

Financial Statements and Report of
Independent Certified Public
Accountants

**San Diego State University Mission Valley
Enterprises
(a Component Unit of San Diego State
University)**

June 30, 2024

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
San Diego State University Mission Valley Enterprises

Report on the financial statements**Opinion**

We have audited the financial statements of San Diego State University Mission Valley Enterprises (a California State University Auxiliary Organization and Component Unit of San Diego State University) (the "Organization"), as of and from the period of inception through June 30, 2024, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2024, and the changes in financial position and cash flows for the period from inception through June 30, 2024 in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audit of the financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of management for the financial statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required supplementary information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a required 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 US GAAS. These limited procedures consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not

express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information as required by the California State University is not a required part of the financial statements. Such supplementary 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. These additional procedures included 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 US GAAS. In our opinion, the accompanying supplementary 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, 2024 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



San Diego, California
September 12, 2024

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Board of Directors
San Diego State University Mission Valley Enterprises

We have audited, 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 (*Government Auditing Standards*), the financial statements of San Diego State University Mission Valley Enterprises (a California State University Auxiliary Organization and Component Unit of San Diego State University) (the "Organization"), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the period from inception through June 30, 2024 and the related notes to the financial statements, and have issued our report thereon dated September 12, 2024.

Report on internal control over financial reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 Organization's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on compliance and other matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 report is not suitable for any other purpose.

Grant Thornton LLP

San Diego, California
September 12, 2024

San Diego State University Mission Valley Enterprises
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

June 30, 2024

Management's Discussion and Analysis

This section of the San Diego State University Mission Valley Enterprises ("the Organization") annual financial report includes management's discussion and analysis of the financial performance of the Organization for the period from inception to June 30, 2024. This discussion should be read in conjunction with the financial statements and notes.

Introduction to the Financial Statements

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Government Accounting Standards Board (GASB). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Statement of Net Position

The Statement of Net Position includes all assets, deferred outflows and inflows of resources, liabilities, and net position of the Organization. The statement also identifies major categories of restrictions on the net position of the Organization.

Statements of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position presents revenues earned, and expenses incurred during the period 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, capital and related financing and investing activities. This statement is prepared using the direct method of cash flow and therefore present gross rather than net amounts for the periods' activities.

Financial Overview

Summary

The following discussion highlights management's understanding of the key financial aspects of the Organization financial activities as of and for the period from inception to June 30, 2024.

Fiscal Year 2024 was the first year of operations for the Organization as it was formed on June 20, 2023. Agreements were established with San Diego State University for staffing to administer the Organization, SDSU Police Department for safety and security and Aztec Shops, Ltd to provide administrative services. These agreements are discussed in further detail in Note 4 Affiliated Organizations.

The Campanile Foundation provided funding of \$2,800,000 to capitalize the new entity.

Assets

Current assets totaled \$2,234,000 as of June 30, 2024 and were cash of \$2,156,000, accounts receivable of \$51,000 and prepaid expenses of \$27,000.

There were no noncurrent assets recorded as of June 30, 2024.

Deferred Outflows of Resources

There were no deferred outflows of resources as of June 30, 2024.

San Diego State University Mission Valley Enterprises

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) - CONTINUED

June 30, 2024

Liabilities

Current liabilities totaled \$865,000 as of June 30, 2024 and were accounts payable of \$204,000 and accrued liabilities of \$661,000.

There were no long term obligations as of June 30, 2024.

Deferred Inflows of Resources

There were no deferred inflows of resources as of June 30, 2024.

Net Position

Total unrestricted net position was \$1,369,000 as of June 30, 2024. The net position is the result of the funding received by The Campanile Foundation and other operating revenues which were partially offset by the fiscal year 2024 operating expenses.

Operating Revenue and Expenses

Operating Revenues totaling \$30,000 are derived from parking and rental revenue.

Operating Expenses totaling \$1,486,000 are comprised of \$782,000 site operations and maintenance, \$206,000 administrative support and management services, \$93,000 safety and security and \$405,000 other operating expenses.

SDSU collaborated with financial advisors from EY to estimate the annual cost of operating the site. Through this process, they developed the methodology for the Common Area Maintenance (CAM) fee, which will be charged to developers once construction begins. Meanwhile, SDSU arranged alternative funding sources to finance the auxiliary until CAM fee revenue starts coming in. Once all common areas are completed, the projected income from CAM fees is estimated to be \$3.2 million.

Nonoperating Revenues

Nonoperating revenues come from sources that are not part of the Organization primary business functions. Included in this classification are the transfers from The Campanile Foundation of \$2,800,000 to fund the new company as well as \$25,000 to fund the art consulting project.

San Diego State University Mission Valley Enterprises

STATEMENT OF NET POSITION

June 30, 2024

ASSETS

Current assets

| | | |
|------------------------------------|----|---------------|
| Cash and cash equivalents (Note 2) | \$ | 2,156,452 |
| Accounts receivable, net (Notes 3) | | 50,700 |
| Prepaid expenses | | <u>27,000</u> |

Total current assets 2,234,152

Total assets \$ 2,234,152

LIABILITIES

Current liabilities

| | | |
|------------------------------|----|---------|
| Accounts payable | \$ | 204,171 |
| Accrued liabilities (Note 5) | | 661,010 |

Total current liabilities 865,180

Total liabilities \$ 865,180

NET POSITION

Unrestricted \$ 1,368,972

Total net position \$ 1,368,972

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

San Diego State University Mission Valley Enterprises

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the period from inception to June 30, 2024

| | |
|---|---------------------|
| Operating revenues: | |
| Contributions (Note 4) | \$ 2,825,000 |
| Other operating revenues | <u>30,398</u> |
| Total operating revenues | <u>2,855,398</u> |
| Operating expenses (Note 4, 7, 8) | |
| Site operations and maintenance (Note 7) | 781,516 |
| Administration support and management services (Note 4) | 206,275 |
| Safety and security (Note 4) | 92,737 |
| Other operating expenses (Note 8) | <u>405,898</u> |
| Total operating expenses | <u>1,486,426</u> |
| Operating income | <u>1,368,972</u> |
| Net position: | |
| Net position at beginning of year | <u>-</u> |
| Net position at end of year | <u>\$ 1,368,972</u> |

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

San Diego State University Mission Valley Enterprises

STATEMENT OF CASH FLOWS

For the period from inception to June 30, 2024

| | |
|---|----------------------------|
| Cash flows from operating activities: | |
| Contributions | \$ 2,825,000 |
| Payments for services and to suppliers | (690,960) |
| Other receipts | <u>22,412</u> |
| Net cash provided by operating activities | <u>2,156,452</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 2,156,452 |
| Cash and cash equivalents, beginning of year | <u>-</u> |
| Cash and cash equivalents, end of year | <u><u>\$ 2,156,452</u></u> |

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

San Diego State University Mission Valley Enterprises

STATEMENT OF CASH FLOWS - CONTINUED

For the period from inception to June 30, 2024

**Reconciliation of operating income to net cash provided by
operating activities:**

| | |
|--|----------------------------|
| Operating income | \$ 1,368,972 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | |
| Change in assets, liabilities, deferred outflows and inflows of resources: | |
| Accounts receivable | (50,700) |
| Prepaid expenses and other assets | (27,000) |
| Accounts payable | 204,171 |
| Accrued expenses | <u>661,010</u> |
| Net cash provided by operating activities | <u><u>\$ 2,156,452</u></u> |

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

San Diego State University Mission Valley Enterprises

NOTES TO FINANCIAL STATEMENTS

June 30, 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION

San Diego State University Mission Valley Enterprises (“the Organization”) was formed on June 20, 2023. It is an auxiliary organization of San Diego State University (the University) and is organized and operated in accordance with the Education Code of the State of California and the California Code of Regulations. It is a nonprofit corporation created specifically to support the operation, management, maintenance and financial administration of the SDSU Mission Valley site, functions which are essential and integral to the development’s success. This new auxiliary that commenced operations in fiscal year 2024 will allow the university to effectively manage activities at SDSU Mission Valley that are not supported by the state budget.

Activities will be funded by common area maintenance fees paid by developers of the ground lease developments, as well as revenue generated by park operations and sponsorships. All funds will be utilized for the successful operation and maintenance of SDSU Mission Valley. The success of the development will directly support the university’s long term enrollment growth, expansion of its research enterprise and its economic impact on the San Diego region. The Organization reports as a special-purpose government entity engaged only in business-type activities.

The Organization is located on CSU-owned land where the university’s new multiuse Snapdragon Stadium is located. It will be the site of future ground lease developments including housing, an innovation district and a hotel. Additionally, the Organization will operate and maintain the streets, landscaping, park and open spaces across the site, including 34 acres and passive park space that remains on City-owned land. The Organization financial statements are included as a component unit of the University’s annual financial statements as required by the Government Accounting Standards Board (GASB).

Affiliated Organizations

The Organization is related to the four other auxiliaries of the University: Associated Students of San Diego State University, San Diego State University Research Foundation, Aztec Shops, Ltd. And The Campanile Foundation. The auxiliaries and the University periodically provide various services for one another and collaborate on projects.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies utilized by the Organization follows.

Basis of Accounting

The accompanying 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.

Classification of Current and Noncurrent Assets and Liabilities

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

San Diego State University Mission Valley Enterprises

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024

Cash and Cash Equivalents

The Organization considers cash and short-term highly liquid investments with original maturities of three months or less to be cash and cash equivalents. Interest earned on cash deposits in the interest earning deposit account for the year-ended June 30, 2024 were \$15,337.

Accounts Receivable

Accounts receivable are recorded at the actual amounts expected to be collected and include both billed and unbilled amounts.

Capital Assets

Capital assets in excess of \$2,500 will be recorded at cost.

Leased assets and subscription based IT arrangements in excess of \$10,000 which qualify under GASB 87 and GASB 96 will be capitalized as a Right of Use Asset.

Asset Impairment

The Organization's policy is to annually evaluate capital assets held for investment. The carrying values of such assets that are considered to be impaired are adjusted accordingly.

Deferred Inflows and Outflows of Resources

The Organization did not have any transactions that qualified as a deferred inflow or outflow of resources as of June 30, 2024.

Revenue Recognition

Revenue from contributions are recognized in the fiscal year in which eligibility requirements have been satisfied.

Net Position

The Organization net position is classified as unrestricted. Unrestricted assets may be designated for specific purposes by the Organization Board of Directors.

Classification of Revenues and Expenses

the Organization considers operating revenues and expenses to be those revenues and expenses that result from exchange transactions or from activities that are connected directly to the Organization primary functions. Certain other transactions are reported as nonoperating revenues and expenses, including Investment income, net of investment-related fees.

Income Taxes

The Organization and primarily all its affiliates are recognized by the Internal Revenue Service (IRS) as exempt from federal income tax under Section 501(a) of the Internal Revenue Code as charitable organizations qualifying under Internal Revenue Code Section 501(c)(3), except for income taxes pertaining to unrelated business income. Under U.S. GAAP, the tax effects from uncertain tax positions are to be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a tax authority.

San Diego State University Mission Valley Enterprises

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024

The Organization completed an analysis of its uncertain tax positions in accordance with applicable accounting guidance and determined there are no amounts to be recognized on the financial statements at June 30, 2024.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue, gains, expenses and losses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Organization has evaluated subsequent events through September 12, 2024, the date the financial statements were available to be issued.

Pronouncements Issued

The GASB has issued the following statements:

- GASB Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62 (effective for the year ending June 30, 2024)

Management has determined that there is no impact on the financial statements of the Organization for the period ended June 30, 2024.

NOTE 3 - ACCOUNTS RECEIVABLE

The accounts receivables balance of \$50,700 as of June 30, 2024 is classified as current.

NOTE 4 - AFFILIATED ORGANIZATIONS

Aztec Shops, Ltd.

Aztec Shops is the commercial services organization for the University. Pursuant to an agreement with Aztec Shops, effective through May 31, 2034, Aztec Shops shall provide administrative services that include financial, accounting, contracting services and the initial and potential ongoing information technology and marketing services. Aztec Shops charge an administrative fee for these services. For the period-ended June 30, 2024 the administrative fee paid to Aztec Shops totaled \$75,000, and is included in operating expenses in the accompanying Statements of Revenues, Expenses and Changes in Net Position.

At June 30, 2024, the Organization had \$1,988 recorded as receivable from Aztec Shops and \$7,353 recorded as a payable balance to Aztec Shops.

The Campanile Foundation

The Organization was established to support the operation, management, maintenance and financial administration of SDSU Mission Valley. The Campanile Foundation funded the working capital for the organization in the amount of \$2,825,000 for the year ended June 30, 2024.

San Diego State University Mission Valley Enterprises

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024

San Diego State University

San Diego State University provides police services to the Organization. The fee paid to SDSU for this service for the period-ended June 30, 2024 was \$92,737.

The Organization reimburses SDSU for staffing costs to administer the Organization. Staffing costs include salary, benefits, risk pool and applicable admin charges. Expenses totaling \$127,730 have been accrued for at year ended June 30, 2024 for these services.

In addition, the Organization accrued for \$119,280 for landscaping maintenance services for Mission Valley that will be reimbursable to the university.

At June 30, 2024, the Organization had \$44,058 reimbursed as receivable from San Diego State University and \$379,259 recorded as a payable balance to SDSU.

NOTE 5 - OTHER ACCRUED LIABILITIES

Accrued liabilities for the period-ended June 30, 2024 consisted of the following:

| | |
|-------------------------|-------------------|
| SDSU administrative fee | \$ 127,730 |
| Utility expense | 403,303 |
| Landscaping services | 119,280 |
| Other obligations | <u>10,697</u> |
| | <u>\$ 661,010</u> |

NOTE 6 - CONTINGENCIES

The Organization is not involved in any legal proceedings arising in the normal course of business.

NOTE 7 - SITE OPERATIONS AND MAINTENANCE

The Organization entered an agreement with a service provider on December 4, 2023 to provide services including but not limited project management, park ambassador, landscaping and janitorial services.

NOTE 8 - OTHER OPERATING EXPENSES

Other operating expenses recorded for the period-ended June 30, 2024 consist of the following:

| | |
|-------------------------------|-------------------|
| Classification | |
| Water and sewer | \$ 326,818 |
| Utility expense | 49,424 |
| Legal expense | 11,059 |
| Promotional materials | 8,580 |
| Insurance expense | 7,832 |
| Other administrative expenses | <u>2,185</u> |
| | <u>\$ 405,898</u> |

San Diego State University Mission Valley Enterprises

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2024

NOTE 9 - EXPENSE ALLOCATION

Expenses have been classified between program activities which relate to the operation of the River Park and the Administration and General activities. As mentioned in note 7, the Organization entered an agreement with a service provider to provide services including but not limited to project management, park ambassador, landscaping and janitorial services.

| <u>FY 2024</u> | <u>Program Activities</u> | <u>Administration and General Activities</u> | <u>Total Expenses</u> |
|--------------------------------|-------------------------------|--|-----------------------|
| Services and professional fees | \$ 874,765 | \$ 217,334 | \$ 1,092,099 |
| Utilities and water | 376,242 | - | 376,242 |
| Insurance | 7,832 | - | 7,832 |
| Other expenses | - | 10,253 | 10,253 |
| | <hr/> | <hr/> | <hr/> |
| Total expense | <u>\$ 1,258,839</u> | <u>\$ 227,587</u> | <u>\$ 1,486,426</u> |

SUPPLEMENTARY INFORMATION

San Diego State University Mission Valley Enterprises

SCHEDULE OF NET POSITION

June 30, 2024

(for inclusion in the California State University)

ASSETS

Current assets

| | |
|---|--------------|
| Cash and cash equivalents | \$ 2,156,452 |
| Short-term investments | - |
| Accounts receivable, net | 50,700 |
| Capital lease receivable, current portion | - |
| Notes receivable, current portion | - |
| Pledges receivable, net | - |
| Prepaid expenses and other current assets | 27,000 |

Total current assets 2,234,152

Noncurrent assets

| | |
|--|---|
| Restricted cash and cash equivalents | - |
| Accounts receivable, net | - |
| Capital lease receivable, net of current portion | - |
| Notes receivable, net of current portion | - |
| Student loans receivable, net | - |
| Pledges receivable, net | - |
| Endowment investments | - |
| Other long-term investments | - |
| Capital assets, net | - |
| Other assets | - |

Total noncurrent assets -

Total assets \$ 2,234,152

San Diego State University Mission Valley Enterprises

SCHEDULE OF NET POSITION - CONTINUED

June 30, 2024

(for inclusion in the California State University)

LIABILITIES

Current liabilities

| | | |
|---|----|---------|
| Accounts payable | \$ | 204,171 |
| Accrued salaries and benefits | | - |
| Accrued compensated absences, current portion | | - |
| Unearned revenues | | - |
| Capital lease obligations, current portion | | - |
| Long-term debt obligations, current portion | | - |
| Claims liability for losses and loss adjustment expenses, current portion | | - |
| Depository accounts | | - |
| Other liabilities | | 661,009 |

Total current liabilities 865,180

Noncurrent liabilities

| | | |
|--|--|---|
| Accrued compensated absences, net of current portion | | - |
| Unearned revenues | | - |
| Grants refundable | | - |
| Capital lease obligations, net of current portion | | - |
| Long-term debt obligations, net of current portion | | - |
| Claims liability for losses and loss adjustment expenses, net of current portion | | - |
| Depository accounts | | - |
| Net other postemployment benefits liability | | - |
| Net pension liability | | - |
| Other liabilities | | - |

Total noncurrent liabilities -

Total liabilities \$ 865,180

Net Position

| | | |
|----------------------------------|----|-----------|
| Net investment in capital assets | \$ | - |
| Unrestricted | | 1,368,972 |

Total Net Position \$ 1,368,972

San Diego State University Mission Valley Enterprises

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Year ended June 30, 2024
(for inclusion in the California State University)

Revenues

| | |
|--|-----------|
| Operating revenues: | |
| Student tuition and fees, gross | \$ - |
| Scholarship allowances (enter as negative) | - |
| Grants and contracts, noncapital: | |
| Federal | - |
| State | - |
| Local | - |
| Nongovernmental | - |
| Sales and services of educational activities | - |
| Sales and services of auxiliary enterprises, gross | 15,061 |
| Scholarship allowances (enter as negative) | - |
| Other operating revenues | - |
| | - |
| Total operating revenues | \$ 15,061 |

Expenses

| | |
|------------------------------------|----------------|
| Operating expenses: | |
| Instruction | \$ - |
| Research | - |
| Public service | - |
| Academic support | - |
| Student services | - |
| Institutional support | - |
| Operation and maintenance of plant | - |
| Student grants and scholarships | - |
| Auxiliary enterprise expenses | 1,486,426 |
| Depreciation and amortization | - |
| | - |
| Total operating expenses | 1,486,426 |
| Operating income (loss) | \$ (1,471,365) |

San Diego State University Mission Valley Enterprises

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - CONTINUED

Year ended June 30, 2024
(for inclusion in the California State University)

| | |
|--|--------------|
| 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 | 2,825,000 |
| Investment income (loss), net | - |
| Endowment income (loss), net | - |
| Interest revenues (expenses) | 15,337 |
| Other nonoperating revenues (expenses) - excl. interagency transfers | - |
| Other nonoperating revenues (expenses) - interagency transfers | - |
| | 2,840,337 |
| Net nonoperating revenues (expenses) | 2,840,337 |
| Income (loss) before other revenues (expenses) | 1,368,972 |
| State appropriations, capital | - |
| Grants and gifts, capital | - |
| Additions (reductions) to permanent endowments | - |
| | 1,368,972 |
| Increase (decrease) in net position | 1,368,972 |
| Net position | |
| Net position at beginning of year, as previously reported | - |
| Restatements | - |
| | - |
| Net position at beginning of year, as restated | - |
| Net position at end of year | \$ 1,368,972 |

San Diego State University Mission Valley Enterprises

OTHER SUPPLEMENTARY INFORMATION

Year ended June 30, 2024
(for inclusion in the California State University)

1. Cash and cash equivalents at June 30, 2024:

| | | |
|---|----|------------------|
| 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/> |
| Noncurrent restricted cash and cash equivalents | | - |
| | | |
| Current cash and cash equivalents | | 2,156,452 |
| | | <hr/> |
| Total | \$ | <u>2,156,452</u> |

San Diego State University Mission Valley Enterprises

OTHER SUPPLEMENTARY INFORMATION - CONTINUED

Year ended June 30, 2024
(for inclusion in the California State University)

Transactions with related entities:

| | | |
|--|----|-----------|
| Payments to University for salaries of University personnel working on contracts, grants, and other programs | \$ | 92,737 |
| Payments to University for other than salaries of University personnel | | - |
| Payments received from University for services, space, and programs | | - |
| 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 | | (379,259) |
| Other amounts (payable to) University | | - |
| Accounts receivable from University | | 44,058 |
| Other amounts receivable from University | | - |

San Diego State University Mission Valley Enterprises

OTHER SUPPLEMENTARY INFORMATION - CONTINUED

Year ended June 30, 2024
(for inclusion in the California State University)

| | <u>Salaries</u> | <u>Benefits</u> | <u>Benefits - Pension</u> | <u>Supplies and Other Services</u> | <u>Depreciation and Amortization</u> | <u>Total Operating Expenses</u> |
|---|-----------------|-----------------|-------------------------------|--|--|-------------------------------------|
| 12. Natural classifications of operating expenses: | | | | | | |
| Instruction | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Research | - | - | - | - | - | - |
| Public service | - | - | - | - | - | - |
| Academic support | - | - | - | - | - | - |
| Student services | - | - | - | - | - | - |
| Institutional support | - | - | - | - | - | - |
| Operation and maintenance of plant | - | - | - | - | - | - |
| Student grants and scholarships | - | - | - | - | - | - |
| Auxiliary enterprise expenses | - | - | - | 1,486,426 | - | 1,486,426 |
| Depreciation and amortization | - | - | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,486,426</u> | <u>\$ -</u> | <u>\$ 1,486,426</u> |

San Diego State University Mission Valley Enterprises

OTHER SUPPLEMENTARY INFORMATION - CONTINUED

Year ended June 30, 2024
(for inclusion in the California State University)

Other nonoperating revenues (expenses)

Other nonoperating revenues \$ 2,825,000

Other nonoperating (expenses) -

Total other nonoperating revenues (expenses) \$ 2,825,000