,731	(131,868)
Difference between projected and actual return investments	\$ 154,002	\$ (285,164)	\$ 177,237	\$ (302,718)

Deferred inflows will be recognized in future OPEB expenses as follows:

Year Ending June 30,	Deferred Inflows of Resources
2024	\$ (10,262)
2025	(10,262)
2026	(10,262)
2027	(10,262)
2028	(9,476)
2029-2033	(80,638)
	<u>\$ (131,162)</u>

Funded Status and Funding Progress

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The most recent actuarial valuation report for CSE's OPEB plan was prepared as of July 1, 2021. As of June 30, 2023, the OPEB Liability was \$731,791 and the fair value of other assets held at the University Foundation was \$632,072. The annual covered payroll was \$14,968,171 and the ratio of the unfunded actuarial accrued liability to covered payroll was 4.89%.

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 11 – Postemployment Benefits Other Than Pension Benefits (OPEB), continued

Actuarial Methods and Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry age, level percent of pay
Recognition of deferred inflows and outflows of resources	Closed period equal to the average of the expected remaining service lives of all employees provided with OPEB
Salary increases	3.00 percent
Inflation rate	2.75 percent
Healthcare cost trend rate	5.40 percent for 2023; 5.20 percent for 2024-2069, and 4.00 percent for 2070 and later years; Medicare ages: 4.00 percent for all years
Cap increases	None

Pre-retirement and post-retirement mortality rates were based on the Society of Actuaries' Pub-2010 Teachers Headcount Weighted with MP-2021 for males or females, as appropriate.

Retirement and termination assumptions used were based on a review of plan experience and our best estimate of future plan experience.

GASB 75 requires a discount rate that reflects the following:

- The long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan's fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher – to the extent that the conditions in (a) are not met.

To determine a resulting single (blended) rate, the amount of the plan's projected fiduciary net position (if any) and the amount of projected benefit payments is compared in each period of projected benefit payments.

The discount rate used to measure CSE's total OPEB liability is based on these requirements and the following information:

<u>Reporting date</u>	<u>Measurement Date</u>	<u>Fidelity GO AA 20 Years Municipal Index</u>	<u>Discount Rate</u>
June 30, 2022	June 30, 2022	3.69%	3.69%
June 30, 2023	June 30, 2023	3.86%	3.86%

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.86%) or 1 percentage point higher (4.86%) than the current

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 11 – Postemployment Benefits Other Than Pension Benefits (OPEB), continued

discount rate of 3.86%:

	<u>1% Decrease</u>	<u>Discount Rate (3.86%)</u>	<u>1% Increase</u>
Total OPEB liability	\$ 831,531	\$ 731,791	\$ 645,612

Sensitivity of the Total OPEB Liability to Changes in the Trend Rate

The following presents the net OPEB liability, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.40%) or 1 percentage point higher (6.40%) than the current healthcare cost trend rate of 5.40%:

	<u>1% Decrease</u>	<u>Trend Rate (5.40%)</u>	<u>1% Increase</u>
Total OPEB liability	\$ 670,404	\$ 731,791	\$ 807,239

Note 12 – Self-Insurance

CSE is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. CSE participates in the California State University Risk Management Authority (CSURMA), a public entity risk pool currently operating as a common risk management and insurance program. CSE pays annual premiums for general liability, property, and workers' compensation insurance to the Auxiliary Organizations Risk Management Alliance (AORMA), which operates within CSURMA to provide tailored coverage for CSU Auxiliaries.

CSE participates in AORMA's Unemployment Insurance Program (UIP). At June 30, 2023 and 2022, the deposit requirements within AORMA UIP was \$254,560 and \$149,206, respectively, and is included in other assets as a long-term deposit. CSE will maintain a vested interest in the amount held by AORMA UIP.

CSURMA is economically dependent on its members for funding and has secured a commitment from members to provide sufficient cash flow to meet its operating needs and to fund losses over a period of time. The CSURMA has reinsurance policies through a joint powers authority as well as commercial companies.

Note 13 – Related-Party Transactions

Operating Lease and Faculty Use Agreement - CSE operates as an auxiliary organization to CSU, Chico under an operating agreement negotiated every ten years. The current operating and lease agreements expire on June 30, 2027. CSE uses certain CSU, Chico and other facilities under lease agreements requiring annual or monthly rental payments, or space trades.

Information Technology Services – CSE outsources its IT functions to CSU, Chico for all IT activities except for maintenance and support of CSE's enterprise resource planning (ERP) software, OneSolution.

Facilities Management Services – CSU, Chico provides facilities management support services to CSE for its office buildings located at 25 and 35 Main Street.

CHICO STATE ENTERPRISES

Notes to Financial Statements

Years Ended June 30, 2023 and 2022

Note 13 – Related-Party Transactions, continued

CSE provides administrative and financial services to the University Foundation.

The University Foundation provides investment oversight to CSE through an MOU. CSE cash balances in excess of operating needs are invested under the investment policy of the University Foundation. CSE pays the University Foundation 10% of earnings on an annual basis, paid on a monthly basis.

Receivable/Payable with CSU, Chico - As required by the operating lease agreement between CSU, Chico and the Associated Students, all payments related to this agreement are directed to CSE.

Receivables and payables with CSU, Chico are a result of grant and contract transactions and other miscellaneous supplies and services.

CSE provides personnel services to the University Foundation under contract. The University Foundation reimburses CSE for the cost of these services. The personnel hired are employees of CSE and participate in CSE's benefit plans. The University Foundation indemnifies CSE for the acts of its employees under the University Foundation's supervision.

The following is a schedule of transactions with related parties at June 30, :

	2023	2022
Transactions with CSU, Chico:		
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 3,047,114	\$ 2,117,371
Payments to University for other than salaries of University personnel	3,091,746	779,758
Payments received from University for services, space, and programs	1,826,122	2,424,454
Gifts (cash or assets) to the University from recognized Auxiliary Organizations	828,531	581,065
Accounts (payable to) University	(1,116,106)	(1,364,885)
Accounts receivable from University	16,786	28,984
Transactions with Associated Students:		
Accounts receivable from Associated Students	\$ 129,648	\$ 278,505
Accounts (payable to) Associated Students	(5,780)	(50,075)
Transactions with University Foundation:		
Payments received for administrative and financial services	\$ 450,000	\$ 450,000
Amount receivable for personnel service expenses	825,248	697,578
Accounts (payable to) University Foundation	(850)	(64,424)

Note 14 – Contingencies

CSE is occasionally engaged in legal proceedings incidental to its normal business activities. In the opinion of management, these proceedings are not material relative to CSE's financial position.

SUPPLEMENTAL INFORMATION

CHICO STATE ENTERPRISES

Schedule of Net Position by Fund

June 30, 2023 (with comparative totals as of June 30, 2022)

	General Fund	Plant and Bond Fund	Board Designated Fund	Auxiliary Activities Fund	Sponsored Programs Fund	Campus Program Fund	2023	2022
Assets								
Cash and cash equivalents	\$ 57,238	\$ 9,633	\$ 45,215	\$ 60,220	\$ 1,425,867	\$ 3,737,416	\$ 5,335,589	\$ 8,127,951
Short-term investments	-	4,966	21,800	222,211	734,809	1,921,938	2,905,724	2,217,015
Accounts receivable, net	556,408	46,131	2,968	192,011	13,414,307	296,444	14,508,269	13,046,440
Unbilled revenue	-	-	-	-	4,519,230	-	4,519,230	3,574,110
Inventories	-	-	-	181,941	-	-	181,941	185,120
Prepaid expenses and other assets	957,510	-	45,148	1,419	175,381	21,874	1,201,332	1,065,191
Long-term investments	-	18,098	79,445	110,638	2,677,898	7,022,736	9,908,815	9,468,727
Notes receivable	-	-	-	-	-	49,813	49,813	48,408
Capital assets, net	-	7,266,791	-	1,514,140	-	457,056	9,237,987	9,272,389
Total Assets	<u>1,571,156</u>	<u>7,345,619</u>	<u>194,576</u>	<u>2,282,580</u>	<u>22,947,492</u>	<u>13,507,277</u>	<u>47,848,700</u>	<u>47,005,351</u>
Deferred Outflows of Resources								
Other postemployment benefits	<u>154,002</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>154,002</u>	<u>177,237</u>
Liabilities								
Accounts payable	317,687	8,392	7,208	57,926	4,181,189	199,928	4,772,330	5,114,333
Accrued expenses and other liabilities	3,497,986	185,690	15,840	5,965	8,808	1,145	3,715,434	3,738,914
Unearned revenue	-	-	-	-	4,838,575	44,759	4,883,334	3,575,275
Interfund (receivables) payables	(9,192,462)	-	(623,500)	371,077	9,444,885	-	-	-
Long-term debt obligations	-	1,682,234	-	-	-	-	1,682,234	1,861,846
Other postemployment benefits obligation	731,791	-	-	-	-	-	731,791	694,829
Reserve for grant cost disallowance	330,000	-	-	-	-	-	330,000	330,000
Total Liabilities	<u>(4,314,998)</u>	<u>1,876,316</u>	<u>(600,452)</u>	<u>434,968</u>	<u>18,473,457</u>	<u>245,832</u>	<u>16,115,123</u>	<u>15,315,197</u>
Deferred Inflows of Resources								
Other postemployment benefits	<u>285,164</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>285,164</u>	<u>302,718</u>
Net Position	<u>\$ 5,754,992</u>	<u>\$ 5,469,303</u>	<u>\$ 795,028</u>	<u>\$ 1,847,612</u>	<u>\$ 4,474,035</u>	<u>\$ 13,261,445</u>	<u>\$ 31,602,415</u>	<u>\$ 31,564,673</u>

See independent auditor's report and notes to supplemental information.

CHICO STATE ENTERPRISES

Schedule of Revenue, Expenses, and Changes in Net Position by Fund

Year Ended June 30, 2023 (with comparative totals as of June 30, 2022)

	General Fund	Plant and Bond Fund	Board Designated Fund	Auxiliary Activities Fund	Sponsored Programs Fund	Campus Program Fund	2023	2022
Revenues and Other Support:								
Agriculture and enterprise sales	\$ -	\$ -	\$ -	\$ 1,823,277	\$ -	\$ -	\$ 1,823,277	\$ 2,120,848
Sponsored program receipts	-	-	-	-	50,855,653	-	50,855,653	45,035,616
Agriculture research initiative	-	-	-	-	737,017	-	737,017	624,078
University program receipts	-	-	-	-	-	2,538,154	2,538,154	2,234,712
Interest and investment income	1,120,316	-	-	3,271	371	4,112	1,128,070	(1,869,498)
Other income	1,055,577	118,426	190	59,810	-	-	1,234,003	1,092,439
Total Revenues and Other Support	2,175,893	118,426	190	1,886,358	51,593,041	2,542,266	58,316,174	49,238,195
Expenses:								
Auxiliary activities' cost of sales	-	-	-	315,750	-	-	315,750	299,888
Auxiliary activities' expense	-	-	-	2,149,639	-	-	2,149,639	1,871,473
Sponsored programs' disbursements	-	-	-	-	44,211,225	-	44,211,225	39,003,440
University programs' expenses	-	-	-	-	-	3,024,040	3,024,040	3,198,360
CSE administration	6,616,147	335,366	-	-	-	-	6,951,513	5,640,624
Faculty and grant development	-	-	717,705	-	-	-	717,705	588,287
Interest expense	-	38,470	-	-	-	-	38,470	25,437
Other expense	-	791,143	-	525,299	-	-	1,316,442	1,338,044
Total Expenses	6,616,147	1,164,979	717,705	2,990,688	44,211,225	3,024,040	58,724,784	51,965,553
Change in Operations Before Transfers	(4,440,254)	(1,046,553)	(717,515)	(1,104,330)	7,381,816	(481,774)	(408,610)	(2,727,358)
Transfers:								
Transfers with CSU, Chico	(5,616)	-	(53,723)	300,000	(123,124)	(522,591)	(405,054)	115,722
Transfers with other auxiliaries	42,456	-	(87,250)	314,924	(95,001)	676,277	851,406	1,227,152
Indirect cost recovery transfers	5,191,005	-	-	-	(5,191,005)	-	-	-
Administrative fee transfers	415,038	-	-	(183,493)	-	(231,545)	-	-
Interfund transfers	(380,501)	1,204,992	(123,426)	403,158	(2,095,967)	991,744	-	-
Net Transfers	5,262,382	1,204,992	(264,399)	834,589	(7,505,097)	913,885	446,352	1,342,874
Change in Net Position	822,128	158,439	(981,914)	(269,741)	(123,281)	432,111	37,742	(1,384,484)
Net Position, beginning	4,932,864	5,310,864	1,776,942	2,117,353	4,597,316	12,829,334	31,564,673	32,949,157
Net Position, ending	\$ 5,754,992	\$ 5,469,303	\$ 795,028	\$ 1,847,612	\$ 4,474,035	\$ 13,261,445	\$ 31,602,415	\$ 31,564,673

See independent auditor's report and notes to supplemental information.

CHICO STATE ENTERPRISES**Schedule of Activity of the Auxiliary Activities Fund**

Years Ended June 30, 2023 (with summarized totals as of June 30, 2022)

	<u>University Farm</u>	<u>Other Enterprise</u>	<u>2023</u>	<u>2022</u>
Sales:				
Livestock and dairy	\$ 981,401	\$ -	\$ 981,401	\$ 1,023,164
Crop and orchard	726,370	-	726,370	1,093,146
Enterprise receipts	56,982	91,301	148,283	109,835
Total Sales	<u>1,764,753</u>	<u>91,301</u>	<u>1,856,054</u>	<u>2,226,145</u>
Cost of Sales:				
Livestock and dairy	<u>315,750</u>	<u>-</u>	<u>315,750</u>	<u>299,888</u>
Gross Profit	<u>1,449,003</u>	<u>91,301</u>	<u>1,540,304</u>	<u>1,926,257</u>
Operating Expenses:				
Operating supplies	700,931	24,266	725,197	693,800
Depreciation	230,803	265,817	496,620	533,219
Salaries and employee benefits	-	391,473	391,473	221,468
Accounting and contractual services	256,818	74,076	330,894	370,467
Rent and leasing	240,035	3,228	243,263	210,011
Other operating expenses	160,648	49,738	210,386	198,565
Repair and maintenance	125,148	34,278	159,426	152,067
Utilities and telephone	23,352	27,965	51,317	47,083
Registration fees	19,306	2,865	22,171	14,941
Travel and meetings	16,979	2,126	19,105	7,397
Insurance	5,389	12,558	17,947	14,262
Postage and printing	1,533	5,606	7,139	3,702
Total Operating Expenses	<u>1,780,942</u>	<u>893,996</u>	<u>2,674,938</u>	<u>2,466,982</u>
Income (Loss) from Operations	<u>(331,939)</u>	<u>(802,695)</u>	<u>(1,134,634)</u>	<u>(540,725)</u>
Other Income:				
Other income	20,613	6,420	27,033	73,395
Interest income	3,271	-	3,271	525
Total Other Income	<u>23,884</u>	<u>6,420</u>	<u>30,304</u>	<u>73,920</u>
Transfers:				
In	26,084	721,908	747,992	232,033
Out	(163,273)	(65,054)	(228,327)	(121,352)
From other auxiliaries	77,424	237,500	314,924	197,078
Net Transfers	<u>(59,765)</u>	<u>894,354</u>	<u>834,589</u>	<u>307,759</u>
Net Income (Loss):	<u>\$ (367,820)</u>	<u>\$ 98,079</u>	<u>\$ (269,741)</u>	<u>\$ (159,046)</u>

See independent auditor's report and notes to supplemental information.

CHICO STATE ENTERPRISES

Schedule of Source of Funding and Expenditures for Grants and Contracts

Years Ended June 30, 2023 and 2022

	2023	2022
Source of Direct Funding:		
Federal government	\$ 33,683,947	\$ 31,116,166
State of California	7,912,648	5,699,675
Local governments	1,516,902	1,308,958
Nongovernmental funds	2,551,522	2,670,644
Agricultural research initiative	737,017	624,078
Total Direct Sources and Transfers	<u>46,402,036</u>	<u>41,419,521</u>
Source of Indirect Cost Reimbursements		
Federal government	3,232,748	2,566,590
State of California	1,158,000	987,157
Local governments	264,772	227,678
Nongovernmental funds	535,485	458,747
Total Indirect Cost Reimbursements	<u>5,191,005</u>	<u>4,240,172</u>
Total Funding	<u>51,593,041</u>	<u>45,659,693</u>
Direct Expenditures:		
Salaries and wages	15,474,119	12,736,110
Fringe benefits	5,545,513	4,633,256
Operating expenses	19,621,248	19,346,282
Equipment	1,496,205	970,593
Student support	3,758,145	2,331,093
Total Direct Expenditures	<u>45,895,230</u>	<u>40,017,334</u>
Indirect Expenditures:		
Salaries, wages, and fringe benefits	3,098,254	2,054,170
Administrative expenses	965,988	995,779
Development	654,917	635,073
Program allocation	122,795	206,099
Other	349,051	349,051
Total Indirect Expenditures	<u>5,191,005</u>	<u>4,240,172</u>
Total Expenditures	<u>51,086,235</u>	<u>44,257,506</u>
Sponsored Programs, Net	<u>506,806</u>	<u>1,402,187</u>
Surplus distribution	<u>(630,087)</u>	<u>(18,008)</u>
Sponsored Programs Fund, Net	<u>\$ (123,281)</u>	<u>\$ 1,384,179</u>

CHICO STATE ENTERPRISES

Note to Supplemental Information

Years Ended June 30, 2023 and 2022

Note A – Fund Accounting

The accounts of CSE are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. The funds are organized as follows:

- **General Fund:** This fund is used to account for all financial resources except those required to be accounted for in another fund. This fund recognizes as income various administrative from other funds.
- **Plant and Bond Fund:** This fund is used to account for acquisition of physical properties and funds expended and invested in physical properties for the General Fund, Board Designated Fund, Sponsored Programs Fund, and Campus Program Fund.
- **Board Designated Fund:** This fund is used to account for all amounts specifically allocated by the Board of Directors to certain programs. These funds are used primarily for the development of grant and contract proposals. Funding is also allocated to support and to finance other CSU, Chico related projects.
- **Auxiliary Activities Fund:** This fund is used to account for the operations of the University Farm, and other enterprise activities. These operations reimburse the General Fund for accounting and data processing administration expenses based on the usage of these services.
- **Sponsored Programs Fund:** This fund reflects the activity of various programs designed for instruction, research, and community services. These programs are funded by federal and state governmental agencies and various other organizations. The General Fund receives administrative fees to cover the indirect overhead costs of these programs.
- **Campus Program Fund:** This fund accounts for certain special activities of CSE-affiliated programs. These funds are carried as unrestricted net position. CSE receives an administrative fee equal to 8% of Campus Program Fund expenditures.

OTHER INFORMATION
For inclusion in the California State University

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

Schedule of Net Position

Assets:

Current assets:

Cash and cash equivalents	5,335,589
Short-term investments	2,905,724
Accounts receivable, net	19,027,499
Lease receivable, current portion	-
P3 receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	504,906

Total current assets

27,773,718

Noncurrent assets:

Restricted cash and cash equivalents	-
Accounts receivable, net	-
Lease receivable, net of current portion	-
P3 receivable, net of current portion	-
Notes receivable, net of current portion	-
Student loans receivable, net	-
Pledges receivable, net	-
Endowment investments	-
Other long-term investments	9,908,815
Capital assets, net	9,237,987
Other assets	928,180

Total noncurrent assets

20,074,982

Total assets

47,848,700

Deferred outflows of resources:

Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	154,002
Leases	-
P3	-
Others	-

Total deferred outflows of resources

154,002

Liabilities:

Current liabilities:

Accounts payable	4,772,330
Accrued salaries and benefits	2,032,294
Accrued compensated absences, current portion	762,117
Unearned revenues	4,883,334
Lease liabilities, current portion	14,612
SBITA liabilities - current portion	-
P3 liabilities - current portion	-
Long-term debt obligations, current portion	165,000
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	-
Other liabilities	561,175

Total current liabilities

13,190,862

See independent auditor's report.

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

Schedule of Net Position, continued

Noncurrent liabilities:	
Accrued compensated absences, net of current portion	167,294
Unearned revenues	-
Grants refundable	-
Lease liabilities, net of current portion	17,234
SBITA liabilities, net of current portion	-
Schedule of Net Position+B55:C83	-
Long-term debt obligations, net of current portion	1,665,000
Claims liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	731,791
Net pension liability	-
Other liabilities	342,942
	<hr/>
Total noncurrent liabilities	2,924,261
	<hr/>
Total liabilities	16,115,123
	<hr/>
Deferred inflows of resources:	
P3 service concession arrangements	-
Net pension liability	-
Net OPEB liability	285,164
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Lease	-
P3	-
Others	-
	<hr/>
Total deferred inflows of resources	285,164
	<hr/>
Net position:	
Net investment in capital assets	7,376,141
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	4,474,035
Loans	-
Capital projects	-
Debt service	-
Others	13,202,219
Unrestricted	6,550,020
	<hr/>
Total net position	\$ 31,602,415
	<hr/> <hr/>

See independent auditor's report.

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

Schedule of Revenues, Expenses, and Changes in Net Position

Revenues:

Operating revenues:

Student tuition and fees, gross	\$	-
Scholarship allowances (enter as negative)		-

Grants and contracts, noncapital:

Federal		36,132,050
State		9,755,181
Local		1,761,675
Nongovernmental		2,873,218
Sales and services of educational activities		3,432,442
Sales and services of auxiliary enterprises, gross		2,493,631
Scholarship allowances (enter as negative)		-
Other operating revenues		2,279,321

Total operating revenues		58,727,518
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Expenses:

Operating expenses:

Instruction		3,460,340
Research		4,445,579
Public service		30,204,056
Academic support		2,389,041
Student services		3,334,012
Institutional support		7,899,886
Operation and maintenance of plant		349,238
Student grants and scholarships		4,756,863
Auxiliary enterprise expenses		2,494,067
Depreciation and amortization		1,302,377

Total operating expenses		60,635,459
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Operating income (loss)		(1,907,941)
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CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

Schedule of Revenues, Expenses, and Changes in Net Position, continued

Nonoperating revenues (expenses):	
State appropriations, noncapital	-
Federal financial aid grants, noncapital	-
State financial aid grants, noncapital	-
Local financial aid grants, noncapital	-
Nongovernmental and other financial aid grants, noncapital	-
Other federal nonoperating grants, noncapital	-
Gifts, noncapital	-
Investment income (loss), net	1,128,070
Endowment income (loss), net	-
Interest expense	(38,470)
Other nonoperating revenues (expenses)	12,507
	<hr/>
Net nonoperating revenues (expenses)	1,102,107
	<hr/>
Income (loss) before other revenues (expenses)	(805,834)
	<hr/>
State appropriations, capital	-
Grants and gifts, capital	843,576
Additions (reductions) to permanent endowments	-
	<hr/>
Increase (decrease) in net position	37,742
	<hr/>
Net position:	
Net position at beginning of year, as previously reported	31,564,673
Restatements	-
	<hr/>
Net position at beginning of year, as restated	31,564,673
	<hr/>
Net position at end of year	\$ 31,602,415
	<hr/> <hr/>

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

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		5,335,589
Total	\$	5,335,589

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds	\$ 36,909		\$ 36,909
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	1,097,912	9,890,283	10,988,195
Exchange-traded funds			-
Equity securities			-
Alternative investments:			
Private equity (including limited partnerships)	630,245	18,532	648,777
Hedge funds			-
Managed futures			-
Real estate investments (including REITs)			-
Commodities			-
Derivatives			-
Other alternative investments			-
Other external investment pools			-
CSU Consolidated Investment Pool (formerly SWIFT)			-
State of California Local Agency Investment Fund (LAIF)	1,140,658		1,140,658
State of California Surplus Money Investment Fund (SMIF)			-
Other investments:			-
Total other investments	-	-	-
Total investments	2,905,724	9,908,815	12,814,539
Less endowment investments (enter as negative number)			-
Total investments, net of endowments	\$ 2,905,724	9,908,815	12,814,539

See independent auditor's report.

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

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	\$ 36,909	\$ 36,909			
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	10,988,195	10,988,195			
Exchange-traded funds	-				
Equity securities	-				
Alternative investments:					
Private equity (including limited partnerships)	648,777			\$ 18,532	\$ 630,245
Hedge funds	-				
Managed futures	-				
Real estate investments (including REITs)	-				
Commodities	-				
Derivatives	-				
Other alternative investments	-				
Other external investment pools	-				
CSU Consolidated Investment Pool (formerly SWIFT)	-				
State of California Local Agency Investment Fund (LAIF)	1,140,658				1,140,658
State of California Surplus Money Investment Fund (SMIF)	-				
Other investments:					
Total other investments	-	-	-	-	-
Total investments	\$ 12,814,539	\$ 11,025,104	\$ -	\$ 18,532	\$ 1,770,903

2.3 Investments held by the University under contractual agreements:

Nothing to report

See independent auditor's report.

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

3.1 Capital Assets, excluding ROU assets:

<u>Composition of capital assets, excluding ROU assets:</u>	Balance June 30, 2022	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2022 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2023
Non-depreciable/Non-amortizable capital assets:									
Land and land improvements	\$ 3,979,131				\$ 3,979,131				3,979,131
Works of art and historical treasures	96,130				96,130	56,496			152,626
Construction work in progress (CWIP)	33,825				33,825	32,425		(33,825)	32,425
Intangible assets:									
Rights and easements					-				-
Patents, copyrights and trademarks					-				-
Intangible assets in progress (PWIP)					-				-
Licenses and permits					-				-
Other intangible assets:					-				-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable capital assets	\$ 4,109,086	-	-	-	\$ 4,109,086	88,921	-	(33,825)	4,164,182
Depreciable/Amortizable capital assets:									
Buildings and building improvements	8,724,968				8,724,968				8,724,968
Improvements, other than buildings					-				-
Infrastructure					-				-
Leasehold improvements					-				-
Personal property:									
Equipment	15,434,354				15,434,354	1,188,247	(67,110)	33,825	16,589,316
Library books and materials					-				-
Intangible assets:									
Software and websites					-				-
Rights and easements					-				-
Patents, copyrights and trademarks					-				-
Licenses and permits					-				-
Other intangible assets:					-				-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	24,159,322	-	-	-	24,159,322	1,188,247	(67,110)	33,825	25,314,284
Total capital assets	\$ 28,268,408	-	-	-	\$ 28,268,408	1,277,168	(67,110)	-	29,478,466

See independent auditor's report.

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

Less accumulated depreciation/amortization:									
Buildings and building improvements	\$	(6,327,635)			\$	(6,327,635)	(295,558)		(6,623,193)
Improvements, other than buildings					-				-
Infrastructure					-				-
Leasehold improvements					-				-
Personal property:									
Equipment		(12,714,467)			(12,714,467)	(992,267)	57,917		(13,648,817)
Library books and materials					-				-
Intangible assets:									
Software and websites					-				-
Rights and easements					-				-
Patents, copyrights and trademarks					-				-
Licenses and permits					-				-
Other intangible assets:					-				-
Total Other intangible assets:									
		-	-	-	-	-	-	-	-
Total intangible assets									
		-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization									
		(19,042,102)	-	-	(19,042,102)	(1,287,825)	57,917	-	(20,272,010)
Total capital assets, net excluding ROU assets									
	\$	9,226,306	-	-	\$	9,226,306	(10,657)	(9,193)	9,206,456

Capital Assets, Right of Use

Composition of capital assets - Lease ROU, net:	Balance	Prior Period	Prior Period	Prior Period	Balance	Additions	Remeasurements	Reductions	Balance
	June 30, 2022	Reclassifications	Additions	Reductions	June 30, 2022 (Restated)				June 30, 2023
Non-depreciable/Non-amortizable lease assets:									
Land and land improvements					-				-
Total non-depreciable/non-amortizable lease assets									
		-	-	-	-				-
Depreciable/Amortizable lease assets:									
Land and land improvements					-				-
Buildings and building improvements					-				-
Improvements, other than buildings					-				-
Infrastructure					-				-
Personal property:									
Equipment		60,635			60,635				60,635
Total depreciable/amortizable lease assets									
		60,635	-	-	60,635	-	-	-	60,635

See independent auditor's report.

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

Less accumulated depreciation/amortization:							
Land and land improvements							-
Buildings and building improvements							-
Improvements, other than buildings							-
Infrastructure							-
Personal property:							
Equipment	(14,552)				(14,552)	(14,552)	(29,104)
Total accumulated depreciation/amortization	(14,552)	-	-	-	(14,552)	(14,552)	(29,104)
Total capital assets - lease ROU, net	46,083	-	-	-	46,083	(14,552)	- \$ 31,531

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

See independent auditor's report.

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

<u>Composition of capital assets - P3 ROU, net:</u>	Balance June 30, 2022	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2022 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2023
Non-depreciable/Non-amortizable P3 assets:									
Land and land improvements					-				-
Total non-depreciable/non-amortizable P3 assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable P3 assets:									
Land and land improvements					-				-
Buildings and building improvements					-				-
Improvements, other than buildings					-				-
Infrastructure					-				-
Personal property:									
Equipment					-				-
Total depreciable/amortizable P3 assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Land and land improvements					-				-
Buildings and building improvements					-				-
Improvements, other than buildings					-				-
Infrastructure					-				-
Personal property:									
Equipment					-				-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - P3 ROU, net	-	-	-	-	-	-	-	-	- \$ -
Total capital assets, net including ROU assets									<u>\$ 9,237,987</u>

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense - capital assets, excluding ROU assets	\$	1,287,825
Amortization expense - Leases ROU		14,552
Amortization expense - SBITA ROU		-
Amortization expense - P3 ROU		-
Depreciation and Amortization expense - Others		
Total depreciation and amortization	<u>\$</u>	<u>1,302,377</u>

See independent auditor's report.

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

4 Long-term liabilities:

	Balance June 30, 2022	Prior Period Adjustments/Reclassific	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ 789,615		\$ 789,615	\$ 889,751	\$ (749,955)	\$ 929,411	\$ 762,117	\$ 167,294
2. Claims liability for losses and loss adjustment expenses	-		-			-		-
3. Capital lease obligations (pre-ASC 842):								
Gross balance	-		-	-		-	-	-
Unamortized net premium/(discount)	-		-	-		-	-	-
Total capital lease obligations (pre ASC 842)	-	-	-	-	-	-	-	-
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	-		-			-		-
4.2 Commercial paper	-		-			-		-
4.3 Notes payable (SRB related)	1,985,000		1,985,000		(155,000)	1,830,000	165,000	1,665,000
4.4 Finance purchase of capital assets	-		-			-		-
4.5 Others:								
	-		-			-		-
Total others	-	-	-	-	-	-	-	-
Sub-total long-term debt	1,985,000	-	1,985,000	-	(155,000)	1,830,000	165,000	1,665,000
4.6 Unamortized net bond premium/(discount)	-		-			-	-	-
Total long-term debt obligations	\$ 1,985,000	-	1,985,000	-	(155,000)	\$ 1,830,000	165,000	1,665,000

See independent auditor's report.

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

5. Lease, SBITA, P3 liabilities:	Balance		Prior Period			Balance		Current Portion	Noncurrent Portion
	June 30, 2022	46,313	Adjustments/Reclassific	Additions	Remeasurements	Reductions	June 30, 2023		
Lease liabilities	\$	46,313				\$ (14,467)	\$ 31,846	\$ 14,612	\$ 17,234
SBITA liabilities		-					-	-	-
P3 liabilities - SCA		-					-	-	-
P3 liabilities - non-SCA		-					-	-	-
Sub-total P3 liabilities		-	-	-	-	-	-	-	-
Total Lease, SBITA, P3 liabilities	\$	46,313	\$ -	-	-	(14,467)	31,846	14,612	17,234
Total long-term liabilities						\$ 2,791,257	\$ 941,729	\$ 1,849,528	

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

Year ending June 30:	Lease Liabilities			SBITA liabilities			Public-Private or Public-Public Partnerships (P3)			Total Leases, SBITA, P3 liabilities		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal Only	Interest Only	Principal and Interest
2024	\$ 14,612	253	14,865	-	-	-	-	-	-	14,612	253	14,865
2025	14,760	105	14,865	-	-	-	-	-	-	14,760	105	14,865
2026	2,474	6	2,480	-	-	-	-	-	-	2,474	6	2,480
Thereafter	-	-	-	-	-	-	-	-	-	-	-	-
Total minimum payments	\$ 31,846	364	32,210	-	-	-	-	-	-	31,846	364	32,210
Less: amounts representing interest												(364)
Present value of future minimum payments												31,846
Total Leases, SBITA, P3 liabilities												31,846
Less: current portion												(14,612)
Leases, SBITA, P3 liabilities, net of current portion												\$ 17,234

See independent auditor's report.

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

6 Future minimum payments schedule - Long-term debt

	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Year ending June 30:									
2024	\$ -	\$ -	\$ -	\$ 165,000	\$ 33,158	\$ 198,158	\$ 165,000	\$ 33,158	\$ 198,158
2025			-	175,000	26,360	201,360	175,000	26,360	201,360
2026			-	180,000	22,096	202,096	180,000	22,096	202,096
2027			-	180,000	20,292	200,292	180,000	20,292	200,292
2028			-	185,000	18,005	203,005	185,000	18,005	203,005
2029 - 2033			-	945,000	44,686	989,686	945,000	44,686	989,686
Thereafter			-			-			-
Total minimum payments	\$ -	-	-	1,830,000	164,597	1,994,597	1,830,000	164,597	1,994,597
Less: amounts representing interest									(164,597)
Present value of future minimum payments									1,830,000
Unamortized net premium/(discount)									-
Total long-term debt obligations									1,830,000
Less: current portion									(165,000)
Long-term debt obligations, net of current portion									\$ 1,665,000

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$	3,047,114
Payments to University for other than salaries of University personnel		3,091,746
Payments received from University for services, space, and programs		1,826,122
Gifts-in-kind to the University from discretely presented component units		123,477
Gifts (cash or assets) to the University from discretely presented component units		705,054
Accounts payable to University		(1,116,106)
Other amounts payable to University		
Accounts receivable from University		16,786
Other amounts receivable from University		

8 Restatements

Nothing to report

9 Natural classifications of operating expenses:

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	\$ 1,729,708	600,635	-	-	-	1,129,997	-	3,460,340
Research	1,979,387	307,870	-	-	-	2,158,322	-	4,445,579
Public service	11,205,839	4,116,275	-	-	-	14,881,942	-	30,204,056
Academic support	1,216,009	205,390	-	-	-	967,642	-	2,389,041
Student services	1,866,163	532,054	-	-	-	935,795	-	3,334,012
Institutional support	2,919,454	1,721,437	-	56,367	-	3,202,628	-	7,899,886
Operation and maintenance of plant	-	-	-	-	-	349,238	-	349,238
Student grants and scholarships	-	-	-	-	4,756,863	-	-	4,756,863
Auxiliary enterprise expenses	316,606	74,867	-	-	-	2,102,594	-	2,494,067
Depreciation and amortization							1,302,377	1,302,377
Total operating expenses	\$ 21,233,166	7,558,528	-	56,367	4,756,863	25,728,158	1,302,377	\$ 60,635,459

No pension plan reported

N/A

CHICO STATE ENTERPRISES

Other Information (for inclusion in the California State University)

June 30, 2023

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		154,002
Deferred outflows - leases		-
Deferred outflows - P3		-
Deferred outflows - others:		
Sales/intra-entity transfers of future revenues		-
Gain/loss on sale leaseback		-
Loan origination fees and costs		-
Change in fair value of hedging derivative instrument		-
Irrevocable split-interest agreements		-
Total deferred outflows - others		-
Total deferred outflows of resources	\$	154,002

2. Deferred Inflows of Resources

Deferred inflows - P3 service concession arrangements	\$	-
Deferred inflows - net pension liability		-
Deferred inflows - net OPEB liability		285,164
Deferred inflows - unamortized gain on debt refunding(s)		-
Deferred inflows - nonexchange transactions		-
Deferred inflows - leases		-
Deferred inflows - P3		-
Deferred inflows - others:		
Sales/intra-entity transfers of future revenues		-
Gain/loss on sale leaseback		-
Loan origination fees and costs		-
Change in fair value of hedging derivative instrument		-
Irrevocable split-interest agreements		-
Total deferred inflows - others		-
Total deferred inflows of resources	\$	285,164

11 Other nonoperating revenues (expenses)

Other nonoperating revenues	\$	12,507
Other nonoperating (expenses)		-
Total other nonoperating revenues (expenses)	\$	12,507

See independent auditor's report.

CHICO STATE ENTERPRISES
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

<u>Assistance Listing No.</u>	<u>Project</u>	<u>Project Description</u>	<u>FIRM</u>	<u>Contract Number</u>	<u>FY22-23 Federal Expenditures</u>	<u>Passed through to recipients</u>
Department of Agriculture -						
Direct Awards - Research and Development						
10.326	SP6081601	RAD Lab	200	2020-70001-31434	\$ 34,733.01	
10.326	SP6082901	Creating Ag Mgmt Systems Learn	200	2021-70001-34773	205,021.28	\$ 60,000.00
Sub-Total Research and Development Direct Awards					239,754.29	60,000.00
Direct Awards						
10.223	SP6082601	Project DA-FAN HSI	100	2021-77040-34880	105,444.27	17,195.52
10.175	SP6081001	Local Producer Marketing TAF	300	AM190100XXXXG088	118,442.89	-
10.326	SP6082401	Promoting Financial Resilience	300	2021-70001-34517	68,789.51	-
10.351	SP6083901	No State Businesses E-Commerce	300	04-004-759063088	24,078.69	-
10.351	SP6084701	RDBG North State E-Commerce	300	SP-22-0259	19,956.57	-
10.664	SP6085001	Joint Venture Agreement - USFS	300	22-JV-11261985-059	1,887.09	-
10.699	SP6078401	Recreation Site Management	300	18-PA-11052009-068	377,420.24	-
10.699	SP6080401	CESU: NVUM	300	19-CS-11052009-032	305,727.35	-
10.712	SP6085101	Wrights Lake Improvement	300	GAOA Wrights Lake	13,590.72	-
10.931	SP6085401	RCPD TA-I	300	2338-A-0737	11,456.80	9,269.48
10.931	SP6085402	RCPD TA-E	300	2338-A-0737	7,671.60	1,726.81
10.CNT	SP6064101	NURTURING THE PROMISE	300	14-CS-11052009-027	534.65	-
Sub-Total Direct Awards					1,055,000.38	28,191.81
Pass Through Awards						
CA Dept Of Food & Agriculture						
10.170	SP6490201	North State Farm to School	300	20-0001-022-SF	183,461.35	
Sub-Total Pass Through Awards, CA Dept of Food & Agriculture					183,461.35	
10.170	SP6490401	CDFA Nutrient Mgt w Cover Crop	200	20-0001-037-SF	302,168.44	
Sub-Total Research & Development Pass Through Awards, CA Dept of Food & Agriculture					302,168.44	
Vilmorin-Mikado USA						
10.170	SP6503601	Exploring Baby Leaf Gemplasm	200	VMKCSUC2022	6,889.85	
Sub-Total Research & Development Pass Through Awards, Vilmorin-Mikado USA					6,889.85	
Montana State University						
10.215	SP6481701	Potential Economic & Nitrogen	200	G119-20-W7500	139,214.09	
Sub-Total Research & Development Pass Through Awards, Montana State University					139,214.09	
The Regents of New Mexico SU						
10.223	SP6502101	Enhance Competitive Scholars	200	Q02397	10,117.16	
Sub-Total Research & Development Pass Through Awards, The Regents of New Mexico SU					10,117.16	
Washington State Univ.						
10.309	SP6502601	Plastic Mulch Mgt-Strawberry	200	136736 SPC004761	62,284.11	
Sub-Total Research & Development Pass Through Awards, Washington State University					62,284.11	
Ecology Center (Berkeley)						
10.331	SP6483603	Ecology Center Market Match Y3	300	SP-19-339	95,528.23	
10.331	SP6502701	Ecology Center Market Match	300	SP-23-0145	65,340.02	
Sub-Total Pass Through Awards, Ecology Center (Berkeley)					160,868.25	
CA Dept Of Public Health						
10.557	SP6469801	WIC Video Production Services	300	17-10428	39.75	
10.557	SP6469802	WIC Video Production Services	300	17-10428	(65.01)	
10.557	SP6503901	WIC WNA E-Learning Development	300	22-10731	15,313.15	
Sub-Total Pass Through Awards, CA Dept of Public Health					15,287.89	
CA Dept Of Education						
10.559	SP6498301	SUMMER FOODS 2022	500	22-0339	32,905.42	
Sub-Total, Child Nutrition Cluster, Pass Through Awards, CA Dept of Education					32,905.42	
CA Dept Of Public Health						
10.561	SP6482807	SNAP-ED COLUSA SUBVENTION Y3T1	300	19-10354	55,176.16	5,662.53
10.561	SP6482808	SNAP-ED GLENN SUBVENTION Y3T2	300	19-10354	54,411.03	-
10.561	SP6482809	SNAP-ED YUBA SUBVENTION Y3T3	300	19-10354	47,920.92	-
10.561	SP6482810	SNAP-ED COLUSA SUBVENTION Y4T1	300	19-10354	129,064.99	19,682.91
10.561	SP6482811	SNAP-ED GLENN SUBVENTION Y4T2	300	19-10354	90,056.62	-
10.561	SP6482812	SNAP-ED YUBA SUBVENTION Y4T3	300	19-10354	110,588.78	-
Sub-Total, SNAP Cluster, Pass Through Awards, CA Dept of Public Health					487,218.50	25,345.44

CHICO STATE ENTERPRISES
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

<u>Assistance Listing No.</u>	<u>Project</u>	<u>Project Description</u>	<u>FIRM</u>	<u>Contract Number</u>	<u>FY22-23 Federal Expenditures</u>	<u>Passed through to recipients</u>
Siskiyou County						
10.561	SP6483103	Siskiyou County SNAP-Ed 21-22	300	SP-19-306	6,203.79	
10.561	SP6501201	Siskiyou County SNAP-Ed 22-23	300	SP-22-0331	19,668.43	
Sub-Total, SNAP Cluster, Pass Through Awards, Siskiyou County					25,872.22	
CA Dept Of Public Health						
10.561	SP6485203	SNAP-ED on CSU Campuses	300	19-10818	272,642.91	179,378.85
10.561	SP6485204	SNAP-ED on CSU Campuses	300	19-10818	807,556.41	284,095.20
Sub-Total, SNAP Cluster, Pass Through Awards, CA Dept of Public Health					1,080,199.32	463,474.05
CA Dept Of Social Services						
10.561	SP6495201	CalFresh Outreach 21-22	300	21-3058	1,895,094.55	1,027,087.71
10.561	SP6495202	CalFresh Outreach 22-23	300	21-3058	4,606,320.52	2,534,966.19
Sub-Total, SNAP Cluster, Pass Through Awards, CS Dept of Social Services					6,501,415.07	3,562,053.90
Tehama County						
10.561	SP6496401	Tehama County SNAP-Ed 21-22	300	SP-19-305-03	21,589.25	
10.561	SP6501001	Tehama LHD 22-23	300	2022-374	106,234.05	
Sub-Total, SNAP Cluster, Pass Through Awards, Tehama County					127,823.30	
CA Dept Of Aging						
10.561	SP6495301	SNAP-Ed PSA2 21/22	300	SP-2122-03	62,910.08	
10.561	SP6495401	SNAP-Ed PSA3 21/22	300	SP-2122-03	60,382.07	
10.561	SP6501301	SNAP-Ed PSA2 22/23	300	CF-2223-03	168,385.94	
10.561	SP6501401	SNAP-Ed PSA3 22/23	300	CF-2223-03	176,505.01	
10.561	SP6502502	CalFresh Exp Fed Funds 22/23	300	CF-2223-03	19,297.52	
Sub-Total, SNAP Cluster, Pass Through Awards, CA Dept of Aging					487,480.62	
UC Davis						
10.912	SP6476701	Vegetable Cropping Systems	200	A19-1144-S001	2,105.34	
Sub-Total Research & Development Pass Through Awards, UC Davis					2,105.34	
STATE	SP6502503	CalFresh Exp State Funds 22/23	300	CF-2223-03	14,844.11	
VARIOUS	SP6502501	CalFresh Expansion 22/23	300	CF-2223-03	-	
Sub-Total, SNAP Cluster, Pass Through Awards, CA Dept of Aging					14,844.11	
Total Research and Development Direct Awards					239,754.29	60,000.00
Total Direct Awards					1,055,000.38	28,191.81
Total Research and Development Pass Through Awards					522,778.99	-
Total Pass Through Awards					359,617.49	-
Total Child Nutrition Cluster Pass Through Awards					32,905.42	-
Total SNAP Cluster Pass Through Awards					8,710,009.03	4,050,873.39
Total STATE SNAP Cluster Pass Through Awards					14,844.11	-
Total Department of Agriculture					10,934,909.71	4,139,065.20
Department of Commerce						
Direct Awards						
11.303	SP6084401	EDA University Center 22/23	300	ED22SEA3030039	87,505.39	
11.303	SP6084501	EDA Univ Center 22/23 Fresno	300	ED22SEA3030039	87,500.00	
11.303	SP6084601	EDA Univ Center 22/23 CP SLO	300	ED22SEA3030039	18,931.44	
Sub-Total Direct Awards					193,936.83	
Pass Through Awards						
Foundation for California Comm						
11.307	SP6502801	FCCC Good Jobs Challenge	300	6619	156,720.74	
Sub-Total, Economic Development Cluster, Direct Awards					156,720.74	
California Manufacturing Technology Consulting						
11.611	SP6489701	CMTC Technical Assist 2021	300	70NANB16H208	6.28	
11.611	SP6496101	CMTC Tech Assistance	300	70NANB21H146	27,437.84	
11.611	SP6501701	CMTC Technical Assistance	300	70NANB21H146	54,027.34	
Sub-Total Pass Through Awards, CA Manufacturing Tech Consulting					81,471.46	
Total Direct Awards					193,936.83	
Total Economic Development Cluster Other Direct Awards					156,720.74	
Total Pass Through Awards					81,471.46	
Total Department of Commerce					432,129.03	

CHICO STATE ENTERPRISES
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

<u>Assistance Listing No.</u>	<u>Project</u>	<u>Project Description</u>	<u>FIRM</u>	<u>Contract Number</u>	<u>FY22-23 Federal Expenditures</u>	<u>Passed through to recipients</u>
Department of Defense						
Direct Awards - Research and Development						
12.300	SP6079301	High Speed Cost Effect Sim Y1	200	N00014-19-1-2056	93,651.55	
12.300	SP6079401	High Speed Simulation & Design	200	N00014-19-1-2055	97,065.12	
12.630	SP6084101	GPU/CPU Sener Acquisition DoD	200	W911NF2210221	166,905.88	
Sub-Total Research and Development Direct Awards					<u>357,622.55</u>	
Total Research and Development Direct Awards					<u>357,622.55</u>	
Total Department of Defense					<u>357,622.55</u>	
Department of Housing and Urban Development						
Pass Through Awards						
Butte County						
14.218	SP6496501	CDBG Butte Nutrition 2021-2023	300	X24557	106,451.86	
Sub-Total, CDBG - Entitlement Grants Cluster, Pass Through Awards, Butte County					<u>106,451.86</u>	
Total Pass Through Awards					<u>106,451.86</u>	
Total Department of Housing and Urban Development					<u>106,451.86</u>	
Department of Interior						
Direct Awards - Research and Development						
15.245	SP6082301	Post Fire Veg Recovery	200	L20AC00415	10,263.57	
15.533	SP6081701	Modeling Effects of Wildfire	200	R20AC00111	7,096.78	
15.933	SP6080501	JACS: ALASKA AT TULE LAKE	200	P19AP00224	(0.03)	
Sub-Total Research and Development Direct Awards					<u>17,360.32</u>	
Direct Awards						
15.512	SP6069601	USBR SIDE CHNNLS RESTOR-SRCAF	300	R16AC00099	78,915.65	-
15.512	SP6072201	USBR SIDE CHNNLS RESTOR-GIC	300	R16AC00099	134,022.39	-
15.512	SP6072301	USBR SIDE CHNNLS RESTOR-BANET	300	R16AC00099	20,921.66	-
15.512	SP6072601	USBR SIDE CHNNLS RESTOR-SUBKS	300	R16AC00099	78,464.20	78,464.20
15.512	SP6083701	Salmonid Habitat Restor (B1)	300	R21AC10420	1,016,742.57	497,745.12
15.512	SP6083702	Salmonid Habitat Restor (B13)	300	R21AC10420	1,636,857.33	1,636,857.33
15.945	SP6080801	Stream Condition Monitoring-Me	300	P19AC01202	16,764.31	-
Sub-Total Direct Awards					<u>2,982,688.11</u>	<u>2,213,066.65</u>
Pass Through Awards						
Cal Poly Corporation						
15.560	SP6498401	Tech Assist-Water Dist 22-27	200	2022-17-48610	144,226.41	
Sub-Total Research & Development Pass Through Awards, Cal Poly Corporation					<u>144,226.41</u>	
CA Dept Of Parks & Recreation						
15.904	SP6496301	SHPO FY 2021/2022	300	SHPO FY 2021/2022	544.71	
Sub-Total Pass Through Awards, CA Dept of Parks & Recreation					<u>544.71</u>	
Total Research and Development Direct Awards					<u>17,360.32</u>	-
Total Direct Awards					<u>2,982,688.11</u>	<u>2,213,066.65</u>
Total Research & Development Pass Through Awards					<u>144,226.41</u>	-
Total Pass Through Awards					<u>544.71</u>	-
Total Department of Interior					<u>3,144,819.55</u>	<u>2,213,066.65</u>
Department of Justice Bureau of Justice Assistance						
Direct Awards - Research and Development						
16.560	SP6073501	HUMAN REMAINS SEARCH PARAMETER	200	2016-DN-BX-0159	47,610.19	
16.560	SP6074101	HUMAN REMAINS SEARCH - FACULTY	200	2016-DN-BX-0159	33,549.89	
Sub-Total Research and Development Direct Awards					<u>81,160.08</u>	
Pass Through Awards						
Butte County						
16.738	SP6490901	Butte Co. LEP 20/21	300	X24122	50,148.24	
Sub-Total Pass Through Awards, Butte County					<u>50,148.24</u>	
Total Research and Development Direct Awards					<u>81,160.08</u>	
Total Pass Through Awards					<u>50,148.24</u>	
Total Department of Justice Bureau of Justice Assistance					<u>131,308.32</u>	

CHICO STATE ENTERPRISES
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

<u>Assistance Listing No.</u>	<u>Project</u>	<u>Project Description</u>	<u>FIRM</u>	<u>Contract Number</u>	<u>FY22-23 Federal Expenditures</u>	<u>Passed through to recipients</u>
Department of Labor						
Pass Through Awards						
No Cntral Counties Consortium						
17.259	SP6490103	NCCC Summr Workforce Exp 22/23	300	20-23	6,000.00	
Sub-Total WIOA Cluster Pass Through Awards, No Cntral Counties Consortium					<u>6,000.00</u>	
Total WIOA Cluster, Pass Through Awards					<u>6,000.00</u>	
Total Department of Labor					<u>6,000.00</u>	
Department of State Bureau of Educational and Cultural Affairs						
Pass Through Awards						
World Learning, Inc.						
19.021	SP6500601	IYLEP World Learning	300	SIZ-100-19-GR-0026-UC22	44,657.36	
Sub-Total Pass Through Awards, World Learning Inc					<u>44,657.36</u>	
University of Montana						
19.401	SP6489501	Study of US Institutes	300	20107	12,968.41	
19.401	SP6496601	Univ of Montana SUSI 2021 Yr 1	300	PG22-26985-01	57,748.94	
19.401	SP6501501	Athens Workshop	300	23-0098	184,860.28	
19.401	SP6502901	Univ of Montana SUSI 2022-23	300	PG23-6B000-01	131,823.73	
Sub-Total Pass Through Awards, University of Montana					<u>387,401.36</u>	
Int'l Research & Exchanges Brd						
19.408	SP6502401	IREX 2022-2023 Fulbright TEA	100	FY23-FTEA_CSU-01	205,911.59	
19.900	SP6503001	IREX 2022-2023 Uzbekistan	100	FY23-FTEA-CSU-01-A1	19,810.46	
Sub-Total Pass Through Awards, Int'l Research & Exchanges Brd					<u>225,722.05</u>	
Total Pass Through Awards					<u>657,780.77</u>	
Total Department of State Bureau of Educational and Cultural Affairs					<u>657,780.77</u>	
Department of Transportation						
Pass Through Awards						
Kansas State University						
20.325	SP6488901	Rural Railroad Safety Center	200	A20-0537-S004	108,498.87	
Sub-Total Research & Development Pass Through Award, Kansas State University					<u>108,498.87</u>	
Total Research & Development Pass Through Award					<u>108,498.87</u>	
Total Department of Transportation					<u>108,498.87</u>	
Department of the Treasury						
Pass Through Awards						
California Volunteers						
21.027	SP6498101	CA College Corp	500	CCSFRF003	87,624.97	
21.027	SP6498102	CA College Corp - Non-Dreamers	500	CCSFRF003	771,393.80	
21.027	SP6498103	CA College Corp-CFA Education	500	CCSFRF003	89,172.68	
Sub-Total Pass Through Awards, California Volunteers					<u>948,191.45</u>	
Total Pass Through Awards					<u>948,191.45</u>	
Total Department of Tresasury					<u>948,191.45</u>	
National Aeronautics & Space Administration (NASA)						
Pass Through Awards						
Texas A&M University						
43.001	SP6494001	Oxidizing Oases - South Africa	200	M2101725	49,627.78	
Sub-Total Research & Development Pass Through Awards, Texas A&M University					<u>49,627.78</u>	
Total Research & Development Pass Through Awards					<u>49,627.78</u>	
Total National Aeronautics & Space Administration (NASA)					<u>49,627.78</u>	
National Endowment for the Arts						
Pass Through Awards						
Nat'L Writing Project						
45.164	SP6084001	COVID-19 - Rblndg Humanities Quartz VIR	300	92-CA04-2022BMPU	52,277.28	
Sub-Total Pass Through Awards, National Writing Project					<u>52,277.28</u>	
Total Pass Through Awards					<u>52,277.28</u>	
Total National Endowment for the Arts					<u>52,277.28</u>	

CHICO STATE ENTERPRISES
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

<u>Assistance Listing No.</u>	<u>Project</u>	<u>Project Description</u>	<u>FIRM</u>	<u>Contract Number</u>	<u>FY22-23 Federal Expenditures</u>	<u>Passed through to recipients</u>
National Science Foundation						
Direct Awards - Research and Development						
47.074	SP6077901	NSF Digitization TCN	200	1802182	(0.01)	-
47.041	SP6082201	NSF: RAPID Collaborative Res	200	2101904	971.40	-
47.049	SP6080901	Chico Topology Conference 2020	200	1953894	4,798.73	-
47.049	SP6083301	LEAPS-MPS: Tunable Hybrid	200	2137915	107,883.91	-
47.050	SP6079501	NSF: Mass Spectrometer Acquisi	200	1826807	26,395.88	-
47.050	SP6082801	Topography and Magma Propertie	200	2123216	25,178.62	-
47.050	SP6083001	Theoretical & Obs. Investigati	200	2054969	130,598.86	-
47.076	SP6077401	NSF NORCAL MAST NOYCE TRACK 1	200	1758522	228,652.84	-
47.076	SP6080001	NSF HDR: STEM EVAL & RSRCH	200	1928596	480,881.18	467,555.00
47.076	SP6080101	NSF: Geoscience Inquiry Labs	200	1933488	64,304.28	-
47.076	SP6081101	NSF: HSI IUSE	200	1953751	355,639.51	51,372.25
47.076	SP6081201	NSF: Career	200	1944802	63,697.42	-
47.076	SP6081801	NSF: Engaged Student Learning	200	2021307	83,567.00	22,438.68
47.076	SP6082701	Undergrad STEM Education	200	2110641	18,221.61	-
47.076	SP6084301	NSF: ORE-CZ	200	2227975	10,451.51	-
47.083	SP6084201	MRI: Acquisition Microscope	200	2216269	545,095.16	-
Sub-Total Research and Development Direct Awards					2,146,337.90	541,365.93
Pass Through Awards						
Univ Of Nevada - Reno						
47.041	SP6482201	NSF: UNR NEWIR Manure 19/20 Y1	200	UNR-20-19	47,563.85	-
Sub-Total Research & Development Pass Through Awards, University of Nevada - Reno					47,563.85	
Uc Davis						
47.041	SP6490601	DNA-BASED ASSEMBLY OF MANUFAC	100	A21-1719-S003	16,859.30	-
Sub-Total Research and Development Pass Through Awards, UC Davis					16,859.30	
Portland State University						
47.076	SP6482301	NSF: UNDERGRAD STUDENT TRANSIT	200	100112	25,333.42	-
Sub-Total Research & Development Pass Through Awards, Portland State University					25,333.42	
Univ Enterprises, Inc., CSU Sacramento						
47.076	SP6482703	NSF LSAMP 21/22	100	553052	9,500.00	-
Sub-Total Research and Development Pass Through Awards, University Enterprises, Inc., CSU Sacramento					9,500.00	
UC Los Angeles (UCLA)						
47.084	SP6503101	NSF UCLA Increasing Food Benef	200	0300-G-LE698	78,699.07	-
Sub-Total Research & Development Pass Through Awards, UC Los Angeles					78,699.07	
Total Research and Development Direct Awards					2,146,337.90	541,365.93
Total Research and Development Pass Through Awards					177,955.64	-
Total National Science Foundation					2,324,293.54	541,365.93
Environmental Protection Agency Office of Research and Development						
Direct Awards - Research and Development						
66.516	SP6077101	RESBL BIODGRDBL SLVNTS BIODSL	200	SV-83935101-0	409.70	-
Sub-Total Research and Development Direct Awards					409.70	
Pass Through Awards						
W. Virginia Univ. Res. Corp						
66.521	SP6503501	WVURC Environmental & Economic	200	OSP 22-621-CSUC	4,644.04	-
Sub-Total Research & Development Pass Through Awards, W. Virginia Univ. Res. Corp					4,644.04	
Southern California Coastal Water Research Project						
66.XXX	SP6497001	Western Mountains Streamflow	300	SP-22-0238	37,055.82	-
Sub-Total Pass Through Awards, Southern California Coastal Water Research Project					37,055.82	
Total Research and Development Direct Awards					409.70	
Total Research and Development Pass Through Awards					4,644.04	
Total Pass Through Awards					37,055.82	
Total Environmental Protection Agency Office of Research and Development					42,109.56	
Department of Education						
Direct Awards - Research and Development						
84.423A	SP6085301	NorCal GREAT Teacher Pipeline	200	S423A220083	1,217,060.53	-
Sub-Total Research and Development Direct Awards					1,217,060.53	

CHICO STATE ENTERPRISES
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Year Ended June 30, 2023

<u>Assistance Listing No.</u>	<u>Project</u>	<u>Project Description</u>	<u>FIRM</u>	<u>Contract Number</u>	<u>FY22-23 Federal Expenditures</u>	<u>Passed through to recipients</u>
Direct Awards						
84.325K	SP6079104	T.I.E.R. Y4 21/22	100	H325K180127 - 21	210,623.74	-
84.325K	SP6079105	T.I.E.R. Y5 22/23	100	H325K180127 - 21	105,016.02	-
84.336S	SP6080703	The CLASS Project	100	U336S190030-21	373,614.78	-
84.336S	SP6080704	The CLASS Project	100	U336S190030	1,101,669.12	-
84.047A	SP6077605	UPWARD BOUND I Y5 22/23	300	P047A180184	622,317.69	-
84.047A	SP6085901	UPWARD BOUND I Y1 23/24	300	P047A230364	99,350.47	-
84.335A	SP6079001	Childcare Access Parents	300	P335A180211	(0.02)	-
84.335A	SP6079004	Childcare Access Parents	300	P335A180211 - 20	129,839.64	125,211.98
84.365Z	SP6075705	CIELO EXPAND ENG LNR ED OP	300	T365Z170163 - 21	225,050.86	(40,000.00)
84.365Z	SP6083401	BRILLA	300	T365Z210195	18,376.74	(3,000.00)
84.365Z	SP6083402	BRILLA	300	T365Z210195 - 22	302,129.66	-
84.031S	SP6080603	Adelante: A Pipeline Program	400	P031S190332 - 21	149,362.40	-
84.031S	SP6080604	Adelante: A Pipeline Program f	400	P031S190332	409,488.37	-
84.031S	SP6083801	Project Destino	400	P031S210231	112,027.43	-
84.031S	SP6083802	Project Destino	400	P031S210231 - 22	290,877.87	-
84.031C	SP6076104	CHICO STEM CONN Y5 20/21	500	P031C160125	77,920.60	-
84.031C	SP6083501	Chico STEM Connection CSC2	500	P031C210097	187,314.31	-
84.031C	SP6083502	Chico STEM Connection CSC2	500	P031C210097	596,022.77	-
Sub-Total Direct Awards					5,011,002.45	82,211.98
TRIO Cluster, Direct Awards						
84.042A	SP6082102	TRIO Student Support 21/22	500	P042A200376-21	52,592.61	-
84.042A	SP6082103	TRIO Student Support 22/23	500	P042A200376 - 22	240,227.93	-
84.044A	SP6075804	ED TALENT SEARCH II Y5 20/21	500	P044A160601	0.01	-
84.044A	SP6083101	ETS I Y1 21/22	500	P044A210612	66,665.13	-
84.044A	SP6083102	ETS I Y2 22/23	500	P044A210612 - 22	296,621.92	-
84.044A	SP6083201	ED TALENT SEARCH II Y1 21/22	500	P044A210590	42,791.44	-
84.044A	SP6083202	ED TALENT SEARCH II Y2 22/23	500	P044A210590 - 22	192,505.16	-
84.047M	SP6075905	UB MATH/SCIENCE Y5 21/22	500	P047M170193 - 21	102,676.34	-
84.047M	SP6076005	UB STEM Y5 21/22	500	P047M170194 - 21	112,895.88	-
84.047M	SP6078304	Upward Bound II Y4 21/22	500	P047A180185 - 21	91,472.06	-
84.047M	SP6078305	Upward Bound II Y5 22/23	500	P047A180185 - 22	373,969.46	-
84.047M	SP6084801	UB MATH/SCIENCE Y1 22/23	500	PO47M220253	210,260.83	-
84.047M	SP6084901	UB STEM Y1 22/23	500	P047M220172	190,500.48	-
Sub-Total, TRIO Cluster, Direct Awards					1,973,179.25	
Pass Through Awards						
Uc Regents/Office Of The President						
84.367A	SP6495701	ESSA CSP	300	ESSA21-CSP-CHICO	1,526.04	-
84.367A	SP6495801	Chico Math Project	300	ESSA21-CMP-CHICO	2,311.20	-
84.367A	SP6501801	INSP ESSA CSP 22/23	300	ESSA22-CSP-CHICO	30,097.78	-
84.367A	SP6501901	ESSA N. Ca Writing Proj 22/23	300	ESSA22-CWP-CHICO	35,383.37	-
84.367A	SP6502001	CA Math Project ESSA 22/23	300	ESSA22-CMP-CHICO	26,015.75	-
Sub-Total Pass Through Awards, UC Regents/Office of the President					95,334.14	
Nat'L Writing Project						
84.411A	SP6485101	NCWP I3 Scale-up	300	20-309	(5,232.56)	-
Sub-Total Pass Through Awards, National Writing Project					(5,232.56)	
CA Dept Of Education						
84.424	SP6494401	Nor-Cal ELC 21/22	100	2020 15665-AA053 02	186,715.19	-
84.424	SP6494402	Nor-Cal ELC 22/23	100	2021 15665-AA053 02	1,170,305.06	29,000.00
Sub-Total Pass Through Awards, CA Dept of Education					1,357,020.25	29,000.00
Uc Santa Barbara						
84.425	SP6498001	ESSER NCWP 21/22	300	KK2260	(1,254.68)	-
Sub-Total Pass Through Awards, UC Santa Barbara					(1,254.68)	
Csu Chico						
84.425F	SP6495101	COVID-19 - Ecotherapy-Student Wellness	500	T8548 (HEERF)	(4,166.19)	-
84.425F	SP6496701	COVID-19 - HEERF	100	92034	2,254.00	-
Sub-Total Pass Through Awards, CSU Chico					(1,912.19)	
Total Research and Development Direct Awards					1,217,060.53	-
Total Direct Awards					5,011,002.45	82,211.98
Total TRIO Cluster Direct Awards					1,973,179.25	-
Total Pass Through Awards					1,443,954.96	29,000.00
Total Department of Education					9,645,197.19	111,211.98

CHICO STATE ENTERPRISES
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<u>Assistance Listing No.</u>	<u>Project</u>	<u>Project Description</u>	<u>FIRM</u>	<u>Contract Number</u>	<u>FY22-23 Federal Expenditures</u>	<u>Passed through to recipients</u>
Department of Aging and Adult Services (DAAS)						
Pass Through Awards						
CA Dept Of Aging						
92.324	SP6494704	HICAP Fed Program 21/22	300	HI-2122-03	134.62	
92.324	SP6497204	HICAP PROG FED 9MO 22/23	300	HI-2122-03	66,394.29	
92.324	SP6503304	HICAP PROG FED Y3	300	HI-2122-03	17,786.78	
92.324	SP6481101	HICAP PROGRAM 19/20	300	HI-1718-03	3,288.35	
Sub-Total Pass Through Awards, CA Depart of Aging					87,604.04	
Total Pass Through Awards					87,604.04	
Total Department of Aging and Adult Services (DAAS)					87,604.04	
Department of Health and Human Services						
Direct Awards						
93.732	SP6083601	Health Resc & Svc Admin	400	5 M01HP41961	(4,082.16)	
93.732	SP6083602	BehavHlthWrkfrceEdu&Train Y2	400	5 M01HP41961-02-00	184,104.79	
Sub-Total Direct Awards					180,022.63	
Pass Through Awards						
CA Dept Of Aging						
93.041	SP6499601	7B Elder Abuse Prev 22/23	300	AP-2223-03	5,738.49	
Sub-Total Federal \$ Pass Through Awards, CA Dept of Aging					5,738.49	
CA Dept Of Aging						
93.042	SP6479903	7A OMBUDSMAN 19/20	300	AP-1920-03	40.25	
93.042	SP6488701	COVID-19-CARES 7A OMB 20/21	300	CK #09219513 CARES-03	22,458.88	
93.042	SP6499403	7A Ombudsman 22/23	300	AP-2223-03	26,501.49	
Sub-Total Federal \$ Pass Through Awards, CA Dept of Aging					49,000.62	
CA Dept Of Aging						
93.043	SP6493101	3D Disease Prevention 21/22	300	AP-2122-03	2.48	
93.043	SP6499701	3D Disease Prevention 22/23	300	AP-2223-03	2,688.45	
Sub-Total Federal \$ Pass Through Awards, CA Dept of Aging					2,690.93	
Psa2 Area Agency On Aging						
93.043	SP6495001	PSA 2 IIID 21-22	300	6002-2112-03	1.90	
Sub-Total Federal \$ Pass Through Awards, PSA2 Area Agency of Aging CA Dept of Aging					1.90	
CA Dept Of Aging						
93.044	SP6479002	AP ADMIN FED 3B 19/20	300	AP-1920-03	(10.35)	-
93.044	SP6479401	3B INFO & ASSIST 19/20	300	AP-1920-03	3,041.37	-
93.044	SP6479701	3B COMMUNITY EDUC 19/20	300	AP-1920-03	1,049.25	-
93.044	SP6479801	3B SENIOR COMPANION 19/20	300	AP-1920-03	151.27	-
93.044	SP6479902	3B OMBUDSMAN 19/20	300	AP-1920-03	40.27	-
93.044	SP6485801	AP ADMIN 20/21	300	AP-2021-03	(57.12)	-
93.044	SP6486201	3B INFO & ASSIST 20/21	300	AP-2021-03	(3,010.05)	-
93.044	SP6486601	3B SENIOR COMPANION 20/21	300	AP-2021-03	(151.27)	-
93.044	SP6486701	3B & 7A OMBUDSMAN 20/21	300	AP-2021-03	(80.04)	-
93.044	SP6487801	AP ED DISTRIBUTION 20/21	300	AP-2021-03	(410.52)	-
93.044	SP6488401	COVID-19-CARES 3B Direct 20/21	300	CK #09219663 CARES-03	697.64	-
93.044	SP6488402	COVID-19-CARES 3B Phone Buddies 20/21	300	CK #09219663 CARES-03	6,719.00	-
93.044	SP6491801	AP Administration 21/22	300	AP-2122-03	1,582.84	-
93.044	SP6491802	AP Admin Federal 21/22	300	AP-2122-03	5.01	-
93.044	SP6492201	3B Info & Assist 21/22	300	AP-2122-03	1,588.87	-
93.044	SP6492301	3B Public Info 21/22	300	AP-2122-03	1,552.98	-
93.044	SP6492401	3B Home Modification 21/22	300	AP-2122-03	19,498.60	-
93.044	SP6493501	3B Subcontracts 21/22	300	AP-2122-03	6,780.71	4,162.71
93.044	SP6493901	AP Exec Director Dist 21/22	300	AP-2122-03	(2.54)	-
93.044	SP6497301	ARP Direct 3B-COVID	300	AP-2122-03	27,296.34	-
93.044	SP6497302	ARP 3B Glenn Water Proj-COVID	300	AP-2122-03	34,591.29	-
93.044	SP6498602	AP Admin Fed 3B 22/23	300	AP-2223-03	50,364.86	-
93.044	SP6498901	3B Info & Assist 22/23	300	AP-2223-03	179,309.33	-
93.044	SP6499001	3B Public Info 22/23	300	AP-2223-03	6,426.95	-
93.044	SP6499101	3B Home Modification 22/23	300	AP-2223-03	85,617.10	-
93.044	SP6499301	3B Senior Companions 22/23	300	AP-2223-03	20,209.13	-
93.044	SP6499402	3B Fed Ombudsman 22/23	300	AP-2223-03	18,328.66	-
93.044	SP6500101	3B Subcontracts 22/23	300	AP-2223-03	124,799.00	124,799.00
93.044	SP6500401	AP Executive Director 22/23	300	AP-2223-03	(31.53)	-
Sub-Total Federal \$ Aging Cluster Pass Through Awards, CA Dept of Aging					585,897.05	128,961.71

CHICO STATE ENTERPRISES
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<u>Assistance Listing No.</u>	<u>Project</u>	<u>Project Description</u>	<u>FIRM</u>	<u>Contract Number</u>	<u>FY22-23 Federal Expenditures</u>	<u>Passed through to recipients</u>
CA Dept Of Aging						
93.045	SP6479003	AP ADMIN FED 3C1 19/20	300	AP-1920-03	(12.01)	-
93.045	SP6479004	AP ADMIN FED 3C2 19/20	300	AP-1920-03	(7.52)	-
93.045	SP6480402	3C1 DIRECT 19/20	300	AP-1920-03	3,073.18	-
93.045	SP6480502	3C2 DIRECT 19/20	300	AP-1920-03	2,753.93	-
93.045	SP6480702	3C1 SUBK FED 19/20	300	AP-1920-03	-	15,824.35
93.045	SP6480802	3C2 SUBK FED 19/20	300	AP-1920-03	-	59,070.18
93.045	SP6484701	SUBK FFCRA 3C1	300	CK #09215722 FFCRA-03	12,753.99	4,380.99
93.045	SP6484801	SUBK FFCRA 3C1	300	CK #09215722 FFCRA-03	2,640.06	2,640.06
93.045	SP6487202	3C1 DIRECT FED 20/21	300	AP-2021-03	(3,648.78)	-
93.045	SP6487302	3C2 DIRECT FED 20/21	300	AP-2021-03	(2,372.16)	-
93.045	SP6487502	3C1 SUBK FED 20/21	300	AP-2021-03	4,667.50	-
93.045	SP6487602	3C2 SUBK FED 20/21	300	AP-2021-03	5,368.62	-
93.045	SP6488801	COVID-19-CARES 3C2 Subk 20/21	300	CK #09219663 CARES-03	81,924.02	2,767.77
93.045	SP6492501	CAA Direct 3C2 21/22	300	AP-2122-03	53,151.00	-
93.045	SP6492601	CAA SubK 3C2 21/22	300	AP-2122-03	47,786.18	43,660.00
93.045	SP6493301	3C1 Direct Nutrition 21/22	300	AP-2122-03	(990.72)	-
93.045	SP6493302	3C1 Direct Fed 21/22	300	AP-2122-03	3.29	-
93.045	SP6493401	3C2 Direct Nutrition 21/22	300	AP-2122-03	1,646.19	-
93.045	SP6493402	3C2 Direct Fed 21/22	300	AP-2122-03	3.29	-
93.045	SP6493602	3C1 SubK Fed 21/22	300	AP-2122-03	32,518.58	-
93.045	SP6493702	3C2 SubK Fed 21/22	300	AP-2122-03	16,014.58	-
93.045	SP6497801	ARP SubK 3C1-COVID	300	AP-2122-03	138,335.00	138,335.00
93.045	SP6497901	ARP SubK 3C2-COVID	300	AP-2122-03	194,130.83	194,130.83
93.045	SP6498603	AP Admin Fed 3C1 22/23	300	AP-2223-03	47,750.97	-
93.045	SP6498604	AP Admin Fed 3C2 22/23	300	AP-2223-03	44,786.51	-
93.045	SP6499902	3C1 Direct Fed 22/23	300	AP-2223-03	117,048.83	-
93.045	SP6500002	3C2 Direct Fed 22/23	300	AP-2223-03	89,197.92	-
93.045	SP6500202	3C1 Subk Fed 22/23	300	AP-2223-03	205,965.39	203,775.39
93.045	SP6500302	3C2 Subk Fed 22/23	300	AP-2223-03	179,220.31	177,030.31
Sub-Total Federal \$ Aging Cluster Pass Through Awards, CA Dept of Aging					1,273,708.98	841,614.88
CA Health Advocates						
93.048	SP6496201	Senior Medicare Patrol 21/22	300	#90MPPG0019-03-00	(600.00)	-
Sub-Total Pass Through Awards, CA Health Advocates					(600.00)	
CA Dept Of Aging						
93.052	SP6479005	AP ADMIN FED 3E 19/20	300	AP-1920-03	(4.50)	-
93.052	SP6480301	3E FCSP 19/20	300	AP-1920-03	80.04	-
93.052	SP6487101	3E FCSP 20/21	300	AP-2021-03	(72.25)	-
93.052	SP6488601	COVID-19-CARES 3E Direct 20/21	300	CK #09219663 CARES-03	3,772.37	-
93.052	SP6493201	3E FSCP 21/22	300	AP-2122-03	15.67	-
93.052	SP6498605	AP Admin Fed 3E 22/23	300	AP-2223-03	21,235.25	-
93.052	SP6499801	3E FSCP 22/23	300	AP-2223-03	222,701.47	-
Sub-Total Federal \$ Pass Through Awards, CA Dept of Aging					247,728.05	
Psa2 Area Agency On Aging						
93.052	SP6500701	PSA2 3E FCSP 22/23	300	6001-2223-A12	95,991.57	-
93.052	SP6491601	PSA2 3E FCSP 21/22	300	6001-2122-A12	(1,087.76)	-
Sub-Total Federal \$ Pass Through Awards, PSA2 Area Agency of Aging CA Dept of Aging					94,903.81	
CA Dept Of Aging						
93.053	SP6480703	3C1 SUBK NSIP 19/20	300	AP-1920-03	-	1,954.00
93.053	SP6480803	3C2 SUBK NSIP 19/20	300	AP-1920-03	-	8,009.32
93.053	SP6487503	3C1 SUBK NSIP 20/21	300	AP-2021-03	296.79	-
93.053	SP6487603	3C2 SUBK NSIP 20/21	300	AP-2021-03	528.88	-
93.053	SP6493604	3C1 SubK NSIP 21/22	300	AP-2122-03	2,899.25	-
93.053	SP6493704	3C2 SubK NSIP 21/22	300	AP-2122-03	2,716.00	-
93.053	SP6499904	3C1 Direct Fed NSIP 22/23	300	AP-2223-03	11,274.10	-
93.053	SP6500004	3C2 Direct NSIP 22/23	300	AP-2223-03	18,291.60	-
93.053	SP6500204	3C1 SubK NSIP 22/23	300	AP-2223-03	25,446.00	25,446.00
93.053	SP6500304	3C2 SubK NSIP 22/23	300	AP-2223-03	41,781.00	41,781.00
Sub-Total Federal \$ Aging Cluster Pass Through Awards, CA Dept of Aging					103,233.62	77,190.32
CA Dept Of Aging						
93.071	SP6477902	MIPPA 2018 - 2020	300	MI-1819-03	1,129.16	-
93.071	SP6477903	MIPPA 2018 - 2020	300	MI-1819-03	(1,129.16)	-
93.071	SP6496901	MIPPA FY 21/22	300	MI-2122-03	2,719.90	-
93.071	SP6502201	MIPPA FY 22/23	300	MI-2223-03	24,808.70	-
Sub-Total Federal \$ Pass Through Awards, CA Dept of Aging					27,528.60	

CHICO STATE ENTERPRISES
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<u>Assistance Listing No.</u>	<u>Project</u>	<u>Project Description</u>	<u>FIRM</u>	<u>Contract Number</u>	<u>FY22-23 Federal Expenditures</u>	<u>Passed through to recipients</u>
CA Dept Of Public Health						
93.439	SP6477804	SPAN Grant-Colusa & Glenn 2022	300	18-10550	15,647.16	
93.439	SP6477805	SPAN Grant-Colusa & Glenn 2023	300	18-10550	40,475.04	
Sub-Total Pass Through Awards, CA Dept of Public Health					56,122.20	
CA Dept Of Social Services						
93.558	SP6489003	CalWORKS Fam Plan 20-22	300	22-3035	11,588.02	19,270.46
93.558	SP6489004	CalWORKS Fam Plan 20-23	300	22-3035	28,159.96	-
93.558	SP6489005	CalWORKS Fam Plan 22-23	300	22-3035	336,086.48	232,255.00
Sub-Total,477 Cluster, Pass Through Awards, CA Dept of Social Services					375,834.46	251,525.46
Community Action Agency Butte						
93.569	SP6495501	Food Rescue Project 21-22	300	21F-4406-FRC	38,485.01	
Sub-Total,477 Cluster, Pass Through Awards, Community Action Agency Butte					38,485.01	
CA Dept Of Social Services						
93.658	SP6476002	CHILD RESIDENTIAL TRAINING 20	300	18-3049	(36.21)	
Sub-Total,477 Cluster, Pass Through Awards, CA Dept of Social Services					(36.21)	
Uc Regents/Office Of The President						
93.658	SP6485401	Title IV-E Chi Wif 20-22	100	10496	173.21	
93.658	SP6485402	Title IV-E Chi Wif 20-22	100	10496	175.00	
93.658	SP6498501	Title IV-E Wif 22/23	100	11213	1,613,210.31	
Sub-Total Pass Through Awards, UC Regents/Office of the President					1,613,558.52	
CA Dept Of Aging						
93.747	SP6492001	Ombudsman Title XX21/22	300	AP-2122-03	5,458.00	
Sub-Total Federal \$ Pass Through Awards, CA Dept of Aging					5,458.00	
CA Dept Of Aging						
93.778	SP6478501	MSSP CMS-ADMIN 19/20	300	MS-1920-10	1,722.70	
93.778	SP6485501	MSSP CMS-ADMIN 20/21	300	MS-2021-10	(2,259.04)	
93.778	SP6491501	MSSP Admin 21/22	300	MS-2122-10	1,719.62	
93.778	SP6491502	MSSP Care Mgmt 21/22	300	MS-2122-10	(1,099.57)	
93.778	SP6491503	MSSP Waived Svcs 21/22	300	MS-2122-10	11,349.43	
93.778	SP6500501	MSSP Admin 22/23	300	MS-2223-10	286,190.62	
93.778	SP6500502	MSSP Care Mgmt 22/23	300	MS-2223-10	432,808.57	
93.778	SP6500503	MSSP Waived Svcs 22/23	300	MS-2223-10	174,140.47	
Sub-Total Medicaid Cluster Pass Through Awards, CA Dept of Aging					904,572.80	
University Of Minnesota						
93.866	SP6503401	Discrimination & Resilience	200	A009637006	10,438.33	
Sub-Total Federal \$ Pass Through Awards, University of Minnesota					10,438.33	
University of Washington Health Sciences Library						
93.879	SP6501601	NNLM Award	300	SP 22-0343 #UG4LM013725	24,990.62	
Sub-Total Federal \$ Pass Through Awards, University of Washington Health Sciences Library					24,990.62	
Butte County Dept Of Behaviora						
93.982	SP6494301	Butte Disaster Response 21/22	300	X24357	(1,677.43)	
93.982	SP6501101	Butte Disaster Response 22/23	300	X24895	16,744.68	
Sub-Total Pass Through Awards, Butte County Dept of Behavioral					15,067.25	
CA Dept Of Aging						
STATE	SP6480404	3C1 DIRECT STATE 19/20	300	AP-1920-03	1,753.83	-
VARIOUS	SP6499901	3C1 Direct Nutrition 22/23	300	AP-2223-03	-	-
VARIOUS	SP6487201	3C1 DIRECT SRV 20/21	300	AP-2021-03	-	-
STATE	SP6487204	3C1 DIRECT STATE 20/21	300	AP-2021-03	(1,566.24)	-
STATE	SP6499903	3C1 Direct State 22/23	300	AP-2223-03	24,673.49	-
VARIOUS	SP6480701	3C1 SUBCONTRACTS 19/20	300	AP-1920-03	-	(46,596.35)
VARIOUS	SP6487501	3C1 SUBCONTRACTS 20/21	300	AP-2021-03	-	-
VARIOUS	SP6493601	3C1 Subcontracts 21/22	300	AP-2122-03	-	-
VARIOUS	SP6500201	3C1 Subcontracts 22/23	300	AP-2223-03	-	-
STATE	SP6480704	3C1 SUBK STATE 19/20	300	AP-1920-03	-	28,818.00
STATE	SP6493603	3C1 SubK State 21/22	300	AP-2122-03	(888.03)	-
STATE	SP6500203	3C1 SubK State 22/23	300	AP-2223-03	106,865.00	106,865.00
STATE	SP6480504	3C2 DIRECT STATE 19/20	300	AP-1920-03	1,215.89	-
VARIOUS	SP6500001	3C2 Direct Nutrition 22/23	300	AP-2223-03	-	-
VARIOUS	SP6480501	3C2 DIRECT SERVICES 19/20	300	AP-1920-03	-	-
VARIOUS	SP6487301	3C2 DIRECT SERVICES 20/21	300	AP-2021-03	-	-
STATE	SP6487304	3C2 DIRECT STATE 20/21	300	AP-2021-03	(2,259.80)	-
STATE	SP6500003	3C2 Direct State 22/23	300	AP-2223-03	94,852.92	-
VARIOUS	SP6493701	3C2 Subcontractors 21/22	300	AP-2122-03	-	-
VARIOUS	SP6500301	3C2 Subcontractors 22/23	300	AP-2223-03	-	-
VARIOUS	SP6480801	3C2 SUBCONTRACTS 19/20	300	AP-1920-03	-	(106,425.50)
VARIOUS	SP6487601	3C2 SUBCONTRACTS 20/21	300	AP-2021-03	-	-
STATE	SP6480804	3C2 SUBK STATE 19/20	300	AP-1920-03	-	39,346.00
STATE	SP6493703	3C2 SubK State 21/22	300	AP-2122-03	48,056.00	-
STATE	SP6500303	3C2 SubK State 22/23	300	AP-2223-03	442,493.68	442,493.68
VARIOUS	SP6479001	AP ADMIN 19/20	300	AP-1920-03	-	-
STATE	SP6479006	AP ADMIN ST 3C1 19/20	300	AP-1920-03	-	-
STATE	SP6479007	AP ADMIN ST 3C2 19/20	300	AP-1920-03	-	-
STATE	SP6498606	AP Admin State GF 22/23	300	AP-2223-03	90,298.03	-
VARIOUS	SP6498601	AP Administration 22/23	300	AP-2223-03	-	-
Sub-Total STATE \$ Aging Cluster Pass Through Awards, CA Dept of Aging					805,494.77	464,500.83

CHICO STATE ENTERPRISES
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

<u>Assistance Listing No.</u>	<u>Project</u>	<u>Project Description</u>	<u>FIRM</u>	<u>Contract Number</u>	<u>FY22-23 Federal Expenditures</u>	<u>Passed through to recipients</u>
CA Dept Of Aging						
STATE	SP6497101	HICAP ADMIN 9MO 22/23	300	HI-2122-03	2,847.46	
STATE	SP6503201	HICAP ADMIN Y3	300	HI-2122-03	954.71	
STATE	SP6494703	HICAP Fund Program 21/22	300	HI-2122-03	381.14	
STATE	SP6497203	HICAP PROG ST FUND 9MO 22/23	300	HI-2122-03	95,816.33	
STATE	SP6503303	HICAP PROG ST FUND Y3	300	HI-2122-03	30,792.26	
STATE	SP6497202	HICAP PROG ST REIMB 9MO 22/23	300	HI-2122-03	65,672.94	
STATE	SP6503302	HICAP PROG ST REIMB Y3	300	HI-2122-03	19,381.70	
STATE	SP6488101	HICAP PROGRAM 20/21	300	HI-2021-03	(4,551.20)	
VARIOUS	SP6494701	HICAP Program 21/22	300	HI-2122-03	-	
VARIOUS	SP6497201	HICAP PROGRAM 9MO 22/23	300	HI-2122-03	-	
VARIOUS	SP6503301	HICAP PROGRAM Y3	300	HI-2122-03	-	
STATE	SP6494702	HICAP Reimb Program 21/22	300	HI-2122-03	771.28	
STATE	SP6488102	HICAP STATE R PROGRAM 20/21	300	HI-2021-03	52.03	
STATE	SP6480002	OMB STATE 3B GF 19/20	300	AP-1920-03	0.02	
STATE	SP6486802	OMB STATE 3B GF 20/21	300	AP-2021-03	41.50	
STATE	SP6480004	OMB STATE FACILITY PENALTY ACC	300	AP-1920-03	-	
STATE	SP6480003	OMB STATE LIC & CERT PROG FUND	300	AP-1920-03	-	
STATE	SP6480005	OMB STATE SNF Q&A FUND 19/20	300	AP-1920-03	-	
STATE	SP6492901	Ombudsman State Funds 21/22	300	AP-2122-03	42.13	
VARIOUS	SP6480001	STATE OMBUDSMAN 19/20	300	AP-1920-03	-	
STATE	SP6486801	STATE OMBUDSMAN 20/21	300	AP-2021-03	(328.39)	
STATE	SP6499501	State Ombudsman 22/23	300	AP-2223-03	11,053.08	
STATE	SP6492902	State Ombudsman GF 3B 21/22	300	AP-2122-03	8.25	
STATE	SP6499502	State Ombudsman GF 3B 22/23	300	AP-2223-03	86,556.42	
STATE	SP6499503	State Ombudsman LCPF 22/23	300	AP-2223-03	3,495.94	
STATE	SP6499504	State Ombudsman SDFL 22/23	300	AP-2223-03	14,769.73	
STATE	SP6499505	State Ombudsman SNFL 22/23	300	AP-2223-03	16,228.68	
VARIOUS	SP6479901	3B & 7A OMBUDSMAN 19/20	300	AP-1920-03	-	
VARIOUS	SP6499401	3B/7A Fed Ombudsman 22/23	300	AP-2223-03	-	
Sub-Total State \$ Pass Through Awards, CA Dept of Aging					343,986.01	
Total Direct Awards					180,022.63	-
Total Federal \$ Pass Through Awards, CA Dept of Aging					468,479.35	-
Total State \$ Pass Through Awards, CA Dept of Aging					343,986.01	-
Total Federal \$ Aging Cluster Pass Through Awards, CA Dept of Aging					1,962,839.65	1,047,766.91
Total State \$ Aging Cluster Pass Through Awards, CA Dept of Aging					805,494.77	464,500.83
Total Pass Through Awards					1,684,147.97	-
Total Community Service Block Grant 477 Cluster, Pass Through Awards					414,283.26	251,525.46
Total Medicaid Cluster Pass Through Awards, CA Dept of Social Services					904,572.80	-
Total Department of Health and Human Services					6,763,826.44	1,763,793.20
Corporation for National and Community Services						
Direct Awards						
94.002	SP6082502	RSVP 22/23	300	21SRICA015	58,967.00	
Sub-Total Direct Awards					58,967.00	
Foster Grandparent/Senior Companion Cluster Direct Awards						
94.011	SP6077702	Foster Grandparents 19/20	300	17SFPCA005	1,140.68	
94.011	SP6081401	FOSTER GRANDPARENTS 20/21	300	20SFPCA003	(1,215.99)	
94.011	SP6081402	Foster Grandparents 21/22	300	20SFPCA003	1,939.69	
94.011	SP6081403	Foster Grandparents 22/23	300	20SFPCA003	319,476.65	
94.016	SP6077802	Senior Companions 19/20	300	17SCPACA002	325.92	
94.016	SP6081301	SENIOR COMPANIONS 20/21	300	20SCPACA001	(325.26)	
94.016	SP6081302	Senior Companions 21/22	300	20SCPACA001	51.99	
94.016	SP6081303	Senior Companions 22/23	300	20SCPACA001	88,507.66	
Sub-Total, Foster Grandparent/Senior Companion Cluster, Direct Awards					409,901.34	
Pass Through Awards						
Michigan State University						
98.001	SP6500901	Reg'l Food Hubs in West Africa	200	Reg'l Food Hubs in W. Africa	29,145.32	
Sub-Total Pass Through Awards, Michigan State University					29,145.32	
Total Direct Awards					58,967.00	
Total Direct Awards, Foster Grandparent/Senior Companion Cluster					409,901.34	
Total Pass Through Awards					29,145.32	
Total Corporation for National and Community Services					498,013.66	

CHICO STATE ENTERPRISES
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

<u>Assistance Listing No.</u>	<u>Project</u>	<u>Project Description</u>	<u>FIRM</u>	<u>Contract Number</u>	<u>FY22-23 Federal Expenditures</u>	<u>Passed through to recipients</u>
		Total Direct Awards			9,481,617.40	2,323,470.44
		Total Research and Development Direct Awards			4,059,705.37	601,365.93
		Total Research and Development Pass Through Awards			1,007,731.73	0.00
		Total Pass Through Awards			5,538,391.37	29,000.00
		Total Child Nutrition Cluster Pass Through Awards			32,905.42	0.00
		Total SNAP Cluster Pass Through Awards			8,710,009.03	4,050,873.39
		Total Economic Development Cluster Other Direct Awards			156,720.74	0.00
		Total TRIO Cluster Direct Awards			1,973,179.25	0.00
		Total WIOA Cluster Pass Through Awards			6,000.00	0.00
		Total Federal \$ Pass Through Awards, CA Dept of Aging			468,479.35	0.00
		Total Federal \$ Aging Cluster Pass Through Awards, CA Dept of Aging			1,962,839.65	1,047,766.91
		Total Community Service Block Grant 477 Cluster, Pass Through Awards			414,283.26	251,525.46
		Total Medicaid Cluster Pass Through Awards, CA Dept of Social Services			904,572.80	0.00
		Total Direct Awards, Foster Grandparent/Senior Companion Cluster			409,901.34	0.00
		Total Federal and Federal Pass Through Awards			\$ 35,126,336.71	\$ 8,304,002.13
		Total STATE SNAP Cluster Pass Through Awards			14,844.11	0.00
		Total State \$ Pass Through Awards, CA Dept of Aging			343,986.01	0.00
		Total State \$ Aging Cluster Pass Through Awards, CA Dept of Aging			805,494.77	464,500.83
		Total State and Other AwardsThrough CA Dept of Aging			1,164,324.89	464,500.83
		Grand Total Federal, Federal Pass Through and CDA Other Awards			\$ 36,290,661.60	\$ 8,768,502.96

CHICO STATE ENTERPRISES

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2022

Note 1 – Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Chico State Enterprises (CSE) under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of CSE, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the CSE.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 – Indirect Cost Rate

CSE did not elect to use the 10% de minimis cost rate as covered in the Uniform Guidance 2.CFR.200.414 indirect costs.

Note 4 – Additional Reporting Items

Per CSE's agreement with the California Department of Aging (CDA), certain federally originated state pass through funds must be included for CDA program audit purposes. This information is reported on pp. 61-63. No other state funding is included with the Schedule.

OTHER REPORTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS***

To the Board of Directors of
Chico State Enterprises

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 Chico State Enterprises (CSE), which comprise the statement of net position as of June 30, 2023, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 25, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered CSE's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CSE's internal control. Accordingly, we do not express an opinion on the effectiveness of CSE'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 may exist that were not identified. 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 may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether CSE'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 determination of financial statement amounts. 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*.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS*, CONTINUED**

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 CSE's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CSE's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Aldrich CPAs + Advisors LLP

San Diego, California
September 25, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
of Chico State Enterprises

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Chico State Enterprises' (CSE) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of CSE's major federal programs for the year ended June 30, 2023. CSE's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, CSE complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of CSE and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of CSE's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its fed Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to CSE's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on CSE's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about CSE's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE, CONTINUED

Auditor's Responsibilities for the Audit of Compliance, continued

- Identify and assess the risks of material noncompliance, 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 CSE's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of CSE's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of CSE's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on CSE's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. CSE's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Aldrich CPAs + Advisors LLP

San Diego, California
September 25, 2023

CHICO STATE ENTERPRISES
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Significant deficiency(ies) identified?	No
Material weakness(es) identified?	No
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal control over major program:	
Significant deficiency(ies) identified?	No
Material weakness(es) identified?	No
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, 2 CFR section 200.516(a)?	No

Identification of major programs:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
10.561	Supplemental Nutrition Assistance Program (SNAP)
10.699	Partnership Agreements
21.027	Coronavirus State and Local Fiscal Recovery Funds
STATE	VARIOUS

Dollar threshold used to distinguish between Type A and Type B programs:	\$1,088,720
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Auditee qualified as a low-risk auditee under the Uniform Guidance, 2 CFR section 200.520?	Yes
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CHICO STATE ENTERPRISES
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

None reported.

CHICO STATE ENTERPRISES
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Section IV – Prior Audit Findings

2022-001 Special Tests and Provisions (ALN #94.011, #94.016)

Condition: CSE did not have an NSCHC training certificate of completion on file for the staff person responsible for completing the annual training.

Current status: Corrective action was taken in the year ended June 30, 2023.

2022-002 Special Tests and Provisions (ALN #94.011, #94.016)

Condition: CSE did not have completed NSOPW documentation on file for two individuals before they began working or serving on the grant.

Current status: Corrective action was taken in the year ended June 30, 2023.