

# The CSU, Chico Research Foundation

Financial Statements and Supplemental Information

Years Ended June 30, 2017 and 2016



# The CSU, Chico Research Foundation

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
The CSU, Chico Research Foundation

### Report on the Financial Statements

We have audited the accompanying financial statements of The CSU, Chico Research Foundation (the Foundation), which comprise the statements of net position as of June 30, 2017 and 2016, 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.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

#### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. 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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The CSU, Chico Research Foundation as of June 30, 2017 and 2016, 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.

**INDEPENDENT AUDITORS' REPORT,  
CONTINUED**

**Other Matters**

*Required Supplementary Information*

Management has omitted management's discussion and analysis 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 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.

*Other 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 26 - 29 and 42 - 44 is presented for the purposes of additional analysis as required by the California State University Chancellor's Office 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 15, 2017, on our consideration of Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Foundation's internal control over financial reporting and compliance.

*Aldrich CPAs + Advisors LLP*

San Diego, California  
September 15, 2017

## **FINANCIAL SECTION**

# The CSU, Chico Research Foundation

## STATEMENTS OF NET POSITION

June 30	2017	2016
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 2,083,394	\$ 3,326,814
Short-term investments	4,115,643	4,796,753
Accounts receivable - net	5,455,490	3,290,488
Unbilled revenue	3,265,992	5,164,143
Prepaid expenses and other assets	302,205	359,502
<b>Total Current Assets</b>	<b>15,222,724</b>	<b>16,937,700</b>
<b>Noncurrent Assets</b>		
Notes receivable - net of current portion	22,095	50,142
Other long-term investments	8,250,469	6,905,520
Capital assets - net	11,102,997	11,681,887
Other assets	188,547	273,930
<b>Total Noncurrent Assets</b>	<b>19,564,108</b>	<b>18,911,479</b>
<b>TOTAL ASSETS</b>	<b>34,786,832</b>	<b>35,849,179</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	1,474,570	1,315,181
Accrued salaries and benefits payable	1,063,873	1,234,112
Accrued compensated absences	328,076	53,678
Unearned revenue	2,037,093	1,658,080
Long-term debt obligations - current portion	117,846	137,633
Other current liabilities	32,010	37,782
<b>Total Current Liabilities</b>	<b>5,053,468</b>	<b>4,436,466</b>
<b>Noncurrent Liabilities</b>		
Accrued compensated absences - net of current portion	72,017	19,854
Long-term debt obligations - net of current portion	2,611,660	2,752,352
Other postemployment benefits obligation	598,646	566,399
Other long-term liabilities	254,928	264,862
<b>Total Noncurrent Liabilities</b>	<b>3,537,251</b>	<b>3,603,467</b>
<b>TOTAL LIABILITIES</b>	<b>8,590,719</b>	<b>8,039,933</b>
<b>NET POSITION</b>		
Net investment in capital assets	8,373,491	8,791,902
Restricted for:		
Expendable:		
Research	1,155,121	1,078,690
Loans	50,101	50,101
Other	1,634,879	1,735,539
Unrestricted	14,982,521	16,153,014
<b>TOTAL NET POSITION</b>	<b>\$ 26,196,113</b>	<b>\$ 27,809,246</b>

The accompanying notes are an integral part of these financial statements.

# The CSU, Chico Research Foundation

## STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Years Ended June 30	2017	2016
<b>REVENUES</b>		
<b>Operating Revenues</b>		
Grants and contracts - noncapital:		
Federal	\$ 19,382,029	\$ 18,903,568
State	4,685,002	4,982,506
Local	1,060,155	1,475,208
Nongovernmental	2,233,170	2,138,964
Sales and services of educational activities	4,013,230	4,609,679
Sales and services of auxiliary enterprises	2,804,464	2,786,981
Other operating revenues	1,571,913	1,847,596
<b>Total Operating Revenues</b>	<b>35,749,963</b>	<b>36,744,502</b>
<b>EXPENSES</b>		
<b>Operating Expenses</b>		
Instruction	4,682,132	3,982,143
Research	1,337,704	1,519,506
Public service	18,843,843	19,450,699
Academic support	2,799,164	2,321,060
Student services	1,516,653	1,192,007
Institutional support	4,437,147	4,436,087
Operation and maintenance of plant	304,074	252,334
Student grants and scholarships	76,411	75,000
Auxiliary enterprises expenditures	2,517,796	2,869,589
Depreciation and amortization	1,065,281	1,219,426
<b>Total Operating Expenses</b>	<b>37,580,205</b>	<b>37,317,851</b>
<b>Net Operating Loss</b>	<b>(1,830,242)</b>	<b>(573,349)</b>
<b>Nonoperating Revenues (Expenses)</b>		
Investment income - net	313,461	186,246
Interest expense	(94,009)	(98,806)
Other nonoperating revenue (expense)	(2,343)	1,939
<b>Net Nonoperating Revenues</b>	<b>217,109</b>	<b>89,379</b>
<b>Loss Before Other Additions</b>	<b>(1,613,133)</b>	<b>(483,970)</b>
Grants and gifts - capital	-	409,816
<b>Decrease in Net Position</b>	<b>(1,613,133)</b>	<b>(74,154)</b>
<b>Net Position - Beginning of Year</b>	<b>27,809,246</b>	<b>27,883,400</b>
<b>Net Position - End of Year</b>	<b>\$ 26,196,113</b>	<b>\$ 27,809,246</b>

The accompanying notes are an integral part of these financial statements.

# The CSU, Chico Research Foundation

## STATEMENTS OF CASH FLOWS

Years Ended June 30	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Federal grants and contracts	\$ 19,158,597	\$ 18,762,026
State grants and contracts	4,222,039	5,080,934
Local grants and contracts	1,152,515	1,509,066
Nongovernmental grants and contracts	2,040,548	2,646,924
Payments to suppliers	(16,665,180)	(16,909,932)
Payments to employees	(19,509,787)	(19,338,301)
Payments to students	(76,411)	(75,000)
Sales and services of educational activities	4,052,343	4,533,794
Sales and services of auxiliary enterprises	2,813,224	3,483,221
Other receipts	2,634,245	561,689
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(177,867)</b>	<b>254,421</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital grants and gifts	-	409,816
Proceeds from sales of capital assets	14,323	352,302
Acquisitions of capital assets	(503,056)	(1,304,361)
Principal paid on capital debt	(137,633)	(225,805)
Interest paid on capital debt	(116,733)	(26,871)
<b>NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(743,099)</b>	<b>(794,919)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment income	62,546	6,570
Notes receivable payments	-	34,894
Purchase of investments	(1,750,000)	(2,000,000)
Withdrawals from investments	1,365,000	-
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<b>(322,454)</b>	<b>(1,958,536)</b>
<b>Decrease in Cash and Cash Equivalents</b>	<b>(1,243,420)</b>	<b>(2,499,034)</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<b>3,326,814</b>	<b>5,825,848</b>
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 2,083,394</b>	<b>\$ 3,326,814</b>

The accompanying notes are an integral part of these financial statements.



# The CSU, Chico Research Foundation

## STATEMENTS OF CASH FLOWS

(Continued)

Years Ended June 30	2017	2016
<b>RECONCILIATION OF NET OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating loss	\$ (1,830,242)	\$ (573,349)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization expense	1,065,281	1,219,426
Changes in assets and liabilities:		
Accounts receivable - net	(2,165,002)	2,436,359
Unbilled revenue	1,898,151	(4,375,027)
Prepaid expenses and other assets	142,680	167,947
Accounts payable	159,389	(214,835)
Accrued salaries and benefits payable	(170,239)	347,942
Accrued compensated absences	326,561	6,073
Unearned revenue	379,013	1,655,580
Other postemployment benefits obligation	32,247	(224,843)
Other liabilities	(15,706)	(190,852)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ (177,867)</b>	<b>\$ 254,421</b>
<b>SUPPLEMENTAL SCHEDULE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
<b>Capital Grants and Gifts</b>		
Capital grants and gifts received	\$ -	\$ 409,816
<b>Principal Paid on Capital Debt</b>		
Principal paid on capital debt	\$ (137,633)	\$ (225,805)

*The accompanying notes are an integral part of these financial statements.*

# The CSU, Chico Research Foundation

## NOTES TO THE FINANCIAL STATEMENTS

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### 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature of Activities** The CSU, Chico Research Foundation (the Foundation) 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. The Foundation administers 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, the Foundation 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. The Foundation is an auxiliary organization to CSU, Chico. Therefore, 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. Management has elected not to present management’s discussion and analysis (MD&A) that GASB has determined is necessary to supplement, although not required to be a part of, the basic financial statements. The Foundation 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 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). Investments also include a note receivable and investments in Common Fund.

Common Fund consists of U.S. government securities, corporate obligations, and other securities that are recorded at their estimated fair value based on information provided by the fund manager. Common Fund is considered an alternative investment since the fair value is not readily determinable. For the years ended June 30, 2017 and 2016, the investment in Common Fund amounted to \$1,881,709 (7.18% of net position) and \$1,646,087 (5.92%), respectively.

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.

## The CSU, Chico Research Foundation

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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The Foundation participates in LAIF managed by the State of California. The fair value of the Foundation's investment in LAIF is the same as the carrying value of the pool shares. As of June 30, 2017 and 2016, the fair value of LAIF was 100.03% of the carrying value and is deemed to not represent a material difference. There were no LAIF funds invested in derivatives as of June 30, 2017 and 2016. 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 State treasurer or his designated representative. The Foundation is considered to be a voluntary participant in the LAIF investment pool.

Other long-term investments includes certificates of deposit reported at face value. All certificates of deposit are held to maturity and the Foundation has no intentions for early redemption.

The Foundation's investment policy established safety of principal as the primary investment objective to realize a reasonable interest yield.

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.

The Foundation 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.

Valuations within the hierarchy levels are based upon the following:

*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 the Foundation'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.

**Accounts Receivable** Accounts receivable include amounts due from federal, state and local governments, and private sources in connection with reimbursement of allowable expenditures made pursuant to the Foundation's grants and contracts. Additionally, accounts receivable consists of CSU, Chico faculty emergency loan funds and other miscellaneous accounts receivable. The Foundation utilizes the allowance method where uncollectible accounts are determined based on past payment history. There was no allowance recorded for the years ended June 30, 2017 and 2016.

**Unbilled Revenue** Unbilled revenue includes amounts which have been expended through grants and contracts that as of June 30, 2017 and 2016, had yet to be billed to the grant or contract funder.

# The CSU, Chico Research Foundation

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

**Prepaid Expenses and Other Assets** Prepaid expenses includes advance payments and deposits for grant and contracts expenses for contracted services, materials and supplies, and travel. Other assets includes inventories.

**Inventories** Feed inventory is stated at cost, and horticulture inventory is stated at average cost. Both are on a first-in, first-out basis. Feeder livestock is stated at the lower of cost or market value.

June 30	2017		2016	
Feeder livestock	\$	24,255	\$	34,064
Meat lab		16,473		32,380
Feed		79,893		77,599
Other		58,925		82,308
<b>Total</b>	\$	179,546	\$	226,351

**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 the Foundation if the title remains with or reverts to the grantor. 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 is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. 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.

**Unearned Revenue** Unearned revenue represents payments received for grants and contracts, for which services or other deliverables have not yet been provided.

**Net Position** The Foundation's net position is classified as follows:

*Net Investment in Capital Assets:* This represents the Foundation's total investment in capital assets, net of outstanding debt obligations related to those capital assets.

*Restricted Net Position – Expendable:* This includes resources in which the Foundation is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties. Restricted net position amounts include a faculty emergency loan fund and 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.

## The CSU, Chico Research Foundation

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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**Operating and Nonoperating Revenues (Expenses)** All revenues that relate to the ongoing operations of the Foundation 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. The Foundation 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 activities 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 includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

**Income Taxes** The Foundation 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. 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. The Foundation functionally supports CSU, Chico and has been classified in accordance with Section 509(a)(3), Type I.

The Foundation files exempt organization returns in the U.S. federal and California jurisdictions. The federal returns for tax years 2012 and beyond, and the California returns for tax years 2011 and beyond, remain subject to examination by the taxing authorities.

The Foundation accounts for income taxes in accordance with FASB ASC 740, Income Taxes, which clarifies the accounting for uncertainty in income taxes recognized in the Foundation's financial statements and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FASB ASC 740, Income Taxes, also provides guidance on derecognition and measurement of a tax position taken or expected to be taken in a tax return. Based on this analysis, a liability is recorded if uncertain tax benefits have been received. The Foundation's practice is to recognize interest and penalties, if any, related to uncertain tax positions in the tax expense.

**Subsequent Events** Management has evaluated subsequent events through September 15, 2017, the date which the report was available to be issued.

# The CSU, Chico Research Foundation

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

### 2. CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that, in the event of a bank failure, the Foundation'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 the Foundation's deposits are maintained at financial institutions that are collateralized as required by state law. As of June 30, 2017 and 2016, the entire bank balances of \$2,633,842 and \$3,543,177, respectively, was uninsured and collateralized with securities held by the pledging financial institution's trust department.

The Foundation has secured a contract for deposit of monies with Tri Counties Bank whereby deposits up to \$2.5 million will be subject to the security provided to local public agencies. The deposits are collateralized with securities held by Union Bank of California.

### 3. INVESTMENTS

Investments were as follows:

June 30, 2017	Current	Noncurrent	Total
	Unrestricted	Unrestricted	
Local Agency Investment Fund	\$ 2,194,473	\$ -	\$ 2,194,473
Certificates of deposit	-	8,250,469	8,250,469
Money market funds	39,462	-	39,462
Common Fund	1,881,708	-	1,881,708
<b>Total Investments</b>	<b>\$ 4,115,643</b>	<b>\$ 8,250,469</b>	<b>\$ 12,366,112</b>

June 30, 2016	Current	Noncurrent	Total
	Unrestricted	Unrestricted	
Local Agency Investment Fund	\$ 3,089,354	\$ -	\$ 3,089,354
Certificates of deposit	-	6,894,739	6,894,739
Money market funds	61,312	-	61,312
Private equity	-	10,781	10,781
Common Fund	1,646,087	-	1,646,087
<b>Total Investments</b>	<b>\$ 4,796,753</b>	<b>\$ 6,905,520</b>	<b>\$ 11,702,273</b>

**The CSU, Chico Research Foundation**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

The following is a schedule of the assets at fair value, by level within the fair value hierarchy:

June 30, 2017	Level 1	Level 2	Level 3	
Local Agency Investment Fund	\$ 2,194,473	\$ -	\$ -	\$ 2,194,473
Certificates of deposit	-	8,250,469	-	8,250,469
Money market funds	39,462	-	-	39,462
Alternative investments:				
Common Fund	-	-	1,881,708	1,881,708
<b>Total Investments</b>	<b>\$ 2,233,935</b>	<b>\$ 8,250,469</b>	<b>\$ 1,881,708</b>	<b>\$ 12,366,112</b>

June 30, 2016	Level 1	Level 2	Level 3	Total
Local Agency Investment Fund	\$ 3,089,354	\$ -	\$ -	\$ 3,089,354
Certificates of deposit	-	6,894,739	-	6,894,739
Money market funds	61,312	-	-	61,312
Alternative investments:				
Private equity	-	-	10,781	10,781
Common Fund	-	-	1,646,087	1,646,087
<b>Total Investments</b>	<b>\$ 3,150,666</b>	<b>\$ 6,894,739</b>	<b>\$ 1,656,868</b>	<b>\$ 11,702,273</b>

The following schedules summarize the change in the fair value of the Foundation's Level 3 assets. The gains and losses included in the following schedules are reported as non-operating revenue in the statements of revenues, expenses, and changes in net position.

June 30, 2017	Private Equity	Common Fund	Total Level 3
Balance - June 30, 2016	\$ 10,781	\$ 1,646,087	\$ 1,656,868
Interest/dividends	-	26,635	26,635
Realized gains (losses)	(10,781)	-	(10,781)
Unrealized gains (losses)	-	208,986	208,986
Purchases	-	-	-
<b>Balance - June 30, 2017</b>	<b>\$ -</b>	<b>\$ 1,881,708</b>	<b>\$ 1,881,708</b>

June 30, 2016	Real Estate	Private Equity	Common Fund	Total Level 3
Balance - June 30, 2015	\$ 16,500	\$ -	\$ 1,661,974	\$ 1,678,474
Interest/dividends	-	-	24,173	24,173
Realized gains (losses)	(16,500)	-	-	(16,500)
Unrealized gains (losses)	-	-	(40,060)	(40,060)
Purchases	-	10,781	-	10,781
<b>Balance - June 30, 2016</b>	<b>\$ -</b>	<b>\$ 10,781</b>	<b>\$ 1,646,087</b>	<b>\$ 1,656,868</b>

# The CSU, Chico Research Foundation

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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### Credit Risk

The Foundation's investment policy does not limit its investment choices. The Foundation's investments in LAIF, money market, equity securities, mutual funds, and the Common Fund are unrated.

### Concentration of Credit Risk

Financial instruments which potentially subject the Foundation to concentrations of credit risk consist primarily of cash investments. At June 30, 2017, LAIF, the Common Fund investments, and investments in interest bearing certificates of deposit were 17.75%, 15.22%, and 66.72%, respectively, of the Foundation's total investments. At June 30, 2016, LAIF, the Common Fund investments, and investments in interest bearing certificates of deposit were 26.36%, 14.05%, and 58.83% respectively.

### Interest Rate Risk

Interest rate risk is the risk whereby changes in market interest rates could adversely affect the fair value of an investment. The Foundation 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.

## 4. ACCOUNTS RECEIVABLE

Accounts receivable consisted of the following:

June 30	2017	2016
Federal, state, and other grants and contracts	\$ 4,316,303	\$ 1,631,495
CSU, Chico, faculty emergency loan funds	50,101	50,101
Due from other auxiliaries	798,176	1,167,199
Other	290,910	441,693
Total	\$ 5,455,490	\$ 3,290,488



**The CSU, Chico Research Foundation**  
**NOTES TO THE FINANCIAL STATEMENTS**  
(Continued)

**5. CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2017 was as follows:

	Balance					Balance
	July 1, 2016	Additions	Retirements	Transfers	June 30, 2017	
<b>Nondepreciable Capital Assets</b>						
Land and land improvements	\$ 5,056,163	\$ -	\$ -	\$ -	\$ 5,056,163	
Construction in progress	248,654	2,790	-	(134,500)	116,944	
Breeding livestock	81,660	11,700	-	-	93,360	
<b>Total Nondepreciable Capital Assets</b>	<b>5,386,477</b>	<b>14,490</b>	<b>-</b>	<b>(134,500)</b>	<b>5,266,467</b>	
<b>Depreciable Capital Assets</b>						
Building and improvements	9,158,632	3,713	(20,859)	134,500	9,275,986	
Equipment and furnishings	11,042,960	484,853	(38,765)	-	11,489,048	
<b>Total Depreciable Capital Assets</b>	<b>20,201,592</b>	<b>488,566</b>	<b>(59,624)</b>	<b>134,500</b>	<b>20,765,034</b>	
<b>Subtotal</b>	<b>25,588,069</b>	<b>503,056</b>	<b>(59,624)</b>	<b>-</b>	<b>26,031,501</b>	
<b>Less: Accumulated Depreciation</b>						
Building and improvements	(5,013,524)	(343,274)	20,859	-	(5,335,939)	
Equipment and furnishings	(8,892,658)	(722,007)	22,100	-	(9,592,565)	
<b>Total Accumulated Depreciation</b>	<b>(13,906,182)</b>	<b>(1,065,281)</b>	<b>42,959</b>	<b>-</b>	<b>(14,928,504)</b>	
<b>Total Net Capital Assets</b>	<b>\$ 11,681,887</b>	<b>\$ (562,225)</b>	<b>\$ (16,665)</b>	<b>\$ -</b>	<b>\$ 11,102,997</b>	

Capital assets activity for the year ended June 30, 2016 was as follows:

	Balance					Balance
	July 1, 2015	Additions	Retirements	Transfers	June 30, 2016	
<b>Nondepreciable Capital Assets</b>						
Land and land improvements	\$ 5,056,163	\$ 199,708	\$ (199,708)	\$ -	\$ 5,056,163	
Construction in progress	255,776	22,691	-	(29,813)	248,654	
Breeding livestock	83,840	-	(2,180)	-	81,660	
<b>Total Nondepreciable Capital Assets</b>	<b>5,395,779</b>	<b>222,399</b>	<b>(201,888)</b>	<b>(29,813)</b>	<b>5,386,477</b>	
<b>Depreciable Capital Assets</b>						
Building and improvements	9,098,617	147,491	(117,289)	29,813	9,158,632	
Equipment and furnishings	10,125,159	934,471	(16,670)	-	11,042,960	
<b>Total Depreciable Capital Assets</b>	<b>19,223,776</b>	<b>1,081,962</b>	<b>(133,959)</b>	<b>29,813</b>	<b>20,201,592</b>	
<b>Subtotal</b>	<b>24,619,555</b>	<b>1,304,361</b>	<b>(335,847)</b>	<b>-</b>	<b>25,588,069</b>	
<b>Less: Accumulated Depreciation</b>						
Building and improvements	(4,671,989)	(341,535)	-	-	(5,013,524)	
Equipment and furnishings	(8,016,751)	(877,891)	1,984	-	(8,892,658)	
<b>Total Accumulated Depreciation</b>	<b>(12,688,740)</b>	<b>(1,219,426)</b>	<b>1,984</b>	<b>-</b>	<b>(13,906,182)</b>	
<b>Total Net Capital Assets</b>	<b>\$ 11,930,815</b>	<b>\$ 84,935</b>	<b>\$ (333,863)</b>	<b>\$ -</b>	<b>\$ 11,681,887</b>	

# The CSU, Chico Research Foundation

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The detail of depreciation and amortization expense was as follows:

June 30	2017	2016
Depreciation and amortization expense related to capital assets	\$ 1,065,281	\$ 1,219,426

### 6. OTHER ASSETS

Other assets consisted of the following:

June 30	2017	2016
Deposits held by property managers	\$ 17,424	\$ 68,060
Deposits held by unemployment insurance trust	171,123	205,870
<b>Total Other Assets</b>	<b>\$ 188,547</b>	<b>\$ 273,930</b>

### 7. ACCRUED COMPENSATED ABSENCES

Employees of the Foundation are entitled to paid vacation and paid sick leave based on length of service and other factors. In fiscal year 2017, the Foundation negotiated a fixed (with carry-forward) fringe benefit rate with the Department of Health and Human Services to be applied to regular wages for all Foundation 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. The Foundation'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. See note 8 for additional information.

### 8. LONG-TERM DEBT OBLIGATIONS

Effective August 1, 2014, the Foundation entered into a contract with the Trustees of the California State University (the Trustees) under which the Trustees agree to loan the Foundation a portion of the proceeds of bonds held by the Trustees in order to effectively refinance the Foundation Bond Series 2003.

The Trustees estimate that the bond refunding will provide a net present value savings of \$618,459 to the Foundation. The Bond Series 2014A will be repaid with annual interest rates ranging from 3.00% to 5.00% with annual principal payments ranging from \$130,000 to \$295,000 through June 2033.

# The CSU, Chico Research Foundation

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

Long-term debt obligations consisted of the following:

June 30	2017	2016
<b>LONG-TERM DEBT OBLIGATIONS</b>		
Chancellor's Office note payable in the amount of \$2,475,000 was used to refund the Auxiliary Organization Bonds Series 2003. The note will be paid to the Chancellor's Office in 18 annual installments including principal and interest which began November 2015, with interest rates ranging from 3.00% to 5.00%. The note is secured by revenues of the Research Foundation.	\$ 2,290,000	\$ 2,385,000
Noninterest bearing agreements with the State of California, payable in cash or in-kind upon mutual agreement or 30 days' notice by either party. The agreements are secured by cattle, sheep, swine, and horticulture.	73,971	73,971
Note payable to John Deere Financial to be repaid in 4 annual installments of \$44,332, including interest at 3.95%. The note was paid in full as of June 30, 2017.	-	42,633
<b>Subtotal</b>	2,363,971	2,501,604
Less: Current portion	(117,846)	(137,633)
Plus: Unamortized premium	365,535	388,381
<b>TOTAL LONG-TERM DEBT OBLIGATIONS</b>	<b>\$ 2,611,660</b>	<b>\$ 2,752,352</b>

## The CSU, Chico Research Foundation

### NOTES TO THE FINANCIAL STATEMENTS

Years Ended June 30, 2017 and 2016

(Continued)

The note payable to the Trustees included a premium related to the debt refunding with an original amount of \$431,986. For both years ended June 30, 2017 and 2016, amortization expense was \$22,846, respectively. The amount of unamortized premium was \$365,535 and \$388,381 as of June 30, 2017 and 2016, respectively.

Debt service requirements are as follows:

Years Ending	Note Payable to CSU, Chancellor's Office for Revenue Bonds		All Other Long-Term Debt Obligations		Total Principal	Total Interest
	Principal	Interest	Principal	Interest		
2018	\$ 95,000	\$ 111,650	\$ -	\$ -	\$ 95,000	\$ 111,650
2019	100,000	107,250	-	-	100,000	107,250
2020	105,000	102,125	73,971	-	178,971	102,125
2021	110,000	96,750	-	-	110,000	96,750
2022	115,000	91,125	-	-	115,000	91,125
2023-2027	685,000	358,875	-	-	685,000	358,875
2028-2032	880,000	164,500	-	-	880,000	164,500
2033	200,000	5,000	-	-	200,000	5,000
<b>Total</b>	<b>\$ 2,290,000</b>	<b>\$ 1,037,275</b>	<b>\$ 73,971</b>	<b>\$ -</b>	<b>\$ 2,363,971</b>	<b>\$ 1,037,275</b>

## The CSU, Chico Research Foundation

### NOTES TO THE FINANCIAL STATEMENTS

Years Ended June 30, 2017 and 2016

(Continued)

Long-term debt obligation activity was as follows:

June 30, 2017	Balance 2016	Additions	Reductions	Balance 2017	Current Portion	Long-Term Portion
<b>Accrued Compensated Absences</b>	\$ 73,532	\$ 824,025	\$ (497,464)	\$ 400,093	\$ 328,076	\$ 72,017
<b>Long-Term Liabilities</b>						
Note payable to CSU, Chancellor's Office	2,385,000	-	(95,000)	2,290,000	95,000	2,195,000
Other Notes payable	116,604	-	(42,633)	73,971	-	73,971
<b>Subtotal</b>	2,501,604	-	(137,633)	2,363,971	95,000	2,268,971
Unamortized bond premium	388,381	-	(22,846)	365,535	22,846	342,689
<b>Total Long-Term Liabilities</b>	\$ 2,963,517	\$ 824,025	\$ (657,943)	\$ 3,129,599	\$ 445,922	\$ 2,683,677

June 30, 2016	Balance 2015	Additions	Reductions	Balance 2016	Current Portion	Long-Term Portion
<b>Accrued Compensated Absences</b>	\$ 77,203	\$ 68,264	\$ (71,935)	\$ 73,532	\$ 53,678	\$ 19,854
<b>Long-Term Liabilities</b>						
Note payable to CSU, Chancellor's Office	2,475,000	-	(90,000)	2,385,000	95,000	2,290,000
Other Notes payable	157,628	-	(41,024)	116,604	42,633	73,971
<b>Subtotal</b>	2,632,628	-	(131,024)	2,501,604	137,633	2,363,971
Unamortized bond premium	411,227	-	(22,846)	388,381	-	388,381
<b>Total Long-Term Liabilities</b>	\$ 3,121,058	\$ 68,264	\$ (225,805)	\$ 2,963,517	\$ 191,311	\$ 2,772,206

## The CSU, Chico Research Foundation

### NOTES TO THE FINANCIAL STATEMENTS

Years Ended June 30, 2017 and 2016

(Continued)

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#### 9. OTHER LONG-TERM LIABILITIES

Other long-term liabilities consisted of the following:

June 30	2017	2016
Reserve for grant cost disallowance	\$ 236,539	\$ 236,539
Other	18,389	28,323
<b>Total Other Long-Term Liabilities</b>	<b>\$ 254,928</b>	<b>\$ 264,862</b>

#### 10. HEALTH CARE BENEFITS

The Foundation obtained 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 by Blue Shield and fully insured dental & vision coverage by Lincoln Financial Group. Post-retirement health benefits (medical only) are available to those employees meeting eligibility requirements detailed in the Foundation Employee Handbook.

#### 11. RETIREMENT PLAN

The Foundation 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 years of service. At the beginning of the second year of service, the Foundation 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 \$561,168 and \$475,587 for the years ended June 30, 2017 and 2016, respectively.

#### 12. POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

##### Plan Description

The Foundation sponsors an endowment-funded single-employer postretirement health care plan that covers both salaried and non-salaried benefited employees. The plan provides medical benefits to qualified retirees to the extent sustainable by the provided endowment and can be terminated at any time. The postretirement health care plan is contributory with retiree contributions adjusted annually. Employees who were hired prior to January 1, 2006, are qualified after 15 years of credited service and attainment of age 55 and will be eligible to receive health benefits after age 65. Employees hired after January 1, 2006, are qualified after 15 years of credited service and the attainment of age 60 and will receive health benefits only until age 65. As of June 30, 2017, there are 5 retirees participating which are all eligible for health benefits after age 65. There are 41 potential future retirees that will be eligible for health benefits beyond age 65 and 122 potential future retirees with a maximum five years of eligibility for health benefits.

## The CSU, Chico Research Foundation

### NOTES TO THE FINANCIAL STATEMENTS

Years Ended June 30, 2017 and 2016

(Continued)

The Foundation elected to fully accrue the net other postemployment benefit (OPEB) plan obligation. The annual OPEB cost and net obligation are standardized measurements of the present value of postemployment benefits estimated to be payable in the future as a result of an employee's service to date. The plan provides a monthly fixed benefit of \$200 or \$400 for a participant or a participant and spouse, respectively.

#### Funding Policy

The Foundation 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 the Foundation are established and may be amended by the Foundation's Board or Directors. The Foundation has the right to modify, alter, or amend the plan in whole or in part.

#### Annual Other Postemployment Benefit (OPEB) Cost and Net Obligation

The Foundation's OPEB cost, the percentage of OPEB cost contributed to the plan, and the net OPEB obligation are as follows:

June 30		2017		2016		2015
Annual Required Contribution (ARC)	\$	63,986	\$	61,658	\$	59,182
Interest on net OPEB Obligation		19,824		19,976		19,914
Adjustment to ARC		(28,596)		(27,538)		(26,290)
<b>Annual OPEB Cost</b>		55,214		54,096		52,806
Contributions		22,967		58,427		51,036
<b>Change in Net OPEB Obligation</b>		32,247		(4,331)		1,770
<b>Net OPEB Obligation - Beginning of Year</b>		566,399		570,730		568,960
<b>Net OPEB Obligation - End of Year</b>	\$	598,646	\$	566,399	\$	570,730

Year Ended		Annual OPEB Cost	Actual Employer Contributions	Percentage Contributed	Net Ending OPEB Obligation
June 30, 2017	\$	55,214	\$ 22,967	41.60%	\$ 598,646
June 30, 2016	\$	54,096	\$ 58,427	108.01%	\$ 566,399
June 30, 2015	\$	52,806	\$ 51,036	96.65%	\$ 570,730

# The CSU, Chico Research Foundation

## NOTES TO THE FINANCIAL STATEMENTS

Years Ended June 30, 2017 and 2016

(Continued)

### Funded Status and Funding Progress

The funded status of the plan was as follows:

June 30		2017		2016		2015
Actuarial Accrued Liability (AAL)	\$	598,646	\$	566,399	\$	570,730
Actuarial value of plan assets		-		-		-
Unfunded Actuarial Accrued Liabilities (UAAL)	\$	598,646	\$	566,399	\$	570,730
Funded ratio (actuarial value of plan assets/AAL)		0.00%		0.00%		0.00%
Covered payroll (active members)	\$	7,517,676	\$	6,837,000	\$	6,018,090
UAAL as a Percentage of Covered Payroll		7.96%		8.28%		9.48%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Examples include assumptions about future employment, mortality, and the health care 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. Deviations in any of several factors, such as future interest rates, medical cost inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

### Actuarial Methods and Assumptions

The actuarial valuation was performed as of July 1, 2014, and was completed using the entry age normal actuarial cost method. An actuarial cost method is a procedure for allocating the actuarial present value of benefits and expenses and for developing an actuarially equivalent allocation of such value to time periods, usually in the form of a normal cost and an actuarial accrued liability (AAL). The entry age normal cost method allocates the present value of future benefits on a level basis over the earnings or service of each employee between the hire date and assumed retirement age. The portion of the present value of future benefits allocated to a valuation year is called the normal cost. The portion allocated to all prior years is called the AAL.

The actuarial valuation was completed by an independent consultant. Significant actuarial assumptions used in the valuations include a discount rate of 3.50% to calculate the present value of the future benefit payment; a health care cost trend rate range of 6.70% to 5.00% compounded annually; fixed monthly benefit amounts of \$200 for one and \$400 for two participants, respectively; annual rate of increase in payroll of 3.25%; and mortality rates used in the most recent California Public Employees' Retirement System pension valuations.



## **The CSU, Chico Research Foundation**

### NOTES TO THE FINANCIAL STATEMENTS

Years Ended June 30, 2017 and 2016

(Continued)

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#### **13. SELF-INSURANCE**

The Foundation 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. The Foundation 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. The Foundation 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.

The Foundation participates in AORMA's Unemployment Insurance Program (UIP). At June 30, 2017 and 2016, the deposit requirement within AORMA UIP was \$171,123 and \$205,870, respectively and is included in other assets as a long-term deposit. The Foundation 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.

#### **14. RELATED-PARTY TRANSACTIONS**

##### **Operating Lease and Facility Use Agreements**

The Foundation operates as an auxiliary organization to CSU Chico under an operating agreement negotiated every five years. The current operating and lease agreements expire on June 30, 2027. The Foundation uses certain CSU, Chico and other facilities under lease agreements requiring annual or monthly rental payments, or space trades.

##### **Business, Financial, and Information Technology Services**

The Associated Students of CSU, Chico (Associated Students) are contracted to provide information technology services to the Foundation.

The Foundation provides administrative and financial services to the University Foundation.

##### **Receivable From the Associated Students**

As required by the operating lease agreement between CSU, Chico and the Associated Students, all payments related to this agreement are directed to the Foundation.

##### **Receivable/Payable With CSU, Chico**

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

# The CSU, Chico Research Foundation

## NOTES TO THE FINANCIAL STATEMENTS

Years Ended June 30, 2017 and 2016

(Continued)

### Personnel

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

The following is a schedule of transactions with related parties:

June 30	2017	2016
<b>Transaction With CSU, Chico</b>		
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 2,537,120	\$ 2,635,225
Payments to University for other than salaries of University personnel	\$ 1,596,195	\$ 1,671,946
Payments received from University for services, space, and programs	\$ 1,335,976	\$ 1,736,807
Gifts (cash or assets) to the University from recognized Auxiliary Organization	\$ 491,794	\$ 269,741
Accounts (payable to) University	\$ (236,038)	\$ (347,952)
Accounts receivable from University	\$ 35,551	\$ 110,975
Other amounts receivable from University	\$ 50,101	\$ 50,101
<b>Transactions With Associated Students</b>		
Payments for information technology services	\$ 106,000	\$ 121,800
Accounts receivable from Associated Students for operating lease and facility use agreements with CSU, Chico	\$ 560,057	\$ 573,020
Accounts (payable to) Associated Students	\$ (2,682)	\$ (2,084)
<b>Transactions With University Foundation</b>		
Administrative and financial service expenses	\$ (569,788)	\$ (596,364)
Amount receivable	\$ 238,119	\$ 594,179

### 15. SUBSEQUENT EVENTS

On July 12, 2017, five houses, included in the Foundation's capital assets, were sold to CSU, Chico. The Foundation received approximately \$1.9 million from the sale of the five houses.

**SUPPLEMENTARY INFORMATION SECTION**

# The CSU, Chico Research Foundation

## SCHEDULES OF NET POSITION

June 30							Totals	
	RF General Fund	Plant and Bond Fund	Board Designated Fund	Auxiliary Activities Fund	Sponsored Programs Fund	Campus Programs Fund	2017	2016
<b>ASSETS</b>								
Cash and cash equivalents	\$ 370,915	\$ 5,526	\$ 444,561	\$ 107,171	\$ 290,860	\$ 864,361	\$ 2,083,394	\$ 3,326,814
Short-term investments	554,072	8,906	460,478	213,268	468,809	2,410,110	4,115,643	4,796,753
Accounts receivable, net	327,246	-	51,407	49,549	4,316,303	710,985	5,455,490	3,290,488
Unbilled revenue	-	-	-	-	3,265,992	-	3,265,992	5,164,143
Inventories	-	-	-	179,546	-	-	179,546	226,351
Prepaid expenses and other assets	194,503	-	3,862	42,265	49,029	21,547	311,206	407,081
Other long-term investments	862,848	24,180	1,839,911	176,583	1,272,770	4,074,177	8,250,469	6,905,520
Notes receivable - net	-	-	-	-	-	22,095	22,095	50,142
Capital assets - net	-	8,907,405	-	2,180,880	-	14,712	11,102,997	11,681,887
<b>TOTAL ASSETS</b>	<b>2,309,584</b>	<b>8,946,017</b>	<b>2,800,219</b>	<b>2,949,262</b>	<b>9,663,763</b>	<b>8,117,987</b>	<b>34,786,832</b>	<b>35,849,179</b>
<b>LIABILITIES</b>								
Accounts payable	82,832	-	43,819	133,543	994,164	220,212	1,474,570	1,315,181
Accrued expenses and other liabilities	1,474,356	19,850	-	877	481	16,367	1,511,931	1,370,065
Unearned revenue	-	-	-	-	2,032,438	4,655	2,037,093	1,658,080
Interfund (receivables) payables	(3,828,031)	-	-	491,757	3,336,274	-	-	-
Long-term debt obligations	-	2,655,535	-	76,405	-	-	2,731,940	2,893,669
Other postemployment benefits obligation	598,646	-	-	-	-	-	598,646	566,399
Reserve for grant cost disallowance	236,539	-	-	-	-	-	236,539	236,539
<b>TOTAL LIABILITIES</b>	<b>(1,435,658)</b>	<b>2,675,385</b>	<b>43,819</b>	<b>702,582</b>	<b>6,363,357</b>	<b>241,234</b>	<b>8,590,719</b>	<b>8,039,933</b>
<b>Total Net Position</b>	<b>\$ 3,745,242</b>	<b>\$ 6,270,632</b>	<b>\$ 2,756,400</b>	<b>\$ 2,246,680</b>	<b>\$ 3,300,406</b>	<b>\$ 7,876,753</b>	<b>\$ 26,196,113</b>	<b>\$ 27,809,246</b>

See notes to the supplementary information.

# The CSU, Chico Research Foundation

## SCHEDULES OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Years Ended June 30							<b>Totals</b>	
	RF General Fund	Plant and Bond Fund	Board Designated Fund	Auxiliary Activities Fund	Sponsored Programs Fund	Campus Programs Fund	2017	2016
<b>Revenues and Other Support</b>								
Agriculture and enterprise sales	\$ -	\$ -	\$ -	\$ 2,047,617	\$ 10,634	\$ 230	\$ 2,058,481	\$ 2,054,268
Sponsored program receipts	-	-	(1,476)	-	27,492,334	-	27,490,858	27,470,577
Agriculture research initiative	-	-	-	-	483,625	-	483,625	601,386
University program receipts	-	-	-	-	-	3,953,575	3,953,575	4,456,458
Interest and investment income	225,908	-	-	2,188	421	84,944	313,461	186,246
Other income	746,490	77,640	41,304	772	(3,114)	30,930	894,022	1,689,857
<b>Total Revenue and Other Support</b>	<b>972,398</b>	<b>77,640</b>	<b>39,828</b>	<b>2,050,577</b>	<b>27,983,900</b>	<b>4,069,679</b>	<b>35,194,022</b>	<b>36,458,792</b>
<b>Expenses</b>								
Auxiliary activities' cost of sales	-	-	-	357,191	-	-	357,191	401,015
Auxiliary activities' expense	-	-	-	2,503,810	246	-	2,504,056	2,739,591
Sponsored programs' disbursements	-	-	-	-	25,046,683	-	25,046,683	23,995,638
University programs' expenses	5,000	-	-	-	-	3,901,442	3,906,442	3,979,966
Foundation administration	3,966,821	-	-	-	-	-	3,966,821	3,397,349
Faculty and grant development	-	-	490,901	-	-	-	490,901	685,472
Interest expense	10	92,129	-	1,870	-	-	94,009	98,806
Other expense	-	717,722	-	-	-	-	717,722	900,532
<b>Total Expenses</b>	<b>3,971,831</b>	<b>809,851</b>	<b>490,901</b>	<b>2,862,871</b>	<b>25,046,929</b>	<b>3,901,442</b>	<b>37,083,825</b>	<b>36,198,369</b>
<b>Change in Net Position Before Transfers</b>	<b>(2,999,433)</b>	<b>(732,211)</b>	<b>(451,073)</b>	<b>(812,294)</b>	<b>2,936,971</b>	<b>168,237</b>	<b>(1,889,803)</b>	<b>260,423</b>
<b>Transfers</b>								
Transfers with CSU, Chico	-	-	(108,044)	296,514	-	(383,750)	(195,280)	25,959
Transfers with other auxiliaries	-	-	(3,211)	449,469	8,151	17,541	471,950	(360,536)
Indirect cost recovery transfers	3,123,654	-	-	-	(3,123,654)	-	-	-
Administrative fee transfers	510,060	-	-	(141,623)	(85,000)	(283,437)	-	-
Interfund transfers	(595,381)	239,144	436,735	(20,760)	(50,614)	(9,124)	-	-
<b>Net Transfers</b>	<b>3,038,333</b>	<b>239,144</b>	<b>325,480</b>	<b>583,600</b>	<b>(3,251,117)</b>	<b>(658,770)</b>	<b>276,670</b>	<b>(334,577)</b>
<b>Increase (Decrease) in Net Position</b>	<b>38,900</b>	<b>(493,067)</b>	<b>(125,593)</b>	<b>(228,694)</b>	<b>(314,146)</b>	<b>(490,533)</b>	<b>(1,613,133)</b>	<b>(74,154)</b>
<b>Net Position - Beginning of Year</b>	<b>3,706,342</b>	<b>6,763,699</b>	<b>2,881,993</b>	<b>2,475,374</b>	<b>3,614,552</b>	<b>8,367,286</b>	<b>27,809,246</b>	<b>27,883,400</b>
<b>Net Position - End of Year</b>	<b>\$ 3,745,242</b>	<b>\$ 6,270,632</b>	<b>\$ 2,756,400</b>	<b>\$ 2,246,680</b>	<b>\$ 3,300,406</b>	<b>\$ 7,876,753</b>	<b>\$ 26,196,113</b>	<b>\$ 27,809,246</b>

See notes to the supplementary information.

**The CSU, Chico Research Foundation**  
**SCHEDULES OF ACTIVITY OF THE AUXILIARY ACTIVITIES FUND**

Years Ended June 30	University Farm	Other Enterprise	2017	Totals 2016
<b>Sales</b>				
Livestock and dairy	\$ 575,213	\$ -	\$ 575,213	\$ 831,653
Crop and orchard	709,008	-	709,008	475,153
Enterprise receipts	455,190	308,206	763,396	747,462
<b>Total Sales</b>	<b>1,739,411</b>	<b>308,206</b>	<b>2,047,617</b>	<b>2,054,268</b>
<b>Cost of Sales</b>				
Livestock and dairy	357,191	-	357,191	401,015
<b>Gross Profit</b>	<b>1,382,220</b>	<b>308,206</b>	<b>1,690,426</b>	<b>1,653,253</b>
<b>Operating Expenses</b>				
Salaries and employee benefits	283,464	643,280	926,744	995,652
Accounting and professional costs	213,422	115,187	328,609	249,705
Utilities and telephone	15,765	13,838	29,603	47,277
Travel and meetings	8,037	4,931	12,968	45,132
Operating supplies	408,851	10,384	419,235	430,932
Depreciation	328,367	15,085	343,452	311,016
Insurance	3,913	3,703	7,616	6,025
Student payments	-	-	-	6,398
Veterinary costs	50,731	-	50,731	40,346
Machine hire	6,731	-	6,731	34,110
Repair and maintenance	196,084	8,837	204,921	265,033
Rent and leasing	-	4,838	4,838	12,595
Registration fees	7,871	888	8,759	2,130
Postage and printing	7,144	6,293	13,437	4,646
Other operating expenses	121,559	24,609	146,168	288,594
<b>Total Operating Expenses</b>	<b>1,651,939</b>	<b>851,873</b>	<b>2,503,812</b>	<b>2,739,591</b>
<b>Loss From Operations</b>	<b>(269,719)</b>	<b>(543,667)</b>	<b>(813,386)</b>	<b>(1,086,338)</b>
<b>Other Income (Expense)</b>				
Other income	772	-	772	18,439
Interest income	2,187	-	2,187	1,356
Interest expense	(1,870)	-	(1,870)	(3,814)
<b>Total Other Income</b>	<b>1,089</b>	<b>-</b>	<b>1,089</b>	<b>15,981</b>
<b>Transfers</b>				
In	183,008	1,105,150	1,288,158	(91,792)
Out	(253,037)	(900,987)	(1,154,024)	265,412
From other auxiliaries	4,300	445,169	449,469	402,013
<b>Net Transfers</b>	<b>(65,729)</b>	<b>649,332</b>	<b>583,603</b>	<b>575,633</b>
<b>Net Income (Loss), Including Administration Fees Paid to the General Fund</b>	<b>\$ (334,359)</b>	<b>\$ 105,665</b>	<b>\$ (228,694)</b>	<b>\$ (494,724)</b>

See notes to the supplementary information.

## The CSU, Chico Research Foundation

### SCHEDULES OF SOURCE OF FUNDING AND EXPENDITURES FOR GRANTS AND CONTRACTS (SPONSORED PROGRAMS FUND)

Years Ended June 30	2017	2016
<b>Source of Direct Funding</b>		
Federal government	\$ 17,409,264	\$ 17,147,719
State of California	3,465,155	3,938,728
Local governments	765,271	1,270,012
Nongovernmental funds	2,606,338	2,431,186
Agricultural research initiative	483,625	483,625
Noncash contributions	154,152	44,300
<b>Total Direct Sources and Transfers</b>	<b>24,883,805</b>	<b>25,315,570</b>
<b>Source of Indirect Cost Reimbursements</b>		
Federal government	1,875,384	1,779,834
State of California	582,084	560,168
Local governments	289,516	193,696
Nongovernmental funds	376,670	238,851
<b>Total Indirect Cost Reimbursements</b>	<b>3,123,654</b>	<b>2,772,549</b>
<b>Total</b>	<b>28,007,459</b>	<b>28,088,119</b>
<b>Direct Expenditures</b>		
Salaries and wages	10,000,686	9,701,733
Fringe benefits	2,930,049	3,441,223
Operating expenses	10,577,971	9,477,989
Equipment	459,013	627,968
Student support	1,230,232	1,131,402
<b>Total Direct Expenditures</b>	<b>25,197,951</b>	<b>24,380,315</b>
<b>Indirect Expenditures</b>		
Salaries, wages, and fringe benefits	940,808	1,010,614
Administrative expenses	1,738,742	1,095,702
Development	76,737	85,348
Program allocation	350,000	350,000
Other	17,367	230,885
<b>Total Indirect Expenditures</b>	<b>3,123,654</b>	<b>2,772,549</b>
<b>Total</b>	<b>\$ 28,321,605</b>	<b>\$ 27,152,864</b>

See notes to the supplementary information.

**The CSU, Chico Research Foundation**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**June 30, 2017**

Catalog Number	Project Number	Project Title	Firm Code	Award/ Contract Number	Program or Award Amounts	Expenditures
<b>Department of Agriculture</b>						
<b>Direct Awards-Other</b>						
10.168	60652	SCHOOL FARM STAND PILOT PROJ	3	14-FMPPX-CA-0027	\$ 99,994.00	\$ 23,733.89
10.310	60660	FOODIE U	3	2015-69001-23238	149,890.00	51,923.85
10.326	60612	AG LDRSHP/COMM OPTION	3	2012-70001-20148	277,199.00	65,346.44
10.326	60664	AG RESILIENCE/UNCERTAIN WATER	3	2015-70001-23459	150,000.00	33,400.60
10.351	60715	ALTURAS BROADBAND CDBG	3	PO135007	40,000.00	2,279.85
10.351	60727	COTTAGE FOOD TECHNICAL ASSIST	3	2016 RBDG AGMT 07/19/2016	40,000.00	10,177.81
10.351	60728	USDA AGPLUS	3	2016 AGMT 07/19/16	45,000.00	12,399.00
10.545	60685	EBT IN FARMERS MARKETS	3	SNAP-FSUP-15-CA-03	250,000.00	75,056.19
10.6XX	60599	PLUMAS NAT'L FOREST DATA PROCS	3	13-CS-11051100-009	58,000.00	12,339.66
10.6XX	60627	TRIP CAR-LESS CA PHASE II	3	12-CS-11052009-034 Mod 3	122,914.00	31,268.92
10.CNT	60641	NURTURING THE PROMISE	3	14-CS-11052009-027 Mod 6	424,081.00	114,977.68
10.CNT	60642	FUEL & FIRE DB ANALYSIS	3	14-CR-11221637-125, Mod 1	19,974.30	5,029.81
10.CNT	60645	CAR-LESS PHZ 1 TIER 3 IMLEMNT	3	14-CS-11052009-061	274,450.00	4,737.50
10.CNT	60698	ISHI WILDERNESS ARCH SURVEY	3	16-CS-11050600-007	11,006.00	742.38
10.CNT	60703	CHALLENGE DUMP & ROAD REHAB II	3	16-CS-11051100-011	39,997.50	29,315.83
10.XXX	60670	COLLAB FOREST SVC STUDY	3	15-CS-11052006-070	65,606.84	28,862.03
N/A	60742	NRCS RECORDS SEARCHES 17/18	3	AG-4D90-P-17-0070	15,000.00	1,480.39
10.XXX	60736	ADD'TL LASSEN/MENDO COMMUNITIE	3	15-CS-11052006-070 Am1	30,000.00	9,364.68
<b>Sub-Total Other Direct Awards</b>					2,113,112.64	512,436.51
<b>Direct Awards - Research and Development</b>						
10.326	60665	SUSTAINABLE RANGELAND MGMT	2	2015-70001-23458	293,645.00	104,663.34
10.CNT	60716	WALNUT TWIG BEETLE STUDY	2	16-JV-11272139-086	10,000.00	5,856.05
<b>Sub-Total Research and Development Direct Awards</b>					303,645.00	110,519.39
<b>Pass Through Awards</b>						
CA Dept of Food & Agriculture						
10.17	64391	CONNECT AG TO SCHOOL/HOME	3	SCB13033	398,799.00	(2,487.11)
10.17	64475	FARM TO SENIORS Y1 14/15	3	SCB14024	77,586.00	28,948.06
10.17	64477	CULTIV COMMUNITY NV Y1	3	SCB14025	399,870.00	160,992.58
<b>Sub-Total Other Pass Through Awards, CA Dept of Food &amp; Agriculture</b>					876,255.00	187,453.53
Univ of Vermont Extension						
10.303	64369	GOCROP 2012/2016	3	27250SUB51410 Am 2	111,131.00	15,589.10
<b>Sub-Total Other Pass Through Awards, Univ of Vermont Extension</b>					111,131.00	15,589.10
FamilyFarmed						
10.46	64622	GROWING SUCCESS	3	Letter of Engagement - FAMILYFARMED	2,842.00	2,566.58
<b>Sub-Total Other Pass Through Awards, FamilyFarmed</b>					2,842.00	2,566.58
CA Department of Education						
10.559	64567	SUMMER FOODS 2016	5	AGMT DATED 3/22/16	50,157.32	43,510.38
<b>Sub-Total, Child Nutrition Center Cluster, Pass Through Awards, CA Department of Education</b>					50,157.32	43,510.38
Butte Co Depart Public Health						
10.561	64392	BUTTE CO DPH SNAP-ED Y1 13/14	3	X199997	318,790.29	0.01
10.561	64613	BUTTE LHD 1617	3	X22359	352,748.00	214,191.08
<b>Sub-Total, SNAP Cluster, Pass Through Awards, Butte Co Depart Public Health</b>					671,538.29	214,191.09
CA Dept of Aging						
10.561	64449	PSA3 SNAP-ED 14/15	3	SP-14/15-03	72,260.00	0.30
10.561	64537	PSA3 SNAP-ED 15/16	3	SP-1516-03	29,239.00	4,802.06
10.561	64538	PSA2 SNAP-ED 15/16	3	SP-1516-02	31,964.00	9254.41
10.561	64618	CDA SNAP-ED PSA3 16/17	3	SP-1617-03	33,535.00	24867.64
10.561	64619	CDA SNAP-ED PSA2 16/17	3	SP-1617-02	37,689.00	30019.02
<b>Sub-Total, SNAP Cluster, Pass Through Awards, CA Dept of Aging</b>					204,687.00	68,943.43
CA Dept of Public Health						
10.561	64415	NEOP TRC YR 1	3	13-20939	1,229,589.00	0.58
10.561	64529	CDPH SNAPED COLUSA/GLENN FY156	3	13-20107 Am 1	499,943.00	144,114.91
10.561	64541	BUTTE CO SNAP-ED 15/16	3	X21834 Am 1	335,000.00	73,613.58
10.561	64604	CDPH COLUSA/GLENN LHD 16/17	3	16-10129	484,804.00	302,121.78
<b>Sub-Total, SNAP Cluster, Pass Through Awards, CA Dept of Public Health</b>					2,549,336.00	519,850.85
CA Dept of Social Services						
10.561	64625	CALFRESH OUTREACH FY2017-2018	3	16-SUB-00890	820,703.00	340,633.41
<b>Sub-Total, SNAP Cluster, Pass Through Awards, CA Dept of Social Services</b>					820,703.00	340,633.41
CalFresh Outreach Unit						
10.561	64464	BUTTE CO SNAP-ED 14/15	3	X21405 Am 1	371,304.57	(64.49)
10.561	64465	CALFRESH OUTREACH 14/15	3	14-3037	261,065.00	39.45
10.561	64539	CALFRESH OUTREACH 15/16 Y2	3	14-3037	252,981.00	75,501.06
<b>Sub-Total, SNAP Cluster, Pass Through Awards, CalFresh Outreach Unit</b>					885,350.57	75,476.02



**The CSU, Chico Research Foundation**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**June 30, 2017**  
**(Continued)**

<b>Catalog Number</b>	<b>Project Number</b>	<b>Project Title</b>	<b>Firm Code</b>	<b>Award/ Contract Number</b>	<b>Program or Award Amounts</b>	<b>Expenditures</b>
<b>County of Yuba</b>						
10.561	64530	YUBA CO LHD 15/16	3	AGMT 4 PROF SERV AM1	\$ 361,423.00	\$ 102,298.37
<b>Sub-Total, SNAP Cluster, Pass Through Awards, Yuba County</b>					361,423.00	102,298.37
<b>Siskiyou County Health &amp; Human Services Agency, Public Health Division</b>						
10.561	64531	SISKIYOU CO LHC 15/16	3	DTD 1/5/16 AM 1ST	52,725.26	15,527.27
10.561	64612	SISKIYOU LHD 1617	3	E1700445	40,881.00	34,446.64
<b>Sub-Total, SNAP Cluster, Pass Through Awards, Siskiyou County Health &amp; Human Services Agency, Public Health Division</b>					93,606.26	49,973.91
<b>Tehama County</b>						
10.561	64617	TEHAMA LHD SUB-K 17-19	3	2016-1296 Am 1	129,108.42	60,937.27
10.561	64532	TEHAMA CO LHD 15/16	3	12-20521	47,037.39	11,110.49
<b>Sub-Total, SNAP Cluster, Pass Through Awards, Tehama County Dept. of Social Services</b>					176,145.81	72,047.76
<b>Yuba County</b>						
10.561	64614	YUBA LHD 1617	3	269-0616 Am 1st	356,363.00	220,176.71
10.561	64462	YUBA CO CDSS FUNDED 14/15	3	436-14	193,516.00	2.03
<b>Sub-Total, SNAP Cluster, Pass Through Awards, Yuba County</b>					549,879.00	220,178.74
<b>Total Other Direct Awards</b>					2,113,112.64	512,436.51
<b>Total Research &amp; Development Direct Awards</b>					303,645.00	110,519.39
<b>Total Child Nutrition Cluster Pass Through Awards</b>					50,157.32	43,510.38
<b>Total SNAP Cluster Pass Through Awards</b>					6,312,668.93	1,663,593.58
<b>Total Other Pass Through Awards</b>					990,228.00	205,609.21
<b>Total Department of Agriculture</b>					9,769,811.89	2,535,669.07
<b>Department of Commerce</b>						
<b>Direct Awards-Other</b>						
11.303	60683	EDA UNIV CNTR Y4 15/16	3	07-66-06881-03	110,000.00	692.25
11.303	60684	FRESNO EDA UNIV CENTER 15/16	3	07-66-06881-03	110,000.00	8,184.54
11.303	60729	FRESNO EDA UNIV CNTR 16/17	3	07-66-06881-04	110,000.00	104,125.33
11.303	60712	EDA UNIVERSITY CENTER 16/17	3	07-66-06881-04	110,000.00	104,204.90
<b>Sub-Total Other Direct Awards</b>					440,000.00	217,207.02
11.307	60734	IMCP CNTRL VLY AGPLUS 16/18	3	07-79-07295	30,000.00	1,714.90
<b>Sub-Total, Economic Development Cluster, Other Direct Awards</b>					30,000.00	1,714.90
<b>Pass Through Awards</b>						
<b>California Manufacturing Technology Consulting</b>						
11.611	64636	CMTC MFTG TECH CONSULTING	3	70 NANB16H208	60,000.00	8,653.78
<b>Sub-Total Other Pass Through Awards, CA Manufacturing Tech Consulting</b>					60,000.00	8,653.78
<b>Total Other Direct Awards</b>					440,000.00	217,207.02
<b>Total Economic Development Cluster Other Direct Awards</b>					30,000.00	1,714.90
<b>Total Other Pass Through Awards</b>					60,000.00	8,653.78
<b>Total Department of Commerce</b>					530,000.00	227,575.70
<b>Department of Defense</b>						
<b>Direct Awards - Other</b>						
12.3	60721	POWER SYS DYNAMICS & CONTROL	3	N00014-16-1-3171, Mod P00002	144,923.00	63,411.89
<b>Sub-Total Other Direct Awards</b>					144,923.00	63,411.89
<b>Total Other Direct Awards</b>					144,923.00	63,411.89
<b>Total Department of Defense</b>					144,923.00	63,411.89
<b>Department of Interior</b>						
<b>Direct Awards-Other</b>						
15.224	60674	DATA SHARE/ARCH RESRCH-NEIC	3	L15AC00181	20,000.00	5,849.65
15.224	60675	DATA SHARE/ARCH RESERCH-ARP	3	L15AC00181	99,982.12	84,125.51
15.225	60611	BLM CESU RESRC MGMT INTRNSHP	1	L12AC20008 AM8	55,000.00	12,697.15
15.225	60631	BLM CESU YOUTH SUMMIT 2014	1	L12AC20008 AM9	65,000.00	1,071.29
15.512	60696	USBR SIDE CHNNLS RESTOR-SRCAF	3	R16AC00099	232,478.00	150,535.79
15.512	60722	USBR SIDE CHNNLS RESTOR-GIC	3	R16AC00099	124,470.00	29,470.35
15.512	60723	USBR SIDE CHNNLS RESTOR-BANET	3	R16AC00099	164,029.00	51,127.46
15.512	60724	USBR SIDE CHNNLS RESTOR-ARP	3	R16AC00099	10,077.00	2,710.66
15.512	60726	USBR SIDE CHNNLS RESTOR-SUBKS	3	R16AC00099	424,146.00	132,175.35
15.945	60653	NPS CESU MEDN I&M PHASE 1	3	P14AC01614 Mod 1	45,020.02	35,323.80
15.XXX	60686	BLM CESU YOUTH SUMMITS	3	L15AC00231 Supplement 1	109,616.61	6,184.39
<b>Sub-Total Other Direct Awards</b>					1,349,818.75	511,271.40

**The CSU, Chico Research Foundation**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**June 30, 2017**  
**(Continued)**

Catalog Number	Project Number	Project Title	Firm Code	Award/ Contract Number	Program or Award Amounts	Expenditures
<b>Direct Awards-Research and Development</b>						
15.81	60745	EDMAP: ANTELOPE VALLEY, SIERRA	2	G17AC00158	\$ 16,308.00	\$ 4,217.43
15.81	60746	EDMAP: TUSCAN FORM RICHARDSON	2	G17AC00156	18,187.00	703.54
<b>Sub-Total Research and Development Direct Awards</b>					34,495.00	4,920.97
<b>Pass Through Awards</b>						
UC Division of Agriculture and Natural Resource						
15.805	64601	SALMONID STUDY	2	SA15-2997-CA365B	12,155.00	12,068.73
<b>Sub-Total Research and Development Pass Through Awards, UC Division of Ag and Natural Resource</b>					12,155.00	12,068.73
CA Dept of Parks & Recreation						
15.904	64542	OHP RECORD SEARCHES 15/16	3	C8957506	9,000.00	5.01
15.904	64620	OHP RECORD SEARCHES 16/17	3	C8960505	8,500.00	948.73
<b>Sub-Total Other Pass Through Awards, CA Dept of Parks &amp; Recreation</b>					17,500.00	953.74
CAL POLY CORPORATION						
N/A	64556	WATER CONS TECH ASSTNC Y1 1516	3	2015-11-48729	250,000.00	136,883.80
N/A	64608	SAC VALLEY-DTA 16/17 Y2 T1	3	2015-11-48729	112,493.00	52,739.37
N/A	64609	TECH AST PROG TRNG 16/17 Y2 T3	3	2015-11-48729	89,713.00	77,585.04
<b>Sub-Total Other Pass Through Awards, Cal Poly Corporation</b>					452,206.00	267,208.21
<b>Total Other Direct Awards</b>					1,349,818.75	511,271.40
<b>Total Research and Development Direct Awards</b>					34,495.00	4,920.97
<b>Total Research and Development Pass Through Awards</b>					12,155.00	12,068.73
<b>Total Other Pass Through Awards</b>					469,706.00	268,161.95
<b>Total Department of Interior</b>					1,866,174.75	796,423.05
<b>Department of Justice Bureau of Justice Assistance</b>						
<b>Direct Awards-Research and Development</b>						
16.56	60735	HUMAN REMAINS SEARCH PARAMETER	2	2016-DN-BX-0159	435,944.00	1,869.98
16.56	60741	HUMAN REMAINS SEARCH - FACULTY	2	2016-DN-BX-0159	430,925.00	10,620.17
<b>Sub-Total Research and Development Direct Awards</b>					866,869.00	12,490.15
<b>Pass Through Awards</b>						
Shasta County						
16.738	64512	SRRP LEP DEVELOPMENT	2	SP 15-261	5,288.00	(151.09)
<b>Sub-Total Research and Development Pass Through Awards, Shasta County</b>					5,288.00	(151.09)
Yolo County						
16.738	64536	YOLO COUNTY LEP	2	SP-16044	5,229.00	(738.14)
<b>Sub-Total Research and Development Pass Through Awards, Yolo County</b>					5,229.00	(738.14)
Mariposa County						
16.738	64560	LEP MARIPOSA COUNTY	3	SP 16-180	3,775.00	3,775.46
16.738	64626	LEP PHASE 2 MARIPOSA COUNTY	3	SP 16-180 AM 1	33,320.00	9,426.65
<b>Sub-Total Other Pass Through Awards, Mariposa County</b>					37,095.00	13,202.11
<b>Total Research and Development Direct Awards</b>					866,869.00	12,490.15
<b>Total Research and Development Pass Through Awards</b>					10,517.00	(889.23)
<b>Total Other Pass Through Awards</b>					37,095.00	13,202.11
<b>Total Department of Justice Bureau of Justice Assistance</b>					914,481.00	24,803.03
<b>U.S. Dept of Labor</b>						
<b>Pass Through Awards</b>						
CSU, Fresno Foundation						
17.258	64533	FRESNO WATER - 45% ADULT	3	SC350387-15-02	3,988.54	(472.31)
<b>Sub-Total, WIA/WIOA Cluster, Pass Through Awards, CSU, Fresno Foundation</b>					3,988.54	(472.31)
North Central Counties Consortium						
17.259	64628	SUMMER WORK EXPERIENCE 2016/17	3	16-23	5,480.00	5,367.64
<b>Sub-Total, WIA/WIOA Cluster, Pass Through Awards, North Central Counties Consortium</b>					5,480.00	5,367.64
CSU, Fresno Foundation						
17.278	64534	FRESNO WATER - 55% DISLOCATED	3	SC350387-15-02	4,876.00	(576.63)
<b>Sub-Total, WIA/WIOA Cluster, Pass Through Awards, CSU, Fresno Foundation</b>					4,876.00	(576.63)
<b>Total WIA/WIOA Cluster Pass Through Awards</b>					14,344.54	4,318.70
<b>Total Department of Labor</b>					14,344.54	4,318.70

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<b>Department of State Bureau of Educational and Cultural Affairs</b>						
<b>Direct Awards-Other</b>						
19.009	60695	SUSI SL 2016	3	S-ECAGD-16-CA-1078	\$ 237,195.00	\$ 196,205.79
19.009	60743	SUSI SL 2017	3	S-ECAGD-16-CA-1078 Am 1	239,958.00	64,116.30
19.401	60661	US INST 2NDRY EDUC 2015/DOS	3	S-ECAGD-14-CA-1066	239,981.00	292.66
19.401	60693	SUSI SUMMER 2016	3	S-ECAGD-14-CA-1066 Am 2	239,973.00	144,091.36
<b>Sub-Total Other Direct Awards</b>					<b>957,107.00</b>	<b>404,706.11</b>
<b>Pass Through Awards</b>						
Int'l Research & Exchanges Brd						
19.408	64323	TEA PROGRAM FALL 2013	3	FY13-TEA-CSU-01	172,949.00	(37.39)
19.408	64476	TEA PROGRAM SPRING 2015	3	FY15-TEA-Chico-01	183,382.41	(591.67)
19.408	64543	TEA SPRING 2016	3	FY16-TEA-Chico-01	188,890.00	(2,371.55)
<b>Sub-Total Other Pass Through Awards, Int'l Research &amp; Exchanges Board</b>					<b>545,221.41</b>	<b>(3,000.61)</b>
Institute of International Education						
19.432	64557	2016 EDUCATIONUSA TRNG INST	3	AGMT DATED 1/15/16	18,306.00	(2,467.70)
<b>Sub-Total Other Pass Through Awards, Institute of International Education</b>					<b>18,306.00</b>	<b>(2,467.70)</b>
Georgetown University						
19.6	64640	MENA STUDENT LEADERS 2017	3	CSUCHICO-GR205337	233,325.00	37,126.46
<b>Sub-Total Other Pass Through Awards, Georgetown University</b>					<b>233,325.00</b>	<b>37,126.46</b>
<b>Total Other Direct Awards</b>					<b>957,107.00</b>	<b>404,706.11</b>
<b>Total Other Pass Through Awards</b>					<b>796,852.41</b>	<b>31,658.15</b>
<b>Total Department of State Bureau of Educational and Cultural Affairs</b>					<b>1,753,959.41</b>	<b>436,364.26</b>
<b>Department of Transportation</b>						
<b>Pass Through Awards</b>						
Caltrans						
20.205	64548	LINEAR REFERENCING SYST UPDATE	3	65A0585	6,160.00	2,428.55
20.205	64549	LRS UPDATE UNCALBRTD PROCESING	3	65A0585	42,340.00	11,755.93
20.205	64550	LRS UPDATE 2014 IMAGERY UPDATE	3	65A0585	84,340.00	11,101.88
20.205	64551	LRS TECHNICAL ASSISTANCE	3	65A0585	6,160.00	4,921.62
20.205	64552	LRS UPDATE PROJECT DELIVERY	3	65A0585	3,080.00	3,080.00
<b>Sub-Total, Highway Planning and Construction Cluster, Pass Through Awards, Caltrans</b>					<b>142,080.00</b>	<b>33,287.98</b>
<b>Total Highway Planning and Construction Cluster, Pass Through Awards</b>					<b>142,080.00</b>	<b>33,287.98</b>
<b>Total Department of Transportation</b>					<b>142,080.00</b>	<b>33,287.98</b>
<b>National Endowment for the Arts</b>						
<b>Direct Awards-Other</b>						
45.024	60694	WEEGEE: TWO TRUTHS AND A LIE	3	16-4100-7078	15,000.00	1,637.40
<b>Sub-Total Other Direct Awards</b>					<b>15,000.00</b>	<b>1,637.40</b>
<b>Pass Through Awards</b>						
Mid Atlantic Arts Foundation						
45.024	64603	SOUTHERN EXPOSURE: TROKER	3	28735	1,450.00	1,450.00
<b>Sub-Total Other Pass Through Awards, Mid Atlantic Arts Foundation</b>					<b>1,450.00</b>	<b>1,450.00</b>
WESTAF						
45.025	64598	IMTOURS: LAS CAFETERAS	3	IMT_CA0023	2,500.00	2,500.00
45.025	64639	THE NILE PROJECT	3	TW201600055	2,250.00	2,250.00
<b>Sub-Total Other Pass Through Awards, WESTAF</b>					<b>4,750.00</b>	<b>4,750.00</b>
<b>Total Other Direct Awards</b>					<b>15,000.00</b>	<b>1,637.40</b>
<b>Total Other Pass Through Awards</b>					<b>6,200.00</b>	<b>6,200.00</b>
<b>Total National Endowment for the Arts</b>					<b>21,200.00</b>	<b>7,837.40</b>
<b>National Science Foundation</b>						
<b>Direct Awards - Research and Development</b>						
47.049	60697	NSF REU MATHEMATICAL MODELING	2	1559788	265,000.00	52,775.76
47.049	60733	NSF NUMBER THEORY CONFERENCES	2	1646760	42,700.00	11,391.10
47.05	60574	NSF 2 COMPNT WIND EVAL LIDAR	2	AGS-1228464	728,747.00	2,857.67
47.05	60637	CASCADES ARC	2	EAR-1348065 Am 1	180,611.00	59,829.25
47.05	60662	NSF 2 CMPNT WIND SUPPLEMENT	2	AGS-1228464 Am 1	69,949.00	2,218.10
47.05	60671	MRI: SEM ACQUISITION-NSF	2	1532226	207,479.00	(0.01)
47.075	60609	NSF DEMOGR STUDY CENTRAL CA	2	BCS-1318543	149,102.00	20,630.83
47.076	60540	NSF TEMS II PROGRAM 11/16	2	DUE-1163431	749,600.00	133,322.05
<b>Sub-Total Research &amp; Development Direct Awards</b>					<b>2,393,188.00</b>	<b>283,024.75</b>

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<b>Pass Through Awards</b>						
University of Wyoming						
47.05	64554	DUKHA ETHNOARCHAEL NSF/UWY	2	1002775-CSUCHICO	\$ 72,148.00	\$ 9,055.49
<b>Sub-Total Research and Development Pass Through Awards, University of Wyoming</b>					72,148.00	9,055.49
UC Berkeley						
47.074	64154	IMPV BIOLGICAL RCRCH CLLCTNS	4	Sub 00007365	49,517.00	2,730.28
47.076	64627	FLP FOR STEM FAC DEV 1617 Y1	4	00009394	41,479.00	39,967.67
<b>Sub-Total Other Pass Through Awards, UC Berkeley</b>					90,996.00	42,697.95
UC. Davis						
47.075	64387	MAYA HIEROGLYPHIC DATABASE NSF	3	201301594-01	289,173.00	23,112.45
<b>Sub-Total Other Pass Through Awards, UC. Davis</b>					289,173.00	23,112.45
Carleton College						
47.076	64547	INTEGRATE SUSTAINABILITY NSF	1	28-1976-CSU	53,999.00	23,987.97
<b>Sub-Total Other Pass Through Awards, Carleton College</b>					53,999.00	23,987.97
Univ of Colorado						
47.076	64566	SUSTAINED 2016 - BOULDER Y1	1	1525338	252,812.00	119,176.63
<b>Sub-Total Other Pass Through Awards, Univ of Colorado</b>					252,812.00	119,176.63
University Enterprises, Inc., CSU Sacramento						
47.076	64546	LSAMP NSF FUNDS 15/16	1	523761 AM 523763	15,000.00	11,887.50
47.076	64605	LSAMP NSF FUNDS 16/17	1	523761 AM 523764	15,000.00	1,043.50
<b>Sub-Total Other Pass Through Awards, University Enterprises, Inc., CSU Sacramento</b>					30,000.00	12,931.00
<b>Total Research &amp; Development Direct Awards</b>					2,393,188.00	283,024.75
<b>Total Research &amp; Development Pass Through</b>					72,148.00	9,055.49
<b>Total Other Pass Through Awards</b>					716,980.00	221,906.00
<b>Total National Science Foundation</b>					3,182,316.00	513,986.24
<b>U.S. Small Business Administration</b>						
<b>Direct Awards-Other</b>						
59.037	60691	SBA 2016	3	SBAHQ-16-B-0053	1,455,210.00	1,073,956.36
59.037	60692	SBA SHASTA 2016	3	SBAHQ-16-B-0053	-	(53,214.27)
59.037	60737	SBA 2017 COI	3	SBAHQ-17-B-0055	470,469.00	316,099.92
59.037	60738	SHASTA SBA 2017	3	SBAHQ-17-B-0055	-	42,024.92
<b>Sub-Total Other Direct Awards</b>					1,925,679.00	1,378,866.93
<b>Pass Through Awards</b>						
RIVERSIDE COMMUNITY COLLEGE						
59.058	62137	RIVERSIDE SBIR/STTR Y1	3	TRITECH SBDC/RCCD FAST	4,903.00	281.68
<b>Sub-Total Other Pass Through Awards, Lawrence Livermore Nat'l Security, LLC</b>					4,903.00	281.68
<b>Total Other Direct Awards</b>					1,925,679.00	1,378,866.93
<b>Total Other Pass Through Awards</b>					4,903.00	281.68
<b>Total U.S. Small Business Administration</b>					1,930,582.00	1,379,148.61
<b>Environmental Protection Agency Office of Research and Development</b>						
<b>Direct Awards-Other</b>						
66.516	60689	BIOFILTRATION/SMALL URBAN AREA	3	83599201	14,963.00	3,400.77
<b>Sub-Total Other Direct Awards</b>					14,963.00	3,400.77
<b>Direct Awards-Research and Development</b>						
66.516	60704	EPA P3	2	83676101	14,999.00	8,430.57
66.516	60739	BIOFILTRATION/SMALL URBAN AREA	2	SV-83693001-0	74,971.00	6,107.58
<b>Sub-Total Other Pass Through Awards, Lawrence Livermore Nat'l Security, LLC</b>					89,970.00	14,538.15
<b>Total Other Direct Awards</b>					14,963.00	3,400.77
<b>Total Research and Development Direct Awards</b>					89,970.00	14,538.15
<b>Total Environmental Protection Agency Office of Research and Development</b>					104,933.00	17,938.92
<b>Department of Energy</b>						
<b>Direct Awards - Other</b>						
81	60730	OPTICALLY BASED SENSOR SYSTEM	3	7316126	98,009.00	94,521.31
<b>Sub-Total Other Direct Awards</b>					98,009.00	94,521.31
<b>Pass Through Awards</b>						

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Lawrence Livermore Nat'l Security, LLC						
81.CNT	64514	STRUCT LATERAL MVMNT SYSTEM	3	B614166	\$ 212,952.00	\$ 11,224.60
81.XXX	64602	LLNL FINAL DEPLOYABLE SYSTEM	3	B619293	135,730.00	99,031.00
<b>Sub-Total Other Pass Through Awards, Lawrence Livermore Nat'l Security, LLC</b>					<b>348,682.00</b>	<b>110,255.60</b>
<b>Total Other Direct Awards</b>					<b>98,009.00</b>	<b>94,521.31</b>
<b>Total Other Pass Through Awards</b>					<b>348,682.00</b>	<b>110,255.60</b>
<b>Total Department of Energy</b>					<b>446,691.00</b>	<b>204,776.91</b>
<b>US Department of Education</b>						
<b>Direct Awards-Other</b>						
84.031C	60719	CHICO STEM CONN Y1 16/17	5	P031C160125	770,809.00	358,478.30
84.299B	60668	NORCAL PRIE: Y4 15/16	1	S299B120038-15	74,612.13	(2,949.35)
84.299B	60731	NORCAL PRIE II Y1 16/17	1	S299B160013	335,247.00	157,911.29
84.325K	60618	N.CA CLIPP Y1 13/14	1	H325K1320219	999,996.00	193,169.05
84.325K	60690	T.R.A.C.K. Y5 2016	1	4325K11032275	408,964.00	155,249.63
84.336S	60553	CO-STAR5 Y5 13/14	1	U336S090119	1,848,278.14	0.02
84.336S	60656	PRISMSY1 14/15	1	U336S140023	3,679,717.00	1,681,933.72
84.336S	60688	TQP COSTARS EVALUATIONY1 15/16	1	U336S090119-13B	184,598.00	127,178.17
84.365Z	60679	CPD Y4 2015/2016	3	T365Z120186-15	531,467.32	44,352.80
84.365Z	60711	CPD Y5 2016/2017	3	T365Z120186	512,584.47	276,123.91
<b>Sub-Total Other Direct Awards</b>					<b>9,346,273.06</b>	<b>2,991,447.54</b>
84.042A	60647	STDNT SUPPRT SRVCS Y5 14/15	5	P042A100854-14	269,486.32	(58.00)
84.042A	60678	SSSP Y1 2015/2016	5	P042A150256	247,583.00	33,034.39
84.042A	60714	SSSP Y2 2016/17	5	P042A150256-16	273,513.34	204,392.99
84.044A	60672	ED TALENT SEARCH I Y5 15/16	5	P044A110388-14	379,019.00	51,966.79
84.044A	60644	TALENT SEARCH II Y4 14/15	5	P0 44A110441-14	233,708.60	(132.00)
84.044A	60673	ED TALENT SEARCH II Y5 15/16	5	P0 44A110441-14	230,000.00	40,913.98
84.044A	60708	ED TALENT SEARCH II Y1 16/17	5	P044A160601	241,440.00	195,374.48
84.044A	60709	ED TALENT SEARCH I-Y1-16/17	5	P044A160598	396,000.00	329,703.57
84.047A	60598	UPWARD BOUND Y3 15/16	3	P047A130074	1,650,712.00	6,725.12
84.047A	60601	UPWARD BOUND II Y1 13/14	3	P047A130073	1,000,390.00	110,609.45
84.047A	60699	UPWARD BOUND Y4 16/17	3	P047A130074-16	601,910.47	509,647.54
84.047A	60710	UPWARD BOUND II Y4 16/17	3	P047A130073	349,561.00	228,768.77
84.047A	60744	UPWARD BOUND Y5 17/18	3	P047A130074-17	576,800.00	55,599.08
84.047M	60676	UB MATH SCIENCE Y4 15/16	3	P047M120263-15	256,347.76	86,102.26
84.047M	60677	UB STEM Y4 15/16	3	P047M120260-15	268,578.50	114,677.88
84.047M	60707	UB MATH/SCIENCE Y5 16/17	3	P047M120263	265,874.99	188,880.95
84.047M	60717	UWARD BOUND STEM Y5 16/17	3	P047M120260-16	267,185.81	163,785.66
<b>Sub-Total TRIO Cluster Direct Awards</b>					<b>7,508,110.79</b>	<b>2,319,992.91</b>
<b>Pass Through Awards</b>						
UC Regents/Office of the Pres						
84.367	64469	NCLB11 INLAND NO SCIENCE 14/15	3	NCLB11-CSP-CHICO	41,000.00	(96.65)
84.367	64521	NCLB CA READINGLIT PGM 15/16	3	NCLB12-CRLP-CHICO	45,565.00	(1,366.69)
84.367	64535	NCLB12 CMP 2015/2016	3	NCLB12-CMP-CHICO	29,000.00	1,019.49
84.367	64540	INLAND NRTHN CSP NCLB 15/16	3	NCLB12-CSP-CHICO	41,000.00	2,486.82
84.367	64545	NCLB N. CA WRITING PJCT 15/16	3	NCLB12-CWP-CHICO	37,807.50	1,030.13
84.367	64610	SCIENCE TEACHERS LEARNING COMM	3	S367B160005	267,039.65	130,796.06
84.367	64615	CRLP NCLB 16/17	3	NCLB13-CRLP-CHICO	43,628.00	43,261.60
<b>Sub-Total Other Pass Through Awards, UC Regents/Office of the Pres</b>					<b>505,040.15</b>	<b>177,130.76</b>
UC Regents/Office of the President						
84.367A	64631	NCLB N. CA ARTS PJCT 16/17	3	NCLB13-TCAP-CHICO	25,000.00	24,982.39
84.367A	64632	NCLB N.CA WRITING PJCT 16/17	3	NCLB13-CWP-CHICO	36,289.00	36,275.39
84.367A	64633	NCLB 13 CMP 2016/2017	3	NCLB13-CMP-CHICO	29,000.00	27,830.60
84.367A	64634	INLAND NORTHERN SP-NCLB 16/17	3	NCLB13-CSP-CHICO	41,000.00	38,206.62
<b>Sub-Total Other Pass Through Awards, UC Regents/Office of the Pres</b>					<b>131,289.00</b>	<b>127,295.00</b>
CA Dept of Education						
84.048A	64553	CHICO AG FIELD OFFICE 2016 Y1	3	CN150284	7,214.40	(963.64)
84.048A	64599	CHICO AG FIELD OFFICE Y2 16/17	3	CN150284	14,224.68	8,642.94
<b>Sub-Total Other Pass Through Awards, CA Dept of Education</b>					<b>21,439.08</b>	<b>7,679.30</b>
Univ of Oregon						
84.305A	64455	U OF O MOCCA DEVLOP Y1 14/15	2	2245208	109,733.00	4,253.16
<b>Sub-Total Other Pass Through Awards, Univ of Oregon</b>					<b>109,733.00</b>	<b>4,253.16</b>

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Butte County Office of Education						
84.366B	64524	BCOE ISTEM K-6 YR 2 15/16	3	SP-14-088-Y2	\$ 372,405.00	\$ 58,889.93
84.366B	64611	BCOE ISTEM K-6 YR 3 16/17	3	SP-14-088-Y3	273,038.00	188,926.25
<b>Sub-Total Other Pass Through Awards, Butte County Office of Education</b>					645,443.00	247,816.18
Chico Unified School District						
84.366B	64492	CAMSP - COHORT 12 15/16 Y1	3	CA# 16-00015	227,237.00	47,447.12
84.366B	64616	CAMSP - COHORT 12 16/17 Y2	3	PO# P17-01098	194,027.00	173,939.93
<b>Sub-Total Pass Through Awards, Chico Unified School District</b>					421,264.00	221,387.05
Tehama County Department of Education (TCDE)						
84.366B	64482	TCDE CAMSP SEES 15/16 Y1	3	SP-15-092 Am 1	168,000.00	13,287.55
84.366B	64607	TCDE CAMSP SEES 16/17 Y2	3	SP-15-092Y2	125,000.00	74,540.71
<b>Sub-Total Other Pass Through Awards, Tehama County Department of Education (TCDE)</b>					293,000.00	87,828.26
CA Dept of Education						
84.367B	64555	ESTEEM SCI TCHR LEARN COMMUNITY	3	15-1596Q396	233,002.00	163,375.08
<b>Sub-Total Other Pass Through Awards, CA Dept of Education</b>					233,002.00	163,375.08
National Writing Project						
84.367D	64528	NWP FOX BUY-OUT 2015/16	3	Tfox-SEED2013 AM 2	34,022.00	(0.43)
84.367D	64559	NWP COLLEGE READY WRITERS	3	92-CA04-SEED2016	20,000.00	1,652.97
84.411A	64637	CRWP I3 SCALE UP 17/18	3	92-CA04-2017I3AI	20,000.00	5,878.61
<b>Sub-Total Pass Through Awards, National Writing Project</b>					74,022.00	7,531.15
<b>Total Other Direct Awards</b>					9,346,273.06	2,991,447.54
<b>Total TRIO Cluster Direct Awards</b>					7,508,110.79	2,319,992.91
<b>Total Other Pass Through Awards</b>					2,434,232.23	1,044,295.94
<b>Total US Department of Education</b>					19,288,616.08	6,355,736.39
<b>Department of Health and Human Services</b>						
<b>Direct Awards-Other</b>						
93.243	60682	MSW WORKFORCE TRAIN Y2 15/16	1	5 G02HP27931-02-00	91,085.00	21,208.31
93.243	60705	MSW WORKFORCE TRAIN Y3 16/17	1	5 G02HP27931-03-00	142,824.00	121,269.29
<b>Sub-Total Other Direct Awards</b>					233,909.00	142,477.60
<b>Direct Awards - Research and Development</b>						
93.121	60556	CULTURAL HEALTH MESSAGES NIH	2	1R15DE021873-01A1	430,760.00	56,118.90
93.847	60648	ZEBRAFISH & PROGENITOR CELL	2	5K01DK087814-04	265,036.27	40,288.83
93.847	60718	NIH - MICRO RNA-375 AND CREM	2	2R15DK088281-02A1	353,750.00	34,072.09
93.855	60681	NIH H5N1 FLU IMPACT STUDY	2	1R15AI111307-01A1	334,656.00	103,970.51
<b>Sub-Total Research &amp; Development Direct Awards</b>					1,384,202.27	234,450.33
<b>Pass Through Awards</b>						
CA Dept of Aging						
93.041	64249	ELDER ABUSE 12/13	3	AP-1213-03 AM2	6,977.00	(0.40)
93.041	64574	AAA VII ELDER ABUSE 16/17	3	AP-1617-03	6,493.00	5,546.97
93.042	64499	AAA OMBUDSMAN 3B/7A 15/16	3	AP-1516-03 AM2	58,028.00	593.34
STATE	64500	AAA OMBUDSMAN INIT 15/16	3	AP-1516-03 AM1	61,217.00	0.35
93.042	64575	AAA OMBUDSMAN 3B/7A 16/17	3	AP-1617-03	60,381.00	54,365.80
STATE	64576	AAA OMBUDSMAN INIT 16/17	3	AP-1617-03	74,527.00	51,924.95
93.043	64506	AAA 3D SUBK 15/16	3	AP-1516-03	6,800.00	868.00
93.043	64507	AAA DISEASE PROTECTION 15/16	3	AP-1516-03 AM2	20,318.00	3,224.71
93.043	64583	AAA DISEASE PREVENTION 16/17	3	AP-1617-03	27,071.00	12,104.86
93.043	64621	PSA 2 IIID HEALTH PROMO 16/17	3	6002-1617-A11	10,478.00	5,969.42
<b>Sub-Total Other Federal \$ Pass Through Awards, CA Dept of Aging</b>					196,546.00	82,672.70
<b>Sub-Total Other State \$ Pass Through Awards, CA Dept of Aging</b>					135,744.00	51,925.30
93.044	64495	AAA INFO & ASST CARE CDA 15/16	3	AP-1516-03 AM2	275,566.00	1,682.37
93.044	64325	AP ADMINISTRATION 13/14 Q1	3	A3-1314-03 AM1	36,410.00	30.43
93.044	64339	PASSAGES EXECUTIVE DIR 13/14 Q1	3	A3-1314-03 AM1	-	(28.19)
93.044	64496	111B HOME MAKER 15/16	3	AP-1516-03	55,077.00	25.53
93.044	64497	AAA 3B EMERGENCY AID 15/16	3	AP-1516-03 AM2	10,500.00	863.57
93.044	64494	AAA ADMIN OAA-CDA 15/16	3	AP-1516-03	164,037.00	1,525.00
93.044	64502	3B SUBK CDA 15/16	3	AP-1516-03 AM2	174,774.00	15,536.00
93.044	64509	PASSAGES EXEC DIRECTOR 15/16	3	AP-1516-03	-	(8,330.88)

**The CSU, Chico Research Foundation**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**June 30, 2017**  
**(Continued)**

Catalog Number	Project Number	Project Title	Firm Code	Award/ Contract Number	Program or Award Amounts	Expenditures
93.044	64571	AAA INFO & ASST 16/17	3	AP-1617-03	\$ 272,480.00	\$ 211,716.38
93.044	64585	PASSAGES EXEC DIR 16/17	3	AP-1617-03	-	(4,168.88)
93.044	64572	IIIB HOMEMAKER/PRSNL CARE 1617	3	AP-1617-03	58,077.00	35,356.43
93.044	64577	AAA IIIB SENIOR COMP 16/17	3	AP-1617-03	16,794.00	14,434.56
93.044	64578	AAA 3B SUBK 16/17	3	AP-1617-03	172,402.00	162,850.71
93.044	64581	AAA 3B DIRECT TRANSP 16/17	3	AP-1617-03	1,000.00	319.55
93.044	64582	AAA 3B CARE MGMT. 16/17	3	AP-1617-03	14,182.00	150.22
93.044	64570	ADMIN-OAA/CDA 16-17	3	AP-1617-03	49,571.00	40,637.05
93.045	64570	ADMIN-OAA/CDA 16-17	3	AP-1617-03	64,394.00	54,299.00
93.045	64570	ADMIN-OAA/CDA 16-17	3	AP-1617-03	32,926.00	27,764.00
93.045	64503	3C1 SUBK CDA	3	AP-1516-03	216,537.00	16,850.34
93.045	64504	AAA 3C2 SUBK 15/16	3	AP-1516-03	82,345.00	25,917.34
93.045	64510	3C1 DRCT & DRCT NSIP 15/16	3	AP-1516-03 AM2	158,953.00	86.82
93.045	64511	3C2 DIRECT SERVICES 15/16	3	AP-1516-03 AM2	215,175.00	76.60
93.045	64579	AAA 3C1 CONG SUBK 16/17	3	AP-1617-03	250,673.00	203,234.54
93.045	64580	AAA 3C2 HD SUBK 16/17	3	AP-1617-03	324,342.00	292,124.79
93.045	64586	3C1 & DIRECT NSIP 16/17	3	AP-1617-03	122,106.00	130,652.87
93.045	64587	3C2 DIRECT SERVICES 16/17	3	AP-1617-03	210,907.00	142,571.91
<b>Sub-Total Federal \$ Aging Cluster Pass Through Awards, CA Dept of Aging</b>					<b>2,979,228.00</b>	<b>1,366,178.06</b>
California Health Advocates						
93.048	64558	SENIOR MEDICAR PATROL PGM 1516	3	SMP 15/16	4,000.00	1,504.92
<b>Sub-Total Other Pass Through Awards, California Health Advocates</b>					<b>4,000.00</b>	<b>1,504.92</b>
CA Dept of Social Services						
93.558	64513	CALWORKS Y2 15/16	3	14-3025	600,000.00	95,769.00
93.558	64568	CALWORKS Y3 JULY/AUG 2016	3	14-3025	100,000.00	40,614.33
93.558	64606	CALWORKS Y1 16/17	3	16-STD-00830	500,000.00	266,642.95
<b>Sub-Total TANF Cluster Pass Through Awards, CA Dept of Social Services</b>					<b>1,200,000.00</b>	<b>403,026.28</b>
UC Berkeley						
93.658	64518	BSW TITLE IV-E 15/16	1	8868	263,119.00	(1,250.48)
93.658	64519	MSW TITLE IV-E 15/16	1	8868	1,119,032.00	(2,346.89)
93.658	64520	PATHWAY TITLE IV-E 15/16	1	8868	433,829.00	(1,236.22)
93.658	64588	BSW TITLE IV-E 16/17	1	00009244	334,915.00	193,545.78
93.658	64589	MSW-TITLE IV-E 16/17	1	00009244	1,259,080.00	704,432.74
93.658	64590	PATHWAYS TITLE IV-E 16/17	1	00009244	510,365.00	291,522.93
<b>Sub-Total Other Pass Through Awards, UC Berkeley</b>					<b>3,920,340.00</b>	<b>1,184,667.86</b>
CA Dept of Social Services						
93.667	64600	ECE TRAINING 16/17	3	a5-STD-01198	18,496.00	17,341.16
<b>Sub-Total Other Pass Through Awards, CA Dept of Social Services</b>					<b>18,496.00</b>	<b>17,341.16</b>
CA Dept of Aging						
93.052	64281	PSA 2 FCSP 12/13	3	6001-1213	120,729.00	67.56
93.052	64508	AAA 3E FCSP 15/16	3	AP-1516-03 AM2	184,760.00	638.99
93.052	64517	PSA 2 FCSP 15/16 Q 2-4	3	6001-1516-A9 Am 1	99,015.69	(1,116.80)
93.052	64584	AAA 3E FCSP 16/17	3	AP-1617-03	200,284.00	201,405.16
93.052	64597	PSA 2 FCSP 7/1/16-7/31/16	3	6001-1617-A1 & -A11	115,876.00	114,992.28
93.052	64570	ADMIN-OAA/CDA 16-17	3	AP-1617-03	21,623.00	18,233.00
STATE	64570	ADMIN-OAA/CDA 16-17	3	AP-1617-03	375.00	375.00
93.071	64416	MIPPA 13/14	3	MI-1314-03	15,019.00	(0.32)
93.071	64561	NCOA NSBEC - CHC	3	731 MOD 1	65,000.00	61,301.18
93.071	64562	NCOA NSBEC - PASSAGES	3	731 MOD 1	35,000.00	9,543.52
93.071	64563	MIPPA FFY16	3	MI-1517-03	41,022.00	21,736.79
<b>Sub-Total Federal \$ Other Pass Through Awards, CA Dept of Aging</b>					<b>898,328.69</b>	<b>426,801.36</b>
<b>Sub-Total State \$ Other Pass Through Awards, CA Dept of Aging</b>					<b>375.00</b>	<b>375.00</b>
CA Dept of Aging						
93.324	64260	HICAP ADMIN 12/13	3	HI-1213-03	21,092.00	0.03
STATE R	64526	AAA HICAP PROGRAM 15/16	3	HI-1516-03	262,690.00	6,283.75
93.324	64595	HICAP ADMINISTRATION 16/17	3	HI-1617-03	7,946.00	17,810.29
STATE R	64595	HICAP ADMINISTRATION 16/17	3	HI-1617-03	3,972.00	-
STATE F	64595	HICAP ADMINISTRATION 16/17	3	HI-1617-03	11,073.00	-
93.324	64596	HICAP PROGRAM 16/17	3	HI-1617-03 AM1	106,067.00	282,201.08
STATE R	64596	HICAP PROGRAM 16/17	3	HI-1617-03 AM1	53,025.00	-
STATE F	64596	HICAP PROGRAM 16/17	3	HI-1617-03 AM1	149,433.00	-
<b>Sub-Total Federal \$ Other Pass Through Awards, CA Dept of Aging</b>					<b>135,105.00</b>	<b>300,011.40</b>
<b>Sub-Total State \$ Other Pass Through Awards, CA Dept of Aging</b>					<b>480,193.00</b>	<b>6,283.75</b>

**The CSU, Chico Research Foundation**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**June 30, 2017**  
**(Continued)**

<u>Catalog Number</u>	<u>Project Number</u>	<u>Project Title</u>	<u>Firm Code</u>	<u>Award/ Contract Number</u>	<u>Program or Award Amounts</u>	<u>Expenditures</u>
CA Dept of Aging						
93.778	64187	MSSP CARE MGMT CDA 11/12	3	MS-1112-11	\$ 325,472.00	\$ (1.05)
93.778	64486	MSSP ADMIN 15/16	3	MS-1516-10	262,458.00	3,260.64
93.778	64488	MSSP WAIVED SERV 15/16	3	MS-1516-10	142,222.00	2,889.98
93.778	64591	MSSP ADMIN 16/17	3	MS-1617-10	261,980.00	176,290.56
93.778	64592	MSSP CARE MGMT 16/17	3	MS-1617-10	281,427.00	314,142.90
93.778	64593	MSSP WAIVED SERV 16/17	3	MS-1617-10	142,193.00	128,311.09
<b>Sub-Total Medicaid Cluster Pass Through Awards, CA Dept of Social Services</b>					<b>1,415,752.00</b>	<b>624,894.12</b>
CA Dept of Public Health						
93.945	64474	PRESCHOOL PA TOOLKIT CDPH/CDC	3	14-10322	113,919.12	22,694.22
<b>Sub-Total Pass Through Awards, CA Dept of Public Health</b>					<b>113,919.12</b>	<b>22,694.22</b>
<b>Total Other Direct Awards</b>					<b>233,909.00</b>	<b>142,477.60</b>
<b>Total Research and Development Direct Awards</b>					<b>1,384,202.27</b>	<b>234,450.33</b>
<b>Total Federal Aging Cluster Pass Through Awards, CA Dept of Aging</b>					<b>2,979,228.00</b>	<b>1,366,178.06</b>
<b>Total Medicaid Cluster Pass Through Awards, CA Dept of Aging</b>					<b>1,415,752.00</b>	<b>624,894.12</b>
<b>Total TANF Cluster Pass Through Awards, CA Dept of Social Services</b>					<b>1,200,000.00</b>	<b>403,026.28</b>
<b>Total Federal Other \$ Pass Through Awards, CA Dept of Aging</b>					<b>1,229,979.69</b>	<b>809,485.46</b>
<b>Total Other State \$ Pass Through Awards, CA Dept of Aging</b>					<b>616,312.00</b>	<b>58,584.05</b>
<b>Total Federal Other Pass Through Awards</b>					<b>4,056,755.12</b>	<b>1,226,208.16</b>
<b>Total Department of Health and Human Services</b>					<b>13,116,138.08</b>	<b>4,865,304.06</b>
Corporation for National and Community Services						
Direct Awards-Other						
94.011	60667	FOSTER GRANDPARENT 15/16	3	14SFPCA005 Am 2	293,671.00	266.99
94.011	60701	FOSTER GRANDPARENT PROGRAM	3	14SFPCA005 Am 3	293,671.00	259,158.05
94.016	60666	SENIOR COMPANION 15/16	3	14SCPCA005 Am 3	75,875.00	369.80
94.016	60700	SENIOR COMPANION 16/17	3	14SCPCA005 Am 5	75,875.00	83,838.35
<b>Sub-Total Foster Grandparent/Senior Companion Cluster Direct Awards</b>					<b>739,092.00</b>	<b>343,633.19</b>
<b>Total Foster Grandparent/Senior Companion Cluster Direct Awards</b>					<b>739,092.00</b>	<b>343,633.19</b>
<b>Total Corporation for National and Community Services</b>					<b>739,092.00</b>	<b>343,633.19</b>
<b>Total Other Direct Awards</b>					<b>16,638,794.45</b>	<b>6,321,384.48</b>
<b>Total Research &amp; Development Direct Awards</b>					<b>5,072,369.27</b>	<b>659,943.74</b>
<b>Total TRIO Cluster Direct Awards</b>					<b>7,508,110.79</b>	<b>2,319,992.91</b>
<b>Total Economic Development Cluster Other Direct Awards</b>					<b>30,000.00</b>	<b>1,714.90</b>
<b>Total Foster Grandparent/Sr Companion Cluster Direct Awards</b>					<b>739,092.00</b>	<b>343,633.19</b>
<b>Total Research &amp; Development Pass Through</b>					<b>94,820.00</b>	<b>20,234.99</b>
<b>Total Child Nutrition Cluster Pass Through</b>					<b>50,157.32</b>	<b>43,510.38</b>
<b>Total SNAP Cluster Pass Through</b>					<b>6,312,668.93</b>	<b>1,663,593.58</b>
<b>Total WIA/WIOA Cluster Pass Through Awards</b>					<b>14,344.54</b>	<b>4,318.70</b>
<b>Total Highway Planning and Construction Cluster, Pass Through Awards</b>					<b>142,080.00</b>	<b>33,287.98</b>
<b>Total Aging Cluster Pass Through Awards</b>					<b>2,979,228.00</b>	<b>1,366,178.06</b>
<b>Total Other Pass Through Awards, CA Dept of Aging</b>					<b>1,229,979.69</b>	<b>809,485.46</b>
<b>Total Other State \$ Pass Through Awards, CA Dept of Aging</b>					<b>616,312.00</b>	<b>58,584.05</b>
<b>Total Medicaid Cluster Pass Through Awards</b>					<b>1,415,752.00</b>	<b>624,894.12</b>
<b>Total TANF Cluster Pass Through Awards</b>					<b>1,200,000.00</b>	<b>403,026.28</b>
<b>Total Other Pass Through Awards</b>					<b>9,921,633.76</b>	<b>3,136,432.58</b>
<b>Total Federal and Federal Pass Through Awards</b>					<b>53,349,030.75</b>	<b>17,751,631.35</b>
<b>Total State and Other Awards Through CA Dept of Aging</b>					<b>616,312.00</b>	<b>58,584.05</b>
<b>Grand Total Federal, Federal Pass Through and CDA Other Awards</b>					<b>\$ 53,965,342.75</b>	<b>\$ 17,810,215.40</b>



**The CSU, Chico Research Foundation**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
 June 30, 2017  
 (Continued)

The following schedule represents the subtotals for each CFDA number listed in the schedule of expenditures of federal awards:

<b>Catalog Number</b>	<b>Program or Award Amounts</b>	<b>Expenditures</b>
10.168	\$ 99,994.00	\$ 23,733.89
10.17	876,255.00	187,453.53
10.303	111,131.00	15,589.10
10.31	149,890.00	51,923.85
10.326	720,844.00	203,410.38
10.351	125,000.00	24,856.66
10.46	2,842.00	2,566.58
10.545	250,000.00	75,056.19
10.559	50,157.32	43,510.38
10.561	6,312,668.93	1,663,593.58
10.6XX	180,914.00	43,608.58
10.CNT	779,508.80	160,659.25
10.N/A	15,000.00	1,480.39
10.XXX	95,606.84	38,226.71
11.303	440,000.00	217,207.02
11.307	30,000.00	1,714.90
11.611	60,000.00	8,653.78
12.3	144,923.00	63,411.89
15.224	119,982.12	89,975.16
15.225	120,000.00	13,768.44
15.512	955,200.00	366,019.61
15.805	12,155.00	12,068.73
15.81	34,495.00	4,920.97
15.904	17,500.00	953.74
15.945	45,020.02	35,323.80
15.N/A	452,206.00	267,208.21
15.XXX	109,616.61	6,184.39
16.56	866,869.00	12,490.15
16.738	47,612.00	12,312.88
17.258	3,988.54	(472.31)
17.259	5,480.00	5,367.64
17.278	4,876.00	(576.63)
19.009	477,153.00	260,322.09
19.401	479,954.00	144,384.02
19.408	545,221.41	(3,000.61)
19.432	18,306.00	(2,467.70)
19.600	233,325.00	37,126.46
20.205	142,080.00	33,287.98
45.024	16,450.00	3,087.40

**The CSU, Chico Research Foundation**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
 June 30, 2017  
 (Continued)

<b>Catalog Number</b>	<b>Program or Award Amounts</b>	<b>Expenditures</b>
45.025	\$ 4,750.00	\$ 4,750.00
47.049	307,700.00	64,166.86
47.05	1,258,934.00	73,960.50
47.074	49,517.00	2,730.28
47.075	438,275.00	43,743.28
47.076	1,127,890.00	329,385.32
59.037	1,925,679.00	1,378,866.93
59.058	4,903.00	281.68
66.516	104,933.00	17,938.92
81.000	98,009.00	94,521.31
84.367	505,040.15	177,130.76
81.CNT	212,952.00	11,224.60
81.XXX	135,730.00	99,031.00
84.031C	770,809.00	358,478.30
84.042A	790,582.66	237,369.38
84.044A	1,480,167.60	617,826.82
84.047A	4,179,373.47	911,349.96
84.047M	1,057,987.06	553,446.75
84.048A	21,439.08	7,679.30
84.299B	409,859.13	154,961.94
84.305A	109,733.00	4,253.16
84.325K	1,408,960.00	348,418.68
84.336S	5,712,593.14	1,809,111.91
84.365Z	1,044,051.79	320,476.71
84.366B	1,359,707.00	557,031.49
84.367A	131,289.00	127,295.00
84.367B	233,002.00	163,375.08
84.367D	54,022.00	1,652.54
84.411A	20,000.00	5,878.61
93.041	13,470.00	5,546.57
93.042	118,409.00	54,959.14
93.043	64,667.00	22,166.99
93.044	1,300,870.00	472,599.85
93.045	1,678,358.00	893,578.21
93.048	4,000.00	1,504.92
93.052	742,287.69	334,220.19
93.071	156,041.00	92,581.17
93.121	430,760.00	56,118.90
93.243	233,909.00	142,477.60
93.324	135,105.00	300,011.40
93.558	1,200,000.00	403,026.28
93.658	3,920,340.00	1,184,667.86
93.667	18,496.00	17,341.16
93.778	1,415,752.00	624,894.12

**The CSU, Chico Research Foundation**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
 June 30, 2017  
 (Continued)

<b>Catalog Number</b>	<b>Program or Award Amounts</b>	<b>Expenditures</b>
93.847	\$ 618,786.27	\$ 74,360.92
93.855	334,656.00	103,970.51
93.945	113,919.12	22,694.22
94.011	587,342.00	259,425.04
94.016	151,750.00	84,208.15
STATE	616,312.00	58,584.05
<b>Total Federal and Federal Pass Through Awards</b>	53,349,030.75	17,751,631.35
<b>Total State and Other Awards Through CA Dept of Aging</b>	616,312.00	58,584.05
<b>Grand Total Federal, Federal Pass Through and CDA Other Awards.</b>	\$ 53,965,342.75	\$ 17,810,215.40

## The CSU, Chico Research Foundation

### SCHEDULE OF SUPPLEMENTARY INFORMATION (CSU FORMAT)

June 30, 2017	Current Unrestricted	Noncurrent Unrestricted	Amount
<b>Investments Held by the University Under Contractual Agreement</b>			
Portion of investments held by the University under contractual agreements	\$ -	\$ -	\$ -

June 30, 2017	Amount
<b>Net Position - Net Investment in Capital Assets</b>	
Capital assets, net of accumulated depreciation	\$ 11,102,997
Long-term debt obligations, current portion	(117,846)
Long-term debt obligations, net of current portion	(2,611,660)
<b>Net Position - Net Investment in Capital Assets</b>	<b>\$ 8,373,491</b>

June 30, 2017	Amount
<b>Other Postemployment Benefits Obligation (OPEB)</b>	
Annual Required Contribution (ARC)	\$ 63,986
Contributions and other adjustments	(31,739)
<b>Increase in Net OPEB Obligation (NOO)</b>	<b>32,247</b>
<b>NOO - Beginning of Year</b>	<b>566,399</b>
<b>NOO - End of Year</b>	<b>\$ 598,646</b>

*See notes to the supplementary information.*

**1. FUND ACCOUNTING**

The accounts of the Foundation 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 fees 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 Programs 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, North State Public Radio, 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 Programs Fund:* This fund accounts for certain special activities of Foundation-affiliated programs. These funds are carried as unrestricted net position. The Foundation receives an administrative fee equal to 8% of Campus Program Fund expenditures.

**The CSU, Chico Research Foundation**  
 NOTES TO THE SUPPLEMENTARY INFORMATION  
 Years Ended June 30, 2017 and 2016

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**2. RECLASSIFICATION OF PRIOR YEAR PRESENTATION**

Certain prior year amounts have been reclassified for consistency with current year presentation. These reclassifications had no effect on the reported results of operations.

**3. SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of The CSU, Chico Research Foundation and is presented on the accrual basis of accounting. 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).

**4. NET POSITION RESERVES**

The Board, under guidelines established by the CSU Chancellor's Office, developed policies that reserve the net position of the Foundation. Future increases will also be reserved by these policies.

Reservations are as follows:

June 30, 2017	General Fund	Plant and Bond Fund	Activities Fund
Investment in plant, equipment, and breeding herd	\$ -	\$ 6,270,632	\$ 2,180,880
Inventory reserve	-	-	179,546
Reserve for working capital	885,268	-	477,145
Capital replacement reserve	65,000	-	-
Faculty incentive reserve	1,155,121	-	-
<b>Total Net Position Reserves</b>	<b>2,105,389</b>	<b>6,270,632</b>	<b>2,837,571</b>
Available for general purposes	1,639,853	-	(590,891)
<b>Total Net Position</b>	<b>\$ 3,745,242</b>	<b>\$ 6,270,632</b>	<b>\$ 2,246,680</b>

## **OTHER REPORTS SECTION**

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

To the Board of Directors of  
The CSU, Chico Research Foundation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The CSU, Chico Research Foundation (the Foundation), which comprise the statements of net position as of June 30, 2017 and 2016, 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, and have issued our report thereon dated September 15, 2017.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Foundation'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 the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies 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. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency, including finding 2017-001.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*, CONTINUED**

***The Foundation's Response to Findings***

The Foundation's response to the findings identified in our audit is described in the accompanying schedule of findings, response, and questioned costs. The Foundation's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Aldrich CPAs + Advisors LLP*

San Diego, California  
September 15, 2017

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

To the Board of Directors  
The CSU, Chico Research Foundation

**Report on Compliance for Each Major Federal Program**

We have audited The CSU, Chico Research Foundation's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of The CSU, Chico Research Foundation's major federal programs for the year ended June 30, 2017. The CSU, Chico Research Foundation's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of The CSU, Chico Research Foundation's major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about The CSU, Chico Research Foundation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of The CSU, Chico Research Foundation's compliance.

***Opinion on Each Major Federal Program***

In our opinion, The CSU, Chico Research Foundation 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, 2017.

***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings, responses, and questioned costs at 2017-001. Our opinion on each major federal program is not modified with respect to these matters.

The CSU, Chico Research Foundation's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings, responses, and questioned costs. The CSU, Chico Research Foundation's response was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

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

**Report on Internal Control over Compliance**

Management of The CSU, Chico Research Foundation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered The CSU, Chico Research Foundation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The CSU, Chico Research Foundation's internal control over compliance.

*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 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 consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 15, 2017

## **FINDINGS SECTION**

# The CSU, Chico Research Foundation

## SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS

June 30, 2017

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### A. SUMMARY OF AUDITORS' RESULTS

#### FINANCIAL STATEMENTS

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified No

Significant deficiencies identified not considered to be material weaknesses? Yes

Noncompliance material to financial statements noted? No

#### FEDERAL AWARDS

Internal control over major program:

Significant deficiency(ies) identified? Yes

Material weakness(es) identified? None

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.200.516(a)?

No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
10.561	Supplemental Nutrition Assistance Program (SNAP)
59.037	Small Business Development Centers
84.336	Teacher Quality Partnership Grants
93.558	Temporary Assistance for Needy Families (TANF)

TRIO Cluster:

84.042 TRIO – Student Support Services

84.044 TRIO – Talent Search

84.047 TRIO – Upward Bound

Senior Cluster:

94.011 Foster Grandparent Program

94.016 Senior Companion Program

Dollar threshold used to distinguish  
between Type A and Type B programs:

\$750,000

Auditee qualified as a low-risk auditee  
under the Uniform Grant Guidance, 2.CFR.200.520?

No

## **The CSU, Chico Research Foundation**

### **SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS**

June 30, 2017

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#### **B. FINDINGS**

##### **FINANCIAL STATEMENT AUDIT**

###### Significant Deficiency:

2017-001 Accounts Payable and Related Expenses:

*See documentation of significant deficiency under the federal awards audit section.*

## **The CSU, Chico Research Foundation**

### **SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS**

June 30, 2017

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#### **C. RESPONSE TO FINDINGS**

##### **FINANCIAL STATEMENT AUDIT**

Significant Deficiency:

2017-001 Accounts Payable and Related Expenses:

*See documentation of significant deficiency under the federal awards audit section.*

# The CSU, Chico Research Foundation

## SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS

June 30, 2017

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### D. FINDINGS

#### FEDERAL AWARDS AUDIT

##### Significant Deficiency:

2017-001 Accounts Payable and Related Expenses:

*Condition: The Foundation uses a process of entering all relevant information of an invoice on a check request form when processing payments, including payee, address, amount, invoice number, and invoice date. This process is manual and the safeguards in place to ensure all information included is accurate did not identify an error.*

*Criteria: Internal controls should be in place that provide reasonable assurance that proper information is included on check request forms.*

*Cause: The incorrect date was used when completing the check request form. The date the invoice was received was used instead of the date of the invoice.*

*Effect: We identified invoices for services incurred during the year ended June 30, 2017, that were paid subsequent to year end, and were not included in the accounts payable balance at June 30, 2017. All of the identified expenses were related to projects covered by the schedule of federal expenditures and their exclusion understates the schedule.*

*Recommendation: We recommend the Foundation review its process for paying invoices to ensure accuracy of all check request forms and modify the process as appropriate to strengthen safeguards.*



# The CSU, Chico Research Foundation

## SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS

June 30, 2017

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### E. RESPONSE TO FINDINGS

#### FEDERAL AWARDS AUDIT

##### Significant Deficiency

2017-001 Accounts Payable and Related Expenses: Management concurs with the auditors' recommendation. The Foundation will review its processes for paying invoices to ensure the accuracy of all check request forms and modify the process as appropriate to strengthen safeguards.

# The CSU, Chico Research Foundation

## SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS

June 30, 2017

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### F. SUMMARY OF PRIOR YEAR FINDINGS

#### Material Weaknesses

2016-001 Accounting Software: *During our audit, we identified the software program used to perform the general ledger accounting activity was outdated and did not allow the Foundation to generate useful and accurate financial information. Significant manual adjustments are required in order to present accurate financial information in accordance with United States Generally Accepted Accounting Principles. This outdated software combined with the manual adjustments were the primary causes of the \$2,097,819 prior period adjustment noted in the financial statements. We recommend that the Foundation conduct an evaluation of the existing accounting system and an analysis of projected needs for the future. This evaluation should focus on ensuring that the Foundation's financial system maximizes the productivity of its accounting staff, meets the future needs of management, allows for accurate accounting and the generation of useful reports, and provides for the creation of general ledger account descriptions that accurately describe the nature of the transactions within the account.*

2016-002 Revenue Recognition: *During our audit, we noted that the Foundation did not recognize all revenue in cost reimbursement contracts. The Foundation followed a policy of recording newly executed contract amounts as an asset, "Unbilled grant/contracts", and a liability, "Grant/Contract liability". Once billings were incurred, the Foundation would reduce the "Unbilled grant/contracts" and increase "Accounts Receivable - net", which once received was recorded as cash. This type of recording did not allow for the recognition of any revenue on cost reimbursement contracts until an un-reviewed general journal entry was posted at the end of the year during financial statement preparation. We would recommend that the Foundation change the way they are recognizing revenue to match revenue with expenses on cost reimbursement contracts as they are incurred. This would eliminate the use of unnecessary asset and liability accounts that are complex to close and inefficient to use.*

2016-003 Vacation Accrual: *During our audit, we noted that the Foundation maintained a working schedule that calculated accrued vacation time per employee, but had not adjusted the accrual for employees' vacation time at year end. We recommend that the Foundation begin to record a year end accrual based off the working schedule, which calculates accrued vacation time in line with the vacation policy adopted by the Foundation.*

#### Significant Deficiency

2016-004 Journal Entries: *During our audit, our review of the general journal entries revealed that there was a lack of proper review and approval of general journal entries. These review and approval procedures will help ensure the adjustments are appropriate and minimize the potential for an individual to manipulate the financial statements. We recommend that all general journal entries be reviewed by a qualified employee. Furthermore, any journal entries initiated by the finance director should be reviewed by the controller. The completion of review should be indicated by some form of authorizing signature or initial, whether it is electronic or manual.*