

**CALIFORNIA STATE UNIVERSITY,  
DOMINGUEZ HILLS FOUNDATION**

**SINGLE AUDIT REPORTS  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**CALIFORNIA STATE UNIVERSITY DOMINGUEZ HILLS FOUNDATION  
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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
California State University,  
Dominguez Hills Foundation (the Foundation)  
Carson, California

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of California State University, Dominguez Hills Foundation (the Foundation) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the organization's basic financial statements as listed in the table of contents.

### ***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 audit. We conducted our audit 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 auditors' 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.

## INDEPENDENT AUDITORS' REPORT - Continued

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of California State University, Dominguez Hills Foundation as of June 30, 2016, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Report on Summarized Comparative Information*

We previously audited the California State University, Dominguez Hills Foundation's 2015 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated September 17, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

The summary financial statements do not contain all the disclosures required by accounting principles generally accepted in the United States of America. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of California State University, Dominguez Hills Foundation.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 4 through 8 and schedule of postemployment healthcare benefits funding progress be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The GASB Schedule of Net Position, GASB Schedule of Revenues, Expenses and Changes in Net Position, and Other Information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The GASB Schedule of Net Position, GASB Schedule of Revenues, Expenses and Changes in Net Position, and Other Information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 GASB Schedule of Net Position, GASB Schedule of Revenues, Expenses and Changes in Net Position, and Other Information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## INDEPENDENT AUDITORS' REPORT - Continued

### *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* (CFR) 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. 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 12, 2016 on our consideration of California State University, Dominguez Hills 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 California State University, Dominguez Hills Foundation's internal control over financial reporting and compliance.

*Vorwin, Hagen + Co.*

Calabasas, California  
September 12, 2016

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2016**

This section of California State University, Dominguez Hills Foundation (Foundation) annual financial report presents our discussion and analysis of the financial performance of the Foundation for the fiscal year ended June 30, 2016. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes.

**Introduction to the Financial Statements**

This annual report consists of a series of financial statements prepared in accordance with the Governmental Accounting Standards Board (GASB) Statements No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*, No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, and No. 38, *Certain Financial Statement Note Disclosures*. For reporting purposes, the University is considered a special-purpose government engaged only in business-type activities, which best represent, the activities of the Foundation.

The financial statements include the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows. These statements are supported by the notes to the financial statements and this section. All sections must be considered together to obtain a complete understanding of the financial picture of the Foundation.

**Statement of Net Position** – The statement of net position includes all assets and liabilities. Assets and liabilities are reported at their book value, on an accrual basis, as of the statement date. It also identifies major categories of restrictions on the net position of the Foundation.

**Statement of Revenues, Expenses, and Changes in Net Position** – The statement of revenues, expenses, and changes in net position presents the revenues earned and expenses incurred during the year on an accrual basis.

**Statement of Cash Flows** – The statement of cash flows presents the inflows and outflows of cash for the year and is summarized by operating, noncapital financing, capital and related financing, and investing activities. The statement is prepared using the direct method of cash flows and, therefore, presents gross rather than net amounts for the year's activities.

**Reporting Entity** – The Foundation is a nonprofit auxiliary organization of California State University, Dominguez Hills (the University). The Foundation sponsors various campus activities that complement the instructional programs of the University campus.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2016**

**Analytical Overview**

**Summary**

The Foundation's operations for the fiscal year ended June 30, 2016 changed as shown with a decrease in net position of approximately \$16,467,688. This was primarily due to the transfer of philanthropic (donor-funded) assets from the Foundation to the California State University, Dominguez Hills Philanthropic Foundation.

The Foundation is a member of the Auxiliaries Voluntary Employees' Beneficiary Association (VEBA) trust and during the past fiscal year was able to make additional contributions toward funding the Foundation's postemployment benefits liability in the prior fiscal year.

The following discussion highlights management's understanding of the key financial aspects of the Foundation's financial activities. Included are significant differences between current and prior year activities and factors impacting future reporting periods.

**Comparative Analysis of Current and Prior Year Activities and Balances**

The Foundation's summary of net position as of June 30, 2016 and 2015 are as follows:

	<u>2016</u>	<u>2015</u>	<u>Change</u>
Current assets	\$ 8,446,111	\$ 5,163,515	\$ 3,282,596
Other assets	9,265,964	22,253,091	(12,987,127)
Capital assets, net	<u>551,693</u>	<u>635,088</u>	<u>(83,395)</u>
Total assets	<u>18,263,768</u>	<u>28,051,694</u>	<u>(9,787,926)</u>
Current liabilities	667,864	1,077,847	(409,983)
Noncurrent liabilities	3,761,182	3,439,994	321,188
Other noncurrent liabilities	<u>8,114,076</u>	<u>1,345,519</u>	<u>6,768,557</u>
Total liabilities	<u>12,543,122</u>	<u>5,863,360</u>	<u>6,679,762</u>
Net position:			
Invested in capital assets, net of related debt	360,442	433,972	(73,530)
Restricted	-	9,010,683	(9,010,683)
Unrestricted	<u>5,360,204</u>	<u>12,743,679</u>	<u>(7,383,475)</u>
Total net position	<u>\$ 5,720,646</u>	<u>\$ 22,188,334</u>	<u>\$ (16,467,688)</u>

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2016**

**Comparative Analysis of Current and Prior Year Activities and Balances - Continued**

The Foundation's current assets increased by \$3,282,596 and other assets decreased by \$12,987,127, respectively compared to the prior year. The decrease other assets was due to the transfer of the endowment to the California State University, Dominguez Hills Philanthropic Foundation.

Current liabilities decreased by \$409,983 while noncurrent liabilities increased by \$7,089,745 as of June 30, 2016. The decrease in current liabilities was due to a decrease in accounts payable, while the other liabilities increased as a result of the depository accounts held for the Dominguez Hills Corporation, the Associated Students, Inc., the Loker Student Union, and the California State University, Dominguez Hills Philanthropic Foundation. Noncurrent liabilities continue to increase as the result of implementing GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* and accruing postemployment benefits. The accrual for postemployment benefits for fiscal year 2016 was approximately \$334,262.

**Restricted Resources**

Net position of the Foundation includes funds that have legal restrictions placed on their use. Funds may be expendable for a specific purpose or they may be nonexpendable. Of the Foundation's net position of \$5,720,646 at June 30, 2016, \$5,360,204 is unrestricted but is designated for specific purposes and \$360,442 is the net investment in capital assets.



**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2016**

**Comparative Analysis of Current and Prior Year Activities and Balances - Continued**

The Foundation's condensed summary of revenues, expenses, and changes in net position for the years ended June 30, 2016 and 2015 is as follows:

Condensed Summary of Revenues, Expenses, and Changes in Net Position

	Year ended June 30,		
	2016	2015	\$ Change
Operating revenues:			
Grants and contracts	\$ 13,661,850	\$ 14,663,924	\$ (1,002,074)
Sales and services of educational activities	4,216	7,777	(3,561)
Sales and services of auxiliary enterprises	4,840,134	4,345,078	495,056
Other operating revenues	721,776	1,709,616	(987,840)
Nonoperating revenues:			
Investment income (net of fees)	<u>(678,634)</u>	<u>804,745</u>	<u>(1,483,379)</u>
Total revenues	18,549,342	21,531,140	(2,981,798)
Operating Expenses:			
Instructional	5,880,994	3,896,173	1,984,821
Research	3,624,940	4,167,979	(543,039)
Academic support	1,048,361	1,828,983	(780,622)
Student services	1,953,883	2,206,062	(252,179)
Institutional support	1,331,778	3,737,972	(2,406,194)
Student grants and scholarships	-	771,938	(771,938)
Auxiliary enterprise expense	4,910,222	3,676,410	1,233,812
Depreciation	83,395	70,158	13,237
Nonoperating expenses:			
Interest on capital-related debt	<u>9,301</u>	<u>10,001</u>	<u>(700)</u>
Total expenses	18,842,874	20,365,676	(1,522,802)
Changes in net position before other additions	(293,532)	1,165,464	(1,458,996)
Interfund transfers, net	(5,756)	-	(5,756)
Gifts, noncapital	(16,168,400)	1,263,897	(17,432,297)
Reductions to permanent endowments	-	-	-
Additions to permanent endowments	<u>-</u>	<u>29,348</u>	<u>(29,348)</u>
Change in net position	(16,467,688)	2,458,709	(18,926,397)
Net position at beginning of year	<u>22,188,334</u>	<u>19,729,625</u>	<u>2,458,709</u>
Net position at end of year	<u>\$ 5,720,646</u>	<u>\$ 22,188,334</u>	<u>\$ (16,467,688)</u>

Operating revenue from grants and contracts decreased by \$1,002,074, sales and services of educational activities decreased \$3,561, sales and services of auxiliary enterprises increased \$495,056, and other operating revenues decreased by \$987,840 respectively. Grants and contracts activity continues to be a focus of effort of the University and the Foundation. The increase in operating revenue from auxiliary enterprises was due to an overall increase in campus dining revenue particularly in catering, as well as improved sales in the University Bookstore.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2016**

**Comparative Analysis of Current and Prior Year Activities and Balances - Continued**

The Foundation did not report student grants and scholarships expense as it has in prior years, as student scholarships administration was transferred to the California State University, Dominguez Hills Philanthropic Foundation and disbursements of student grants and scholarships are reported in their financial statements.

Upon the request of the President of California State University, Dominguez Hills, and with the approval of the Boards of Directors of the California State University, Dominguez Hills Foundation and the California State University, Dominguez Hills Philanthropic Foundation, and with the proper notification to the Attorney General's Registry of Charitable Trusts, the Foundation transferred the endowment and all donor-funded short- and long-term assets to the Philanthropic Foundation. This resulted in a significant decrease in the net assets of the Foundation.

**Capital Assets and Debt Administration**

The Foundation had \$551,693 invested in capital assets, net of accumulated depreciation.

The Foundation has \$191,251 in outstanding debt (\$180,907 long term). This debt was incurred in 1999 to purchase the home that is leased to the University for use by the University President. Normal payments were made against the loan including \$9,865 in principal.

**Factors Impacting Future Periods**

*GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*

The Foundation implemented GASB Statement No. 45 in fiscal year 2008 resulting in increases in expenses and long term liabilities. The Foundation is a member of the multi-employer Auxiliaries Voluntary Employees' Beneficiary Association (VEBA) trust and since the 2012-13 fiscal year, has been able to make regular deposits toward funding the liability. The Foundation continues to work toward funding the liability. The Foundation recently implemented a new Post-Retirement Health Benefits Policy, which eliminated the benefit for employees hired after the policy's adoption. The Foundation anticipates that its GASB Statement No. 45 liability will begin to decrease due to this policy.

**Grants and Contracts**

Grants and contracts activity for the next fiscal year is projected to increase slightly. The University's new Dean of Graduate Studies and Research is leading the University's efforts to garner additional grants and contracts research at the institution. In addition, the University finished its Presidential Taskforce to examine ways in which the institution can better engage faculty in the development of new research activities at the institution and is actively implementing its recommendations.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2016**  
**(WITH COMPARATIVE TOTALS FOR 2015)**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 4,803,829	\$ 1,707,397
Short-term investments	1,051,438	1,047,952
Accounts receivable, net	2,575,489	2,344,593
Prepaid expense and other assets	<u>15,355</u>	<u>63,573</u>
Total current assets	<u>8,446,111</u>	<u>5,163,515</u>
Non-current assets		
Gift annuity receivable	-	318,077
Endowment investments	-	14,122,373
Other long-term investments	9,265,964	7,812,641
Capital Assets, net	<u>551,693</u>	<u>635,088</u>
Total non-current assets	<u>9,817,657</u>	<u>22,888,179</u>
Total assets	<u>\$ 18,263,768</u>	<u>\$ 28,051,694</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	\$ 152,398	629,084
Accrued salaries and benefits payable	69,341	578
Accrued compensated absences	221,466	195,088
Unearned revenue	200,000	225,000
Mortgage payable, current portion	10,344	7,135
Other liabilities	<u>14,315</u>	<u>20,962</u>
Total current liabilities	<u>667,864</u>	<u>1,077,847</u>
Noncurrent liabilities		
Postemployment benefits other than pensions	3,580,275	3,246,013
Mortgage payable, net of current portion	180,907	193,981
Depository accounts	7,915,325	1,345,519
Agency funds held	<u>198,751</u>	<u>-</u>
Total noncurrent liabilities	<u>11,875,258</u>	<u>4,785,513</u>
Total liabilities	<u>12,543,122</u>	<u>5,863,360</u>
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	360,442	433,972
Restricted for:		
Nonexpendable - endowments	-	7,236,431
Expendable:		
Scholarships and fellowships	-	1,774,252
Unrestricted	<u>5,360,204</u>	<u>12,743,679</u>
Total net position	<u>5,720,646</u>	<u>22,188,334</u>
Total liabilities and net position	<u>\$ 18,263,768</u>	<u>\$ 28,051,694</u>

See accompanying auditors' reports and notes to financial statements.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(WITH COMPARATIVE TOTALS FOR 2015)**

	<u>2016</u>	<u>2015</u>
<b>REVENUES</b>		
<b>Operating revenues:</b>		
Grants and contracts, noncapital:		
Federal	\$ 12,106,053	\$ 13,246,101
State and local	1,173,384	1,261,615
Nongovernmental	382,413	156,208
Sales and services of educational activities	4,216	7,777
Sales and services of auxiliary enterprises	4,840,134	4,345,078
Other operating revenues	<u>721,776</u>	<u>1,709,616</u>
Total operating revenues	<u>19,227,976</u>	<u>20,726,395</u>
 <b>EXPENSES</b>		
<b>Operating expenses:</b>		
Instruction	5,880,994	3,896,173
Research	3,624,940	4,167,979
Academic support	1,048,361	1,828,983
Student services	1,953,883	2,206,062
Institutional support	1,331,778	3,737,972
Student grants and scholarships	-	771,938
Auxiliary enterprise expenses	4,910,222	3,676,410
Depreciation	<u>83,395</u>	<u>70,158</u>
Total operating expenses	<u>18,833,573</u>	<u>20,355,675</u>
Operating income (loss)	<u>394,403</u>	<u>370,720</u>
 <b>Nonoperating revenues(expenses):</b>		
Gifts, noncapital	(16,168,400)	1,263,897
Investment income (net of fees)	(678,634)	804,745
Interest on capital-related debt	(9,301)	(10,001)
Interfund transfers, net	<u>(5,756)</u>	<u>-</u>
Total nonoperating revenues	<u>(16,862,091)</u>	<u>2,058,641</u>
 <b>Additions to permanent endowments</b>	 <u>-</u>	 <u>29,348</u>
 <b>CHANGE IN NET POSITION</b>	 (16,467,688)	 2,458,709
 <b>NET POSITION - beginning of year</b>	 <u>22,188,334</u>	 <u>19,729,625</u>
 <b>NET POSITION - end of year</b>	 <u>\$ 5,720,646</u>	 <u>\$ 22,188,334</u>

See accompanying auditors' reports and notes to financial statements.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(WITH COMPARATIVE TOTALS FOR 2015)**

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Federal grants and contracts	\$ 12,106,053	\$ 13,246,101
State and local grants and contracts	1,173,384	1,261,615
Nongovernmental grants and contracts	382,413	156,208
Payments to suppliers	(12,169,369)	(12,115,425)
Payments to employees	(6,329,075)	(6,692,088)
Payments to students	-	(2,566,531)
Sales and services of educational activities	4,216	7,777
Sales and services of auxiliary enterprises	4,840,134	4,341,804
Other receipts	<u>721,776</u>	<u>1,690,551</u>
Net Cash Provided (Used) by Operating Activities	<u>729,532</u>	<u>(669,988)</u>
Cash flows from noncapital financing activities:		
Gifts and Grants received for other than capital purposes	-	1,293,245
Monies received (disbursed) on behalf of others (net)	<u>6,569,806</u>	<u>847,567</u>
Net Provided (Used) by noncapital financing activities	<u>6,569,806</u>	<u>2,140,812</u>
Cash flows from capital and related financing activities:		
Disposition of capital assets	-	1,000
Acquisition of capital assets	-	(58,715)
Principal paid on capital debt and lease	(9,865)	(9,345)
Interest paid on capital debt and lease	<u>(9,301)</u>	<u>(10,001)</u>
Net cash (Used) by capital and related financing activities	<u>(19,166)</u>	<u>(77,061)</u>
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	(9,008,988)	4,593,181
Purchases of investments	<u>4,825,248</u>	<u>(5,369,828)</u>
Net Cash Provided (Used) by Investing Activities	<u>(4,183,740)</u>	<u>(776,647)</u>
Net increase (decrease) in cash and cash equivalents	3,096,432	617,116
Cash and cash equivalents at beginning of year	<u>1,707,397</u>	<u>1,090,281</u>
Cash and cash equivalents at end of year	<u>\$ 4,803,829</u>	<u>\$ 1,707,397</u>
Reconciliation of net operating income (loss) to net cash provided by (used by) operating activities		
Operating income	\$ 394,403	\$ 370,720
Adjustments to reconcile net operating income (loss) to net cash provided by (used by) operating activities:		
Depreciation	83,395	70,158
Change in assets and liabilities:		
Short-term investments	(3,486)	562,925
Accounts receivable, net	(230,896)	(826,787)
Prepaid expense and other assets	48,218	2,317
Gift Annuity receivable	318,077	(93,541)
Accounts payable	(476,686)	(1,040,167)
Accrued salaries and benefits payable	68,763	(126)
Accrued compensated absences	26,378	75,334
Unearned revenue	(25,000)	225,000
Other liabilities	(6,647)	(18,584)
Postemployment benefits other than pensions	334,262	313,237
Agency funds held	<u>198,751</u>	<u>(310,474)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 729,532</u>	<u>\$ (669,988)</u>

See accompanying auditors' reports and notes to financial statements.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**1. ORGANIZATION**

*Nature of Organization*

The California State University Dominguez Hills Foundation (the Foundation) is a nonprofit California public benefit corporation which is an auxiliary organization of California State University, Dominguez Hills (the University). A wholly owned subsidiary, Dominguez Hills Corporation (the Corporation) is a California for-profit corporation which administers certain research and educational grants and contracts. Together, these entities (collectively referred to as the Foundation) assist the University in various activities including developing and administering research and educational grants and contracts; conducting the bookstore, food service, and vending machine operations on the campus, accumulating and managing endowment and student scholarship funds and administering various educationally related functions, special programs, and other activities. The Corporation is included in the reporting entity of the Foundation, and accordingly, its operations are blended with the operations of the Foundation in the accompanying basic financial statements.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Presentation*

The accompanying basic financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board (GASB). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

*Basis of Accounting*

The Foundation records revenue in part from assisting the University in various activities including developing and administering research and educational grants and contracts, conducting the bookstore, food service, and vending machine operations on the campus; accumulating and managing endowment and student scholarship funds, and administering various educationally related functions, special programs, and other activities and; accordingly, has chosen to present its basic financial statements using the reporting model for special-purpose governments engaged only in business-type activities. This model allows all financial information for the Foundation to be reported in a single column in each of the basic financial statements. The effect of any internal activity between funds or groups of funds has been eliminated from these basic financial statements.

*Classification of Current and Noncurrent Assets and Liabilities*

The Foundation considers assets to be current that can reasonably be expected, as part of its normal business operations, to be converted to cash and be available for liquidation of current liabilities within 12 months of the statement of net position date. Liabilities that reasonably can be expected, as part of normal Foundation business operations, to be liquidated within 12 months of the statement of net position date are considered to be current. All other assets and liabilities are considered to be noncurrent.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Federal Grants and Contracts*

The Foundation serves as administrator for various grants and contracts awarded by governmental and private institutions. Amounts administered by the Foundation are recorded as revenue and expense in the accompanying basic financial statements.

*Cash and Cash Equivalents*

Cash and cash equivalents consist primarily of deposits with Wells Fargo Bank, N.A. It is composed significantly of funds held in depository accounts for other auxiliary organizations of the California State University, Dominguez Hills campus. The Foundation provides accounting and management services for the California State University, Philanthropic Foundation, the Loker University Student Union, the Dominguez Hills Corporation, and limited services for the Associated Students, Inc., and as such it holds funds on their behalf as depository accounts.

*Investments*

Investments are reflected at fair value using quoted market prices. Gains and losses are included in the statement of revenues, expenses, and changes in net position as investment income (net of fees).

*Other Assets*

Other assets include inventories that are stated at the lower of cost or market determined on a first-in, first-out basis, and prepaid expenditures.

*Capital Assets*

Capital assets are stated at cost or estimated historical cost if purchased or, at estimated fair value at date of donation if donated. Capital assets with a value of less than \$5,000 are not capitalized. The Foundation is required to capitalize infrastructure assets that have been acquired, or that have received major improvements, in fiscal years ending after June 30, 1980. Title to all assets, whether purchased, constructed, or donated, is held by the Foundation. Depreciation is determined using the straight-line method over the estimated lives of the assets ranging from three to ten years. Leasehold improvements are amortized using the straight-line method over the shorter of their estimated useful lives or the term of the lease. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are not capitalized.

*Compensated Absences*

Foundation employees accrue annual leave at rates based on length of service and job classification.

*Unearned Revenue*

Unearned revenue consists primarily of unearned revenue related to federal grants and contracts and any commissions paid in advance for Commercial Operations.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Other Liabilities*

Other liabilities included sales tax, nonresident alien tax withholding, and miscellaneous payroll withholdings.

*Net Position*

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

**Invested in capital assets, net of related debt:** Capital assets, net of accumulated depreciation, amortization, and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

**Restricted - nonexpendable:** Net position subject to externally imposed conditions that the Foundation retains them in perpetuity. When both restricted and unrestricted resources are available for use, it is the Foundation's policy to use restricted resources first, then unrestricted resources as they are needed.

**Restricted - expendable:** Net position subject to externally imposed conditions that can be fulfilled by the actions of the Foundation or by the passage of time.

**Unrestricted:** All other categories of net position. In addition, unrestricted net position may be designated for use by management of the Foundation.

*Classification of Revenues and Expenses*

The Foundation considers operating revenues and expenses in the statement of revenues, expenses and changes in net position to be those revenues and expenses that result from exchange transactions or from other activities that are connected directly to the Foundation's primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services. Certain other transactions are reported as nonoperating revenues and expenses in accordance with GASB Statement No. 33. These nonoperating activities include the Foundation's net investment income (net of fees), gifts, and interest expense.

*Income Taxes*

The Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and California income taxes under section 23701(d) of the California Revenue and Taxation Code. The IRS classified the organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section(s) 509(a)(1) and 170(b)(1)(A)(vi). The Foundation has evaluated its tax positions and the certainty as to whether those tax positions will be sustained in the event of an audit by taxing authorities at the federal and state levels. The primary tax positions evaluated are related to the Foundation's continued qualification as a tax-exempt organization and whether there is unrelated business income activities conducted that would be taxable. Management has determined that all income tax positions will more likely than not be sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required. The Foundation's Forms 990, *Return of Organization Exempt from Income Tax*, for each of the three tax years ended June 30, 2015, 2014, and 2013, are subject to examination by the IRS, generally for 3 years after they were filed.



**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Fair Value Measurements*

The Foundation reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value in accordance with GASB 72, *Fair Value Measurement and Application*. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal or most advantageous market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. GASB 72 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

- *Level 1* - Quoted prices for identical assets or liabilities in active markets to which the Foundation has access at the measurement date.
- *Level 2* - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include
  - quoted prices for similar assets or liabilities in active markets;
  - quoted prices for identical or similar assets in markets that are not active;
  - observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
  - inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- *Level 3* - Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The carrying amounts of cash and cash equivalents, accounts receivable and related party receivables approximate fair value because of the terms and relatively short maturity of these financial instruments.

The carrying amounts of liabilities, approximate fair value because of the relatively short maturity of these financial instruments.

When available, the Foundation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

*Estimates*

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues, and expenses in the accompanying basic financial statements. Actual results could differ from those estimates.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Reclassifications*

Certain amounts in the 2015 comparative totals have been reclassified to conform with the 2016 reporting format.

*Comparative Totals*

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the California State University, Dominguez Hills Foundation financial statements for the year ended June 30, 2015 from which the summarized information was derived.

**3. CASH, CASH EQUIVALENTS, AND INVESTMENTS**

The deposits and investments held at June 30, 2016 are as follows:

Deposits:

Demand deposits (Level 1 input)	\$ 4,800,679
Cash equivalents – Cash Reserve Trust Fund (Level 3 input)	<u>3,150</u>
	<u>4,803,829</u>

Investments (All Level 1 inputs):

Local Agency Investment Fund	1,051,438
Alternative Investments	695,418
Money Market Funds	49,792
Equities	6,617,692
Corporate and government bonds	<u>1,903,062</u>
	<u>10,317,402</u>

Total deposits and investments \$ 15,121,231

Reconciliation to statement of net position

Current:

Cash and cash equivalents	\$ 4,803,829
Investments	1,051,438

Noncurrent:

Investments – Other long term	<u>9,265,964</u>
	<u>\$ 15,121,231</u>

At June 30, 2016, the Foundation did not have any investments measured using Level 2 or Level 3 inputs.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
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**3. CASH, CASH EQUIVALENTS, AND INVESTMENTS – Continued**

The deposits of the Foundation are maintained at financial institutions and are in category 1, fully insured or collateralized. The Cash equivalents - Cash Reserve Trust Fund are in category 3, uninsured and uncollateralized as prescribed by GASB Statement No. 3, as amended by GASB Statement No. 40.

The Foundation measures fair value in accordance with GASB 72, Fair Value Measurement and Application. GASB 72 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels; Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs, other than the quoted prices in active markets, are observable either directly or indirectly, and Level 3 unobservable inputs in which there is little or no market data, which requires the Foundation to develop its own assumptions. The Foundation uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Foundation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. Assets reported at fair value at June 30, 2016, are Level 1 inputs.

The Foundation also maintains investments with the State of California Local Agency Investment Fund (LAIF) amounting to \$1,051,438 as of June 30, 2016. LAIF pools these funds with other governmental agencies and invests in various investment vehicles. These pooled funds approximate fair value. Regulatory oversight is provided by the State Pooled Money Investment Board and the Local Investment Advisory Board. LAIF is not subject to categorization as prescribed by GASB Statement No. 3 and No. 40 to indicate the level of custodial credit risk assumed by the Foundation at year end.

*Custodial Credit Risk*

Custodial credit risk is the risk that in the event of a bank failure, the Foundation's deposits may not be returned to it. The Foundation does not have a deposit policy for custodial credit risk. Deposits in the financial institution, reported as components of cash had bank balances of \$4,800,679 for 2016. As of June 30, 2016 \$500,000 of these balances are insured under the Federal Deposit Insurance Corporation (FDIC). The remaining \$4,300,679 is at risk.

*Investment Credit Risk*

The Foundation's formal investment policy limits its investment choices to the following:

- Local Agency Investment Fund (LAIF)
- Cash equivalents having maturities of less than one year
- Global public equities, including domestic equities, international developed equity, and emerging markets
- Global fixed income, including domestic fixed income and global fixed income
- Alternative investments, including hedge funds and private equity

All Foundation investments, with the exception of LAIF and cash equivalents, are managed by Morgan Stanley/Graystone Consulting in accordance with the Foundation's approved investment policy statement.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**3. CASH, CASH EQUIVALENTS, AND INVESTMENTS - Continued**

*Concentration of Investment Credit Risk*

The Foundation's formal investment policy limits the assets to the following target and maximum allocations:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Maximum Allocation</u>
Global Public Equity:		
Domestic Equity	29%	35%
International Developed Equity	15%	20%
Emerging Markets	11%	15%
Total Equity	55%	70%
Global Fixed Income:		
Domestic Fixed Income	10%	15%
Global Fixed Income	10%	15%
Total Fixed Income	20%	30%
Alternative Investments:		
Hedge Funds	17.5%	20%
Private Equity:	7.5%	10%
Total Alternative Investments	25%	30%
Total Portfolio (Target Allocation)	100%	

The following is a breakdown of the investment income (net of fees), which has been allocated among the various revenue accounts on the statement of revenues, expenses and changes in net position:

<u>Investment Income (Net of Fees) for 2016</u>	<u>Unrestricted</u>
Transfer of Charitable Gift Annuity	\$ (318,077)
Interest and dividends	161,098
Realized loss on sales, net	(144,966)
Unrealized loss, net	<u>(376,689)</u>
Total investment income	(678,634)
Management fees	<u>-</u>
Investment income (net of fees)	<u>\$ (678,634)</u>

**4. ACCOUNTS RECEIVABLE**

Accounts Receivable at June 30, 2016 consisted of the following:

Grants receivables	\$ 1,787,232
Advances	49,799
Other	739,378
Allowance for bad debts	<u>(920)</u>
Total	<u>\$ 2,575,489</u>

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
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**(CONTINUED)**

**5. CAPITAL ASSETS**

Capital assets consist of the following at June 30, 2016:

	Beginning of Year 7/1/15	Additions	Deletions	End of Year 6/30/16
Buildings	\$ 769,643	\$ -	\$ -	\$ 769,643
Accumulated Depreciation	<u>(317,977)</u>	<u>(25,655)</u>	<u>-</u>	<u>(343,632)</u>
	451,666	(25,655)	-	426,011
Equipment	177,920	-	-	177,920
Accumulated Depreciation	<u>(107,881)</u>	<u>(31,076)</u>	<u>-</u>	<u>(138,957)</u>
	70,039	(31,076)	-	38,963
Furniture and fixtures	6,339	-	-	6,339
Accumulated Depreciation	<u>(1,961)</u>	<u>(2,113)</u>	<u>-</u>	<u>(4,074)</u>
	4,378	(2,113)	-	2,265
Leasehold improvements	14,222	99,047	-	113,269
Accumulated Depreciation	<u>(4,264)</u>	<u>(24,551)</u>	<u>-</u>	<u>(28,815)</u>
	9,958	74,496	-	84,454
Capital Project Work in Progress	<u>99,047</u>	<u>-</u>	<u>(99,047)</u>	<u>-</u>
Total	<u>\$ 635,088</u>	<u>\$ 15,652</u>	<u>\$ (99,047)</u>	<u>\$ 551,693</u>

Depreciation expense for the year ended June 30, 2016 was \$83,395.

**6. DEPOSITORY ACCOUNTS**

Deposits held in custody for others which are comprised of cash and investments as of June 30, 2016 is follows:

Dominguez Hills Corporation	\$ 51,128
Loker University Student Union, Inc.	1,290,315
CSUDH Philanthropic Foundation	<u>6,573,882</u>
Total deposits held in custody for others	<u>\$ 7,915,325</u>

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**7. MORTGAGE PAYABLE**

During the year ended June 30, 2000, the Foundation purchased a house for \$397,955 which is used by the University President.

In connection with the purchase of the house, the Foundation entered into a loan agreement with City National Bank in the original amount of \$287,000. The agreement, which was modified in January 2011, provides for monthly interest and principal payments of \$1,600 and will mature as of the fiscal year ending June 30, 2030. The note bears interest at 4.75% and is secured by the deed of trust. Interest expense incurred for the mortgage loan for the year ended June 30, 2016 was \$9,301.

A summary of current year activity on the loan for the year ended June 30, 2016 follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Mortgage payable	<u>\$ 201,116</u>	<u>\$ -</u>	<u>\$ 9,865</u>	<u>\$ 191,251</u>

Payments required on the mortgage are as follows for the year ending June 30:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal and Interest</u>
2017	\$ 10,344	\$ 8,861	\$ 19,205
2018	10,847	8,359	19,206
2019	11,373	7,832	19,205
2020	11,925	7,280	19,205
Thereafter	<u>146,762</u>	<u>35,931</u>	<u>182,693</u>
Total	<u>\$ 191,251</u>	<u>\$ 68,263</u>	<u>\$ 259,514</u>

In connection with the purchase of the house, the Foundation entered into a Residential Lease Agreement with the University. The initial term of this lease was for ten years, commencing June 1, 2000, and ending May 31, 2010. The lease was subsequently extended through June 30, 2020. Under the terms of the agreement, the University will pay the Foundation a monthly rental amount comprised of principal and interest on the City National Bank mortgage, estimate for insurance and property taxes, homeowners' association dues, maintenance costs and reimbursement of the Foundation's \$74,990 down payment on the house.

The Foundation has recorded the cost of the house as well as the mortgage payable in the accompanying basic financial statements. Lease payments due to the Foundation from the University to pay debt service are recorded as revenue when received.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**8. ACCRUED COMPENSATED ABSENCES**

Accrued compensated absences at year end are included in accrued expenses and other liabilities in the Statement of Net Position and consists of the following activity during the year ended June 30, 2016:

	Beginning Balance as of <u>July 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	Ending Balance as of <u>June 30, 2016</u>	<u>Current Portion</u>
Liabilities:					
Compensated absences	<u>\$ 195,088</u>	<u>\$ 239,583</u>	<u>\$ (213,205)</u>	<u>\$221,466</u>	<u>\$221,466</u>
Total Current liabilities, net	<u>\$ 195,088</u>	<u>\$ 239,583</u>	<u>\$ (213,205)</u>	<u>\$221,466</u>	<u>\$221,466</u>

**9. OPERATING LEASE**

The Foundation entered into a sublease with the Donald P. & Katherine B. Loker University Student Union (Union) on November 1, 2006 extended to June 30, 2017 for rental of the food service area located in the Union building. Payments of rental fees are made by the Foundation on a quarterly basis. In addition, the Foundation pays rental fees based on commissions of the University Bookstore. Total rental fees paid for the year ended June 30, 2016 amounted to \$125,842.

**10. PENSION PLANS**

The Foundation maintains a pension plan for all eligible employees with Teachers Insurance and Annuity Association College Retirement Equities Fund (TIAA CREF).

(a) *Plan Description* - TIAA CREF is an agent which provides variable individual and group annuities for retirement and tax -deferred savings plans at nonprofit or publicly supported colleges, universities, and other educational and research organizations. The TIAA CREF pension plan is a defined contribution plan. The contributions are invested and then disbursed at the time of the employees' retirement in the form of lifetime income or other payment options.

(b) *Funding Policy* – As of June 30, 2016, participants were not required to contribute any of their annual covered salary. From February 1, 2001 through June 30, 2016 the Foundation contributed 10% of the employees' annual covered payroll. The contribution rates to TIAA CREF are established by the Foundation's Board of Directors. The Board of Directors approved a change in the funding policy, effective for all employees hired after July 1, 2014. Employees hired prior to this date will be subject to the grandfathered funding policy, while new employees will receive a 4% employer contribution with a 2% required employee match or an 8% employer contribution with a 5% required employee match.

(c) *Annual Pension Cost* - For the year ended June 30, 2016 the Foundation's annual TIAA CREF pension cost totaled \$233,863.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
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**(CONTINUED)**

**11. POSTEMPLOYMENT HEALTHCARE BENEFITS**

The Foundation provides lifetime postretirement medical coverage to employees who satisfy certain eligibility requirements. Retirees receive the same monthly allowance toward the cost of coverage as active employees.

In accordance with GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the Foundation has recorded the cost and obligation of these benefits in the basic financial statements.

*Annual OPEB Cost and Net OPEB Obligation*

The Foundation's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Foundation's annual OPEB cost for the year, the amount actually contributed, and changes in the OPEB obligation:

	2016
Annual required contribution	\$ 478,452
Interest on net OPEB obligation	154,186
Adjustment to annual required contribution	(179,076)
Annual OPEB cost (expense)	453,562
Retiree premium cost	(69,300)
Contributions made	(50,000)
Change in net OPEB obligation	334,262
Net OPEB obligation – beginning of year	3,246,013
Net OPEB obligation – end of year	\$ 3,580,275

The Foundation's annual OPEB cost for the year, the percentage of annual OPEB cost contributed, and the net OPEB obligation was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/13	\$ 491,645	21.9%	\$ 2,475,336
6/30/14	\$ 530,492	13.77%	\$ 2,932,776
6/30/15	\$ 424,835	26.3%	\$ 3,246,013
6/30/16	\$ 453,562	26.3%	\$ 3,580,275



**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
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**11. POSTEMPLOYMENT HEALTHCARE BENEFITS – Continued**

*Funding Status and Funding Progress*

Beginning in fiscal year ending June 2011, the Foundation participated in the Auxiliaries Multiple Employer VEBA (Voluntary Employees' Beneficiary Association) and contributed \$45,000 in fiscal year ending June 2013. The Foundation contributed an additional \$50,000 for the 2015-16 fiscal year. The Auxiliaries Multiple Employer VEBA is a separate 501 (c)(9) organization established in August 2010 to assist in funding post-retirement healthcare benefits for recognized auxiliaries of the California State University System. The plan does not issue separate financial statements.

As of July 1, 2015, the most recent actuarial valuation date, the actuarial accrued liability for benefits as well as the unfunded actuarial accrued liability (UAAL) was \$546,732. This estimated liability is updated with an actuarial study every three years.

Actuarial valuations of an ongoing benefit plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of postemployment healthcare benefits funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets, if any, is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial Methods and Assumptions*

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, if any, consistent with the long-term perspective of the calculations.

In the July 1, 2015 actuarial valuation, the unit credit actuarial cost method was used. The actuarial assumptions included a 4.75 percent investment rate of return (net of administrative expenses) which is the current expected long-term investment returns on plan assets. The UAAL is being amortized on a level dollar approach and closed basis over 30 years as allowed under GASB Statement No. 45. The remaining amortization period will end on June 30, 2037.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
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**(CONTINUED)**

**12. COMMITMENTS**

The operation of the University Bookstore is contracted to an outside vendor whose contract expired in May 2014 and was subsequently renewed. Effective June 1, 2014 to May 31, 2024, the Foundation will receive fees equal to 16.1% of the first \$6,000,000 in bookstore sales and 17.1% of all revenues over \$6,000,000. The fees, which totaled \$584,668 for the year ended June 30, 2016, are included in sales and services of auxiliary enterprises.

In January 1995, the Foundation entered into an agreement with an external vendor to provide vending services for the University. The agreement was originally for one year commencing January 5, 1995 and automatically renews annually. In connection with the contract, the Foundation receives 25% of all vending revenues as commission. The revenues received on this contract, included in sales and services of auxiliary enterprises for the year ended June 30, 2016 amounted to \$30,794.

In February 1998, the Foundation entered into an agreement with Subway to provide food services to the University. The agreement was originally for one year commencing July 1, 1998. The tenant has the option of extending this lease for 18 consecutive periods of one year. The tenant has exercised their options through the year ending June 30, 2016. In connection with the contract, the Foundation shall receive 7% of gross sales per month. The contract commission revenues received on this contract, included in sales and services of auxiliary enterprises, for the year ended June 30, 2016 amounted to \$53,812.

The Foundation entered into a sponsorship agreement with Pepsi to give exclusive beverage availability and merchandising rights on the University campus for a five year period beginning January 2015. In connection with the contract, the sponsor agreed to pay the Foundation up front commissions each year, annual product donations, and sales based commission. Commission received on this contract, included in sales and services of auxiliary enterprises, for the year ended June 30, 2016 amounted to \$75,000.

In March 2013, the Foundation entered into an agreement with Panda Express to provide food services to the University. The agreement is for a period of five years. In connection with the contract, the Foundation shall receive 6% to 9% of revenues, depending on volume. The contract commission revenues received on this contract, included in sales and services of auxiliary enterprises, for the year ended June 30, 2016 amounted to \$44,251.

In April 2007, the Foundation entered into an agreement with Taco Bell/A&W to provide food services to the University. The agreement was originally for five years commencing April 23, 2007 and automatically renews for an additional five years. In connection with the contract, the Foundation shall receive 10.5% of gross sales per month. The contract commission revenues received on this contract, included in sales and services of auxiliary enterprises, for the year ended June 30, 2016 amounted \$37,878.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**12. COMMITMENTS – Continued**

In December 2012, the Foundation entered into an agreement with Jamba Juice to provide food services to the University. In connection with the contract, the Foundation received 10.0% gross sales per month. The contract commission revenues received on this contract, included in sales and services of auxiliary enterprises, for the year ended June 30, 2016 amounted to \$36,691. The agreement is for five years with the option of extending this lease for an additional five years.

In August 2007, the Foundation entered into an agreement with Johnnie's Pizza to provide food services to the University. The agreement was originally for five years commencing August 28, 2007 and automatically renews for an additional five years. On March 19, 2013 the contract was reassigned to a new operator for an additional five year term which expires on March 19, 2018 without an option to renew. In connection with the contract, the Foundation shall receive 12.5% of gross sales per month. The contract commission revenues received on this contract, included in sales and services of auxiliary enterprises, for the year ended June 30, 2016 amounted to \$34,302.

**13. TRANSACTIONS WITH RELATED ENTITIES**

The Foundation and the University provide various services on each other's behalf. Such services are appropriately billed. Amounts payable to the University at June 30, 2016 totaled \$44,308. Amounts receivable from the University totaled \$5,124 at June 30, 2016. Amounts receivable from other University auxiliaries totaled \$99,182 at June 30, 2016. There were no amounts payable to other University auxiliaries at June 30, 2016.

The Foundation charges a fee to the Loker University Student Union, Inc., the California State University, Dominguez Hills Philanthropic Foundation, and the Associated Students, Inc. for administrative services. Fees collected for these services were \$175,000 for the year ended June 30, 2016.

**14. SUBSEQUENT EVENTS**

The Foundation has evaluated events subsequent to June 30, 2016, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through September 12, 2016, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

**INFORMATION REQUIRED BY *GOVERNMENT AUDITING STANDARDS*  
AND OMB CIRCULAR A-133**

**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  
California State University,  
Dominguez Hills Foundation (the Foundation)  
(A California Non-Profit Corporation)  
Carson, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of California State University, Dominguez Hills Foundation (A California Non-Profit Corporation), which comprise the statement of net position as of June 30, 2016, and the related revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 12, 2016.

***Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether California State University, Dominguez Hills 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*.

### ***Purpose of this Report***

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

*Voxin, Hahn + Co.*

Calabasas, California  
September 12, 2016

**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 of  
California State University,  
Dominguez Hills Foundation (the Foundation)  
(A California Non-Profit Corporation)  
Carson, California

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

We have audited California State University, Dominguez Hills Foundation's (the Foundation) (A California Non-Profit Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of California State University, Dominguez Hills Foundation's major federal programs for the year ended June 30, 2016. California State University, Dominguez Hills 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 California State University, Dominguez Hills 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 California State University, Dominguez Hills 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 California State University, Dominguez Hills Foundation's compliance.

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

In our opinion, California State University, Dominguez Hills 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, 2016.

### ***Report on Internal Control Over Compliance***

Management of California State University, Dominguez Hills 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 California State University, Dominguez Hills 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 California State University, Dominguez Hills 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.

### ***Purpose of this Report***

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.

*Vaccaro, Hays + Co.*

Calabasas, California  
September 12, 2016



**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2016  
(FEIN: 95-2543028)**

Federal grantor/pass-through agent/program title	Catalog of Federal Domestic Assistance Number	Pass-Through Number	Award Amount	Total Federal Expenditures	Amounts Passed Through to Subcontractors
<b>Research and Development Cluster:</b>					
<b>National Science Foundation</b>					
Direct Programs:					
P2C2: Testing Whether Internal Dynamics	47.050	AGS-1103360	\$ -	\$ (1,172)	\$ -
Data Preservation	47.070	CNS-1419952	-	60,920	-
Collaborative Research: Innovating and Experiencing Punishment	47.075	14555091	-	19,099	-
Collaborative Research: Innovating and Experiencing Punishment	47.075	14555091	36,565	15,032	-
Master Science Teacher Fellowship Program	47.076	DUE1035131	-	359,506	-
SPIGOT (Supporting Pedagogical Innovation for a Generation of Transformation)	47.076	DUE-1225820	-	9,448	-
IRS: Tropical Ecology Mentorship Program	47.079	OISE-1130156	-	30,449	-
IRES: Fire, Carbon and Climate Change in Australia	47.079	OISE-1261015	-	32,381	-
Passed Through UTEP					
BPC-CASHI Supplemental	47.041	CNS-1042341	-	7,908	-
UTEP: BPC-CASHI	47.070	26-1008-02-61	-	53,925	-
Passed Through Watcom University					
Noyce Math & Science Scholars Phase II	47.076	DUE1339961	160,000	111,261	-
Passed Through Sacramento State University					
CSU: LSAMP Louis Stokes 2014-2015	47.070	HRD-1302873	-	7,257	-
CSU: LSAMP Louis Stokes 2013-2014	47.076	523771/HRD1302873	15,000	4,226	-
<b>Total National Science Foundation</b>				<b>\$ 710,240</b>	<b>\$ -</b>
<b>U.S. Department of Health and Human Services</b>					
Direct Programs:					
National Institute of General Medical Sciences					
YBMSM's Sexual Communications	93.242	RMH095689-01A1	-	54,261	-
MBRS RISE 2014-2015	93.859	5R25GM062252-11	-	372	-
MARC U*STAR 2014-2015	93.859	2T34GM008683-14	-	(391)	-
MARC U*STAR 2015-2016	93.859	5T34GM008683-15	-	172,352	-
MARC U*STAR 2016-2017	93.859	5T34GM008683-16	203,165	7,009	-
Passed Through DHHS					
Mental Health Research Grants	93.242	RMH067127C	20,000	15,843	-
MBRS RISE at CSUDH 2015-2016	93.859	5R25/GM062252-12	-	335,244	-
MBRS RISE at CSUDH 2016-2017	93.859	2R25/GM062252-13	431,500	1,716	-
MBRS Post Baccalaureate	93.859	IUPUI-4684070-CSUDH	-	74,727	-
Passed Through CCPI					
University Consortium for Children & Families	93.1187GSA007#1	1187GSA007 #1	-	365,779	-
Passed Through UC Berkeley					
Treatment Advocacy I Intervention	93.307	5R01MD006058-04	-	(228)	-
CALSWEC pass through UC Berkeley	93.658	00008523	-	14,668	-
Foster Care Title IV via State of California	93.658	00008871	723,736	512,553	-
<b>Total U.S. Department of Health and Human Services</b>				<b>\$ 1,553,905</b>	<b>\$ -</b>

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2016  
(FEIN: 95-2543028)**

Federal grantor/pass-through agent/program title	Catalog of Federal Domestic Assistance Number	Pass-Through Number	Award Amount	Total Federal Expenditures	Amounts Passed Through to Subcontractors
<b>U.S. Department of Interior-National Park Service</b>					
Direct Programs:					
Preservation of Japanese American Confinement Sites	15.933	P15AP00119	321,554	59,165	3,160
<b>Total U.S. Department of Interior-National Park Service</b>				<b>\$ 59,165</b>	<b>\$ 3,160</b>
<b>U.S. Department of Homeland Security</b>					
Direct Programs:					
HS Startup - Homeland Security Science and Technology	97.062	2009-ST-062-000020	-	(5,214)	-
<b>Total U.S. Department of Homeland Security</b>				<b>\$ (5,214)</b>	<b>\$ -</b>
<b>U.S. Department of Energy</b>					
Direct Programs:					
Photo Production of the Cascade Hyperons at CLAS	81.049	DE-FG02-07ER41525	-	3,073	-
<b>Total U.S. Department of Energy</b>			-	<b>\$ 3,073</b>	<b>\$ -</b>
<b>U.S. Nuclear Regulatory Commission</b>					
Direct Programs:					
Nuclear Safety Applications of Autonomous Robots	77.007	NRC-HQ-7P-15-G-0002	-	84,734	-
<b>Total U.S. Nuclear Regulatory Commission</b>				<b>\$ 84,734</b>	<b>\$ -</b>
<b>U.S. Agency for International Development (USAID)</b>					
Passed Through Georgetown University					
SEEDS 2014	98.001	CSUDH-RX2050-705-13-Q	-	24,334	-
<b>Total U.S. Agency for International Development (USAID)</b>				<b>\$ 24,334</b>	<b>\$ -</b>
<b>Total Research and Development Cluster</b>				<b>\$ 2,430,237</b>	<b>\$ 3,160</b>

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2016  
(FEIN: 95-2543028)**

Federal grantor/pass-through agent/program title	Catalog of Federal Domestic Assistance Number	Pass-Through Number	Award Amount	Total Federal Expenditures	Amounts Passed Through to Subcontractors
<b>U.S. Department of Education</b>					
Direct Programs:					
TRIO Cluster:					
Student Support Services	84.042	P042A101351-14	-	\$ 49,852	\$ -
Student Support Services	84.042A	P042A151297	246,062	176,122	-
Student Support Services Veterans Project	84.042A	P042A151472	215,991	112,628	-
Upward Bound Carson/Gardena	84.047	P047A121750-13	-	52,575	-
Upward Bound Carson/Gardena	84.047	P047A121750-15	249,902	146,526	-
Upward Bound LAUSD	84.047	P047A121749-14	-	66,436	-
Upward Bound LAUSD	84.047A	P047A121749-15	262,470	230,553	-
Upward Bound Math and Science	84.047	P047M120453-13	-	92,299	-
Upward Bound Math and Science	84.047M	P047M120453-15	250,000	157,321	-
McNair Post-Baccalaureate Achievement	84.217	P217A120019	-	58,613	-
McNair Post-Baccalaureate Achievement	84.217A	P217A120019-15	228,800	147,120	-
<b>Total TRIO Cluster</b>				<b>1,290,045</b>	<b>-</b>
Other Programs:					
Encounter to Excellence	84.031	P031S090128-13	-	633	-
Promoting Excellent Graduate Students (PEGS)	84.031	P031M105068-13	-	194,770	-
Title V: Building a High Impact Transfer Academy	84.031	P031S110042-13	-	371,758	255,811
Title V: Building a High Impact Transfer Academy	84.031	P031S110042-15	-	168,158	-
Graduate Writing Institute For Excellence	84.031	P031M140041	-	166,686	-
Graduate Writing Institute For Excellence	84.031M	P031M140041-15	483,761	301,826	-
Impact	84.120	P120A120041-13	-	180,128	-
Special Education-Accelerated Credential Pathway	84.325K	H325K160102	248,573	-	-
Special Education Resource Interventionist	84.325	H325K140416	-	109,662	-
Special Education Resource Interventionist	84.325K	H325K140416-15	249,927	229,824	-
Uniting to Prepare Low Incidence Teachers (UPLIFT)	84.325	H325K130401	-	112,741	-
Uniting to Prepare Low Incidence Teachers (UPLIFT)	84.325K	H325K130401-15	249,999	87,996	-
Gaining Early Awareness & Readiness for Undergraduate Prog (GearUp)	84.334	P334A110231-13	-	153,503	32,095
Gaining Early Awareness & Readiness for Undergraduate Prog (GearUp)	84.334A	P334A110231-15	536,000	340,864	-
Childcare Access Means Parents in School (CCAMPIS)	84.335	P335A140176	-	114,194	-
Childcare Access Means Parents in School (CCAMPIS)	84.335A	P335A140176-15	208,683	110,954	-
Urban School Leadership	84.336	U363A130097	-	425,590	-
Innovative School Leadership Initiative	84.363A	U363A130097-15	2,472,178	1,192,766	-
STAR: STEM Teacher in Advanced Residency	84.336	U336S14042	-	1,372,128	-
Urban Teachers Residency	84.336	U336S090051-13	-	477,025	-
Transition to Teaching 11	84.350	U350B11004-14	-	469,323	52,819
Transition to Teaching 11	84.350B	U350B11004-15	276,052	598,288	-
Transition To teaching 09	84.350	U350A090011-13	-	284,685	-
Transition To Teaching 11	84.350B	U350B11004-14	-	(304)	-
Leaders for Urban Schools (USL)	84.363	U363A080048	-	136,159	-
Charter Autonomous School Leadership Academy-CASLA	84.363	U363A100056-13	-	582,287	-
CSMP NCLB12	84.367	NCLB12-CMP-Dominguez Hills	34,500	35,253	-
CSMP NCLB12	84.367	NCLB12-CISP-Dominguez Hills	46,800	33,434	-
14CSMP-CMP-Dominguez Hills	84.367	NCLB11-CMP-DH	-	2,160	-
14CSMP-CISP-Dominguez Hills International Studies Program	84.367	CSMP NCLB11A	-	9,676	-
14CSMP-CISP-Dominguez Hills	84.367	NCLB11-CISP-DH	-	35,182	-
<b>Total U.S. Department of Education</b>				<b>\$ 8,297,349</b>	<b>\$ 340,725</b>
				<b>\$ 9,587,394</b>	<b>\$ 340,725</b>

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(FEIN: 95-2543028)**

Federal grantor/pass-through agent/program title	Catalog of Federal Domestic Assistance Number	Pass-Through Number	Award Amount	Total Federal Expenditures	Amounts Passed Through to Subcontractors
<b>National Endowment for the Humanities</b>					
Direct Programs:					
Promotion of the Humanities_Division of Preservation and Access	45.149	PW-234690-16	260,000	\$ -	\$ -
Promotion of the Humanities_Public Programs	45.164	MR-248092-16	1,000	944	-
Passed Through Mid America Arts Alliance					
Promotion of the Arts_Partnership Agreements	45.025	Award # FY-2016-47869	-	1,096	-
<b>Total National Endowment for the Humanities</b>				<b>\$ 2,040</b>	<b>\$ -</b>
<b>Corporation for National and Community Service</b>					
Passed Through the Council of Greater City Schools					
Jump Start for Young Children	94.006	020095	-	\$ 35	\$ -
Jump Start for Young Children	94.006	95	-	19,798	-
Jump Start for Young Children	94.006	950200	80,430	48,884	-
AmeriCorps Justice Corps	94.006	Letter 09/12/13	8,467	9,261	-
<b>Total Corporation for National and Community Service</b>				<b>\$ 77,978</b>	<b>\$ -</b>
<b>U.S. Department of Agriculture</b>					
Summer Food Service Program - Upward Bound	10.559		-	(19)	-
<b>Total U.S. Department of Agriculture</b>				<b>\$ (19)</b>	<b>\$ -</b>
<b>Total Federal Awards Expended</b>				<b>\$ 12,097,630</b>	<b>\$ 343,885</b>

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(FEIN: 95-2543028)**

**1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of California State University, Dominguez Hills Foundation under programs of the federal government for the year ended June 30, 2016. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Because the schedule presents only a selected portion of the operations of California State University, Dominguez Hills Foundation, it is not intended to and does not present the financial position, changes in net assets or cash flows of California State University, Dominguez Hills Foundation.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

**3. DE MINIMIS INDIRECT COST RATE**

California State University, Dominguez Hills Foundation did not elect to use the 10% de minimis indirect cost rate for the year ended June 30, 2016.

**4. LOAN AND LOAN GUARANTEE**

California State University, Dominguez Hills Foundation did not have any balances of loan and loan guarantee programs outstanding at June 30, 2016 for loans described in 2 CFR section 200.50(b).

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**Section I - Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAPP:

Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?

\_\_\_\_\_ Yes        X   No

• Significant deficiency(ies) identified?

\_\_\_\_\_ Yes        X   None Reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ Yes        X   No

*Federal Awards*

Internal control over major federal programs:

• Material weakness(es) identified?

\_\_\_\_\_ Yes        X   No

• Significant deficiency(ies) identified?

\_\_\_\_\_ Yes        X   None Reported

Type of auditors' report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

\_\_\_\_\_ Yes        X   No

Identification of major federal programs:

CFDA Number(s)

Various

84.325

Name of Federal Program or Cluster

Research Development Cluster

Special Education - Personal Development to Improve Services and Results for Children with Disabilities

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

\$750,000

Auditee qualified as low-risk auditee?

  X   Yes      \_\_\_\_\_ No

**Section II - Financial Statement Findings**

No matters were reported.

**Section III - Federal Award Findings and Questioned Costs**

No matters were reported.

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2016**

**CURRENT YEAR FINDINGS AND QUESTIONED COSTS:**

**2016 Findings**

There were no 2016 findings noted.

**2016 Questioned Costs:**

There were no 2016 questioned costs noted.

**PRIOR YEARS FINDINGS AND QUESTIONED COSTS:**

**2015 Findings**

There were no 2015 findings noted.

**2015 Questioned Costs:**

There were no 2015 questioned costs noted.

**2014 Findings**

There were no 2014 findings noted.

**2014 Questioned Costs:**

There were no 2014 questioned costs noted.

**REQUIRED SUPPLEMENTARY INFORMATION**



**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
SCHEDULE OF POSTEMPLOYMENT HEALTHCARE BENEFITS FUNDING PROGRESS  
FOR THE YEAR ENDED JUNE 30, 2016**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (AVA)</b>	<b>Actuarial Accrued Liability (Unit Cost Method) (AAL)</b>	<b>Unfunded Actuarial Accrued Liability (UAAL)</b>	<b>Funding Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll</b>
7/1/2008	\$ -	\$ 4,074,912	\$ 4,074,912	0.00%	\$1,881,000	216.64%
7/1/2011	-	3,391,687	3,391,687	0.00%	2,032,250	166.89%
7/1/2014	52,496	3,290,328	3,237,832	1.60%	2,635,148	122.87%

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**NOTES TO SCHEDULE OF**  
**POSTEMPLOYMENT HEALTHCARE BENEFITS FUNDING PROGRESS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

**1. PURPOSE OF SCHEDULE**

*Schedule of Postemployment Healthcare Benefits Funding Progress*

This schedule is prepared to show information for the most recent actuarial valuation and in future years, the information from the three most recent actuarial valuations in accordance with Statement No. 45 of the Governmental Accounting Standards Board, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The schedule is intended to show trends about the funding progress of the Foundation's actuarially determined liability for postemployment benefits other than pensions.

**OTHER SUPPLEMENTARY INFORMATION**

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

Assets:

Current assets:

Cash and cash equivalents	\$ 4,803,829
Short-term investments	1,051,438
Accounts receivable, net	2,575,489
Leases receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net	—
Prepaid expenses and other current assets	15,355
Total current assets	<u>8,446,111</u>

Noncurrent assets:

Restricted cash and cash equivalents	—
Accounts receivable, net	—
Leases receivable, net of current portion	—
Notes receivable, net of current portion	—
Student loans receivable, net	—
Pledges receivable, net	—
Endowment investments	—
Other long-term investments	9,265,964
Capital assets, net	551,693
Other assets	—
Total noncurrent assets	<u>9,817,657</u>
Total assets	<u>18,263,768</u>

Deferred outflows of resources:

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

Liabilities:

Current liabilities:

Accounts payable	152,398
Accrued salaries and benefits	69,341
Accrued compensated absences, current portion	221,466
Unearned revenue	200,000
Capitalized lease obligations, current portion	—
Long-term debt obligations, current portion	10,344
Claims liability for losses and loss adjustment expenses, current portion	—
Depository accounts	—
Other liabilities	14,315
Total current liabilities	<u>667,864</u>

Noncurrent liabilities:

Accrued compensated absences, net of current portion	—
Unearned revenue	—
Grants refundable	—
Capitalized lease obligations, net of current portion	—
Long-term debt obligations, net of current portion	180,907
Claims liability for losses and loss adjustment expenses, net of current portion	—
Depository accounts	7,915,325
Other postemployment benefits obligations	3,580,275
Net pension liability	—
Other liabilities	198,751
Total noncurrent liabilities	<u>11,875,258</u>
Total liabilities	<u>12,543,122</u>

Deferred inflows of resources:

Service concession arrangements	—
Net pension liability	—
Unamortized gain on debt refunding	—
Nonexchange transactions	—
Others	—
Total deferred inflows of resources	<u>—</u>

Net Position:

Net investment in capital assets	360,442
Restricted for:	
Nonexpendable – endowments	—
Expendable:	
Scholarships and fellowships	—
Research	—
Loans	—
Capital projects	—
Debt service	—
Others	—
Unrestricted	5,360,204
Total net position	<u>\$ 5,720,646</u>

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2016**

Revenues:	
Operating revenues:	
Student tuition and fees (net of scholarship allowances of \$_____)	\$ —
Grants and contracts, noncapital:	
Federal	12,106,053
State	1,173,384
Local	—
Nongovernmental	382,413
Sales and services of educational activities	4,216
Sales and services of auxiliary enterprises (net of scholarship allowances of \$_____)	4,840,134
Other operating revenues	721,776
Total operating revenues	<u>19,227,976</u>
Expenses:	
Operating expenses:	
Instruction	5,880,994
Research	3,624,940
Public service	—
Academic support	1,048,361
Student services	1,953,883
Institutional support	1,331,778
Operation and maintenance of plant	—
Student grants and scholarships	—
Auxiliary enterprise expenses	4,910,222
Depreciation and amortization	83,395
Total operating expenses	<u>18,833,573</u>
Operating income (loss)	<u>394,403</u>
Nonoperating revenues (expenses):	
State appropriations, noncapital	—
Federal financial aid grants, noncapital	—
State financial aid grants, noncapital	—
Local financial aid grants, noncapital	—
Nongovernmental and other financial aid grants, noncapital	—
Other federal nonoperating grants, noncapital	—
Gifts, noncapital	(16,168,400)
Investment income (loss), net	(678,634)
Endowment income (loss), net	—
Interest expense	(9,301)
Other nonoperating revenues (expenses)	(5,756)
Net nonoperating revenues (expenses)	<u>(16,862,091)</u>
Income (loss) before other revenues (expenses)	(16,467,688)
State appropriations, capital	—
Grants and gifts, capital	—
Additions (reductions) to permanent endowments	—
Increase (decrease) in net position	<u>(16,467,688)</u>
Net position:	
Net position at beginning of year, as previously reported	22,188,334
Restatements	—
Net position at beginning of year, as restated	<u>22,188,334</u>
Net position at end of year	<u>\$ 5,720,646</u>

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016**

<b>1</b>	<b>Restricted cash and cash equivalents at June 30, 2016:</b>		
	Portion of restricted cash and cash equivalents related to endowments	\$	—
	All other restricted cash and cash equivalents		—
			<hr/>
	Total restricted cash and cash equivalents	\$	<hr/>



**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

<b>2.2 Investments held by the University under contractual agreements at June 30, 2016:</b>										
Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2016 :	—	—	—	—	—	—	—	—	—	—
<b>2.3 Restricted current investments at June 30, 2016 related to:</b>	<b>Amount</b>									
Add description	\$ —									
Add description	—									
Add description	—									
Add description	—									
Add description	—									
Add description	—									
Add description	—									
<b>Total restricted current investments at June 30, 2016</b>	<b>\$ —</b>									
<b>2.4 Restricted noncurrent investments at June 30, 2016 related to:</b>	<b>Amount</b>									
Endowment investment	\$ —									
Add description	—									
Add description	—									
Add description	—									
Add description	—									
Add description	—									
Add description	—									
Add description	—									
<b>Total restricted noncurrent investments at June 30, 2016</b>	<b>\$ —</b>									



**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(CONTINUED)**

2.5 Fair value hierarchy in investments at June 30, 2016:

		Fair Value Measurements Using			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
State of California Surplus Money Investment Fund (SMIF)	\$ —	—	—	—	—
State of California Local Agency Investment Fund (LAIF)	1,051,438	1,051,438	—	—	—
Corporate bonds	1,903,062	1,903,062	—	—	—
Certificates of deposit	—	—	—	—	—
Mutual funds	—	—	—	—	—
Money Market funds	49,792	49,792	—	—	—
Repurchase agreements	—	—	—	—	—
Commercial paper	—	—	—	—	—
Asset backed securities	—	—	—	—	—
Mortgage backed securities	—	—	—	—	—
Municipal bonds	—	—	—	—	—
U.S. agency securities	—	—	—	—	—
U.S. treasury securities	—	—	—	—	—
Equity securities	6,617,692	6,617,692	—	—	—
Exchange traded funds (ETFs)	—	—	—	—	—
Alternative investments:					
Private equity (including limited partnerships)	695,418	695,418	—	—	—
Hedge funds	—	—	—	—	—
Managed futures	—	—	—	—	—
Real estate investments (including REITs)	—	—	—	—	—
Commodities	—	—	—	—	—
Derivatives	—	—	—	—	—
Other alternative investment types	—	—	—	—	—
Other external investment pools (excluding SWIFT)					
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Other major investments:					
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Total investments	10,317,402	10,317,402	—	—	—



**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(CONTINUED)**

4 Long-term liabilities activity schedule:

	Balance June 30, 2015	Prior period adjustments	Reclassifications	Balance June 30, 2015 (restated)	Additions	Reductions	Balance June 30, 2016	Current portion	Long-term portion
Accrued compensated absences	\$ 195,088	—	—	195,088	239,583	(213,205)	221,466	221,466	—
Claims liability for losses and loss adjustment expenses	—	—	—	—	—	—	—	—	—
Capitalized lease obligations:									
Gross balance	—	—	—	—	—	—	—	—	—
Unamortized premium / (discount) on capitalized lease obligations	—	—	—	—	—	—	—	—	—
Total capitalized lease obligations	—	—	—	—	—	—	—	—	—
Long-term debt obligations:									
Auxiliary revenue bonds	—	—	—	—	—	—	—	—	—
Commercial paper	—	—	—	—	—	—	—	—	—
Notes payable related to SRB	—	—	—	—	—	—	—	—	—
Others: (list by type)									
Long Term Mortgage	201,116	—	—	201,116	—	(9,865)	191,251	10,344	180,907
Add description	—	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—	—
Total long-term debt obligations	201,116	—	—	201,116	—	(9,865)	191,251	10,344	180,907
Unamortized bond premium / (discount)	—	—	—	—	—	—	—	—	—
Total long-term debt obligations, net	201,116	—	—	201,116	—	(9,865)	191,251	10,344	180,907
Total long-term liabilities	\$ 396,204	—	—	396,204	239,583	(223,070)	412,717	231,810	180,907

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(CONTINUED)**

5 Future minimum lease payments - capitalized lease obligations:

	Capitalized lease obligations related to SRB			All other capitalized lease obligations			Total capitalized lease obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:									
2017	—	—	—	—	—	—	—	—	—
2018	—	—	—	—	—	—	—	—	—
2019	—	—	—	—	—	—	—	—	—
2020	—	—	—	—	—	—	—	—	—
2021	—	—	—	—	—	—	—	—	—
2022 - 2026	—	—	—	—	—	—	—	—	—
2027 - 2031	—	—	—	—	—	—	—	—	—
2032 - 2036	—	—	—	—	—	—	—	—	—
2037 - 2041	—	—	—	—	—	—	—	—	—
2042 - 2046	—	—	—	—	—	—	—	—	—
2047 - 2051	—	—	—	—	—	—	—	—	—
2052 - 2056	—	—	—	—	—	—	—	—	—
2057 - 2061	—	—	—	—	—	—	—	—	—
2062 - 2066	—	—	—	—	—	—	—	—	—
Total minimum lease payments	—	—	—	—	—	—	—	—	—
Less amounts representing interest									—
Present value of future minimum lease payments									—
Unamortized net premium (discount)									—
Total capitalized lease obligations									—
Less: current portion									—
Capitalized lease obligation, net of current portion									\$ —

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(CONTINUED)**

6 Long-term debt obligation schedule

	Auxiliary revenue bonds			All other long-term debt obligations			Total long-term debt obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
	Year ending June 30:								
2017	\$ —	—	—	10,344	8,861	19,205	10,344	8,861	19,205
2018	—	—	—	10,847	8,359	19,206	10,847	8,359	19,206
2019	—	—	—	11,373	7,832	19,205	11,373	7,832	19,205
2020	—	—	—	11,925	7,280	19,205	11,925	7,280	19,205
2021	—	—	—	12,504	6,701	19,205	12,504	6,701	19,205
2022 - 2026	—	—	—	72,237	23,787	96,024	72,237	23,787	96,024
2027 - 2031	—	—	—	62,021	5,443	67,464	62,021	5,443	67,464
2032 - 2036	—	—	—	—	—	—	—	—	—
2037 - 2041	—	—	—	—	—	—	—	—	—
2042 - 2046	—	—	—	—	—	—	—	—	—
2047 - 2051	—	—	—	—	—	—	—	—	—
2052 - 2056	—	—	—	—	—	—	—	—	—
2057 - 2061	—	—	—	—	—	—	—	—	—
2062 - 2066	—	—	—	—	—	—	—	—	—
Total minimum payments	—	—	—	191,251	68,263	259,514	191,251	68,263	259,514
Less amounts representing interest									(68,263)
Present value of future minimum payments									191,251
Unamortized net premium (discount)									—
Total long-term debt obligations									191,251
Less: current portion									(10,344)
<b>Long-term debt obligations, net of current portion</b>									<b>\$ 180,907</b>

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**7 Calculation of net position**

**7.1 Calculation of net position - net investment in capital assets**

Capital assets, net of accumulated depreciation	\$	551,693
Capitalized lease obligations, current portion		—
Capitalized lease obligations, net of current portion		—
Long-term debt obligations, current portion		(10,344)
Long-term debt obligations, net of current portion		(180,907)
Portion of outstanding debt that is unspent at year-end		—
Other adjustments: (please list)		
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
		—
Net position - net investment in capital asset	\$	<u>360,442</u>

**7.2 Calculation of net position - restricted for nonexpendable - endowments**

Portion of restricted cash and cash equivalents related to endowments	\$	—
Endowment investments		—
Other adjustments: (please list)		
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
Add description		—
		—
Net position - Restricted for nonexpendable - endowments per SNP	\$	<u>—</u>

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**8 Transactions with related entities**

	<b>Amount</b>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 723,805
Payments to University for other than salaries of University personnel	2,560,943
Payments received from University for services, space, and programs	624,818
Gifts-in-kind to the University from discretely presented component units	—
Gifts (cash or assets) to the University from discretely presented component units	—
Accounts (payable to) University (enter as negative number)	(66,490)
Other amounts (payable to) University (enter as negative number)	—
Accounts receivable from University	17,111
Other amounts receivable from University	—

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**9 Other postemployment benefits obligation (OPEB)**

Annual required contribution (ARC)	\$ 453,562
Contributions during the year	<u>(119,300)</u>
Increase (decrease) in net OPEB obligation (NOO)	334,262
Other adjustments	—
NOO - beginning of year	<u>3,246,013</u>
NOO - end of year	<u>\$ 3,580,275</u>



**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

**10 Pollution remediation liabilities under GASB Statement No. 49:**

<u>Description</u>	<u>Amount</u>
Add description	\$ —
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
	<hr/>
Total pollution remediation liabilities	\$ —
Less: current portion	—
	<hr/>
Pollution remediation liabilities, net of current portion	<hr/> — <hr/>

**CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2016  
(CONTINUED)**

<b>11 The nature and amount of the prior period adjustment(s) recorded to beginning net position</b>		
	<u>Net Position Class</u>	<u>Amount Dr. (Cr.)</u>
Net position as of June 30, 2015, as previously reported		\$ 22,188,334
Prior period adjustments:		
1 (list description of each adjustment)		—
2 (list description of each adjustment)		—
3 (list description of each adjustment)		—
4 (list description of each adjustment)		—
5 (list description of each adjustment)		—
6 (list description of each adjustment)		—
7 (list description of each adjustment)		—
8 (list description of each adjustment)		—
9 (list description of each adjustment)		—
10 (list description of each adjustment)		—
Net position as of June 30, 2013, as restated		<u>\$ 22,188,334</u>

**Provide a detailed breakdown of the journal entries (at the financial statement line item level) booked to record each prior**

	<u>Debit</u>	<u>Credit</u>
Net position class: _____		
1 (breakdown of adjusting journal entry)	\$ —	—
Net position class: _____		
2 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
3 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
4 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
5 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
6 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
7 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
8 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
9 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
10 (breakdown of adjusting journal entry)	—	—