

**CALIFORNIA STATE UNIVERSITY,
EAST BAY FOUNDATION, INC.**

SINGLE AUDIT REPORT

YEAR ENDED JUNE 30, 2023



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**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**

Board of Directors
California State University, East Bay Foundation, Inc.
Hayward, 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 the business-type activities and the fiduciary activities of California State University, East Bay Foundation, Inc., a component unit of California State University, East Bay, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the California State University, East Bay Foundation, Inc.'s basic financial statements, and have issued our report thereon dated October 23, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered California State University, East Bay Foundation, Inc.'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of California State University, East Bay Foundation, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of California State University, East Bay Foundation, Inc.'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 or significant deficiencies may exist that were not identified.

Board of Directors
California State University, East Bay Foundation Inc.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether California State University, East Bay Foundation, Inc.'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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Glendora, California
October 23, 2023



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
California State University, East Bay Foundation, Inc.
Hayward, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited California State University, East Bay Foundation, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of California State University, East Bay Foundation, Inc.'s major federal programs for the year ended June 30, 2023. California State University, East Bay Foundation, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of California State University, East Bay Foundation, Inc., and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of California State University, East Bay Foundation, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to California State University, East Bay Foundation, Inc.'s federal programs.

Auditors' Responsibilities for the Audit of Compliance

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding California State University, East Bay Foundation, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of California State University, East Bay Foundation, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of California State University, East Bay Foundation, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

Board of Directors
California State University, East Bay Foundation Inc.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the the business-type activities and the fiduciary activities of California State University, East Bay Foundation, Inc., as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise California State University, East Bay Foundation, Inc.'s basic financial statements. We have issued our report thereon, dated October 23, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Glendora, California
October 23, 2023

CALIFORNIA STATE UNIVERSITY, EAST BAY FOUNDATION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Agency Pass Through Agency Federal Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Research and Development Cluster:				
National Aeronautics and Space Administration				
Direct Program:				
Science	43.001		-	19,727
Pass Through Program:				
Smithsonian Institution				
Science	43.001	20-SUBC-440-00440701	-	3,027
Total National Aeronautics and Space Administration			-	22,754
National Institutes of Health				
Direct Programs:				
Environmental Health	93.113		-	17,393
Biomedical Research and Research Training	93.859		-	2,201
Pass Through Program:				
California State University, Long Beach Research Foundation				
Public Health Informatics & Technology Workforce				
Development Program	93.355	SG256021100EBFND	-	257,529
University of California, San Francisco				
Cardiovascular Diseases Research	93.837	13072sc	-	9,129
California State University, Fullerton Auxiliary Services Corporation				
Biomedical Research and Research Training	93.859	S-7903-CSUEB	-	3,007
Rutgers University, The State University of New Jersey				
Aging Research	93.866	1,335,436	-	4,510
Total National Institutes of Health			-	293,769
National Institutes of Standards and Technology				
Pass Through Program:				
University of Virginia				
Measurement and Engineering Research and Standards	11.609	GO12832.PO#2275879	-	23,978
Total National Institutes of Standards and Technology			-	23,978
National Science Foundation				
Direct Programs:				
Mathematical and Physical Sciences	47.049		-	556,163
Biological Sciences	47.074		-	70,734
Social, Behavioral, and Economic Sciences	47.075		-	123,171
Education and Human Resources	47.076		356,743	1,606,955
Pass Through Programs:				
University of Pittsburgh				
Engineering Grants	47.041	N/A	-	8,000
California State University, Fresno Foundation				
Education and Human Resources	47.076	SC360588-22-01	-	17,252
Cal Poly Corporation				
Education and Human Resources	47.076	2022-6-51601	-	23,173
University Enterprises, Inc. (CSU Sacramento)				
Education and Human Resources	47.076	533075-A5	-	10,000
University of Nebraska-Lincoln				
Education and Human Resources	47.076	25-0536-0059-007	-	40,668
Total National Science Foundation			356,743	2,456,116
U.S. Department of Agriculture				
Direct Program:				
Agriculture and Food Research Initiative (AFRI)	10.310		545,433	548,963
Total U.S. Department of Agriculture			545,433	548,963
U.S. Department of Agriculture, Forest Service				
Direct Program:				
Cooperative Forestry Assistance	10.664		-	16,191
Total U.S. Department of Agriculture, Forest Service			-	16,191

CALIFORNIA STATE UNIVERSITY, EAST BAY FOUNDATION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Agency Pass Through Agency Federal Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Research and Development Cluster (Continued):				
U.S. Department of Education				
Direct Programs:				
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325		\$ -	\$ 215,086
Strengthening Minority-Serving Institutions	84.382		-	39,615
Pass Through Program:				
Washington State University Vancouver Education Research, Development and Dissemination	84.305	139529 SPC004481	-	39,871
Total U.S. Department of Education			-	294,572
U.S. Department of Energy/NNSA				
Direct Programs:				
Office of Science Financial Assistance Program	81.049		86,742	253,436
Nuclear Energy Research, Development and Demonstration	81.121		-	100,784
Pass Through Programs:				
Triad National Security, LLC Department of Energy	81.U01	17479	-	45,606
University of California, Lawrence Berkeley National Laboratory Granting of Patent Licenses	81.003	7607202	-	17,755
Brookhaven Science Associates, LLC. Advanced Research and Projects Agency - Energy	81.135	365173	-	55,481
Total U.S. Department of Energy/NNSA			86,742	473,062
U.S. Department of Health and Human Services				
Pass Through Program:				
Christopher & Dana Reeve Foundation Paralysis Resource Center	93.325	N/A	-	17,075
Total U.S. Department of Health and Human Services			-	17,075
Total Research and Development Cluster			988,918	4,146,480
Other Federal Programs:				
U.S. Department of Agriculture				
Pass Through Programs:				
Chico State Enterprises State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	A22-0055-S022	-	71,160
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	SUB20-012	-	29,793
Total U.S. Department of Agriculture and SNAP Cluster			-	100,953
U.S. Department of Education				
Direct Programs:				
Higher Education Institutional Aid	84.031		-	306,580
TRIO Student Support Services	84.042		-	758,263
TRIO_McNair Post-Baccalaureate Achievement	84.217		-	66,771
Total TRIO Cluster			-	825,034
Fund for the Improvement of Education	84.215		3,662,011	5,115,879
Special Education-Personnel Development to Improve Services and Results for Children with Disabilities	84.325		-	198,959

CALIFORNIA STATE UNIVERSITY, EAST BAY FOUNDATION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

Federal Agency Pass Through Agency Federal Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Other Federal Programs (Continued):				
Pass Through Programs:				
Sonoma State University				
English Language Acquisition Grants	84.365	121505	-	103,353
UC Office of the President				
Improving Teacher Quality State Grants	84.367	ESSA20-CSP-EAST BAY	-	(528)
Improving Teacher Quality State Grants	84.367	ESSA21-CSP-EAST BAY	-	(275)
Improving Teacher Quality State Grants	84.367	ESSA22-CSP-EAST BAY	-	32,065
				<u>31,262</u>
Total U.S. Department of Education			<u>3,662,011</u>	<u>6,581,067</u>
U.S. Department of Health and Human Services				
Pass Through Programs:				
Alameda County				
Community Programs to Improve Minority Health Grant Program	93.137	23757	65,883	240,837
University of California, Berkeley				
Foster Care Title IV-E	93.658	00010499	-	(1,082)
Foster Care Title IV-E	93.658	00011207	-	1,265,872
			-	1,264,790
Mental and Behavioral Health Education and Training Grants	93.732	00009667	-	77,625
Total U.S. Department of Health and Human Services			<u>65,883</u>	<u>1,583,252</u>
U.S. Department of the Treasury				
Pass Through Program:				
Governor's Office of Research and Planning (OPR)				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	CCSFRF005	-	653,185
Total U.S. Department of the Treasury			-	<u>653,185</u>
U.S. Small Business Administration				
Pass Through Programs:				
Humboldt State University Sponsored Programs Foundation				
Small Business Development Centers	59.037	F3243	-	256,128
Small Business Development Centers	59.037	F3305	-	93,714
Total U.S. Small Business Adm and Small Business Development Centers			-	<u>349,842</u>
Institute of Museum and Library Services				
Pass Through Program:				
California State Library				
Grants to States	45.310	40-9376	-	20,374
Total Institute of Museum and Library Services			-	<u>20,374</u>
Total Other Federal Programs			<u>3,727,894</u>	<u>9,288,673</u>
Total Federal Expenditures			<u>\$ 4,716,812</u>	<u>\$ 13,435,153</u>

CALIFORNIA STATE UNIVERSITY, EAST BAY FOUNDATION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2023

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of California State University, East Bay Foundation, Inc. (the Foundation), under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the consolidated financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles in Office of Management and Budget Circular 21, *Cost Principles for Institutions of Higher Education*, or 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*, wherein certain types of expenditures may or may not be allowable or may be 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.

NOTE 3 INDIRECT COST RATE

The Foundation has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4 SUBRECIPIENTS

The Foundation passes certain federal awards received to other governments or not-for-profit agencies (subrecipients). The Foundation reports expenditures of Federal awards to subrecipients on an accrual basis.

NOTE 5 NATIONAL SCIENCE FOUNDATION GRANTS

According to the National Science Foundation's Proposal and Award Policies and Procedures Guide (Guide) dated January 14, 2013, certain National Science Foundation individual programs are included in the Research and Development Cluster and are reported in the Schedule accordingly under the Research and Development Cluster. In accordance with the transition statements published with the adoption of the Guide, awards that existed prior to the Guide's issuance are reported on the Schedule based on the content of the award until they expire.

**CALIFORNIA STATE UNIVERSITY, EAST BAY FOUNDATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____yes x no
 - Significant deficiency(ies) identified? _____yes x none reported
3. Noncompliance material to financial statements noted? _____yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____yes x no
 - Significant deficiency(ies) identified? _____yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. 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

Assistance Listing Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds
84.215	Promise Neighborhoods
Various	TRIO Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? x yes _____no

CALIFORNIA STATE UNIVERSITY, EAST BAY FOUNDATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2023

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



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