

**Cal State East Bay Educational Foundation, Inc.**  
**(A Component Unit of California State University, East Bay)**

**Financial Statements  
and Supplementary Information**

**Year Ended June 30, 2020**



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**Cal State East Bay Educational Foundation, Inc.**

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Year Ended June 30, 2020

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## INDEPENDENT AUDITORS' REPORT

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

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

We have audited the accompanying financial statements of the business-type activities, of the Cal State East Bay Educational Foundation, Inc., a component unit of California State University, East Bay, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the entity'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.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Cal State East Bay Educational Foundation, Inc. as of June 30, 2020, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents to 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 opinions on the financial statements that collectively comprise the Cal State East Bay Educational Foundation, Inc.'s basic financial statements. The schedule of net position, the schedule of revenues, expenses, and changes in net position, and other information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. This 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. Such 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 schedules of the Cal State East Bay Educational Foundation, Inc., referred to above, are fairly stated, in all material respects, in relation to the basic 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 9, 2020, on our consideration of the Cal State East Bay Educational Foundation, Inc.'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 result of that testing, and not to provide an opinion on the effectiveness of Cal State East Bay Educational Foundation, Inc.'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 Cal State East Bay Educational Foundation, Inc.'s internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Glendora, California  
September 9, 2020

## Cal State East Bay Educational Foundation, Inc.

### Management's Discussion and Analysis

Year Ended June 30, 2020

(Unaudited)

This section of Cal State East Bay Educational Foundation, Inc.'s (Educational Foundation) annual financial report includes some of management's insights and analyses of the Educational Foundation's financial performance for the year ended June 30, 2020. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes.

#### Financial Highlights

- Current assets decreased by \$2.5 million primarily due to a change in the investment portfolio value resulting from the global pandemic's negative impact on market volatility and valuation.
- Operating expenses increased by \$190,000 due to the increase in contributions made to the University for scholarships and other programs in the current year as compared to the previous year.
- Nonoperating revenues decreased by \$1.4 million due to the global pandemic negatively impacting investment returns causing significant lower gains on the value of invested funds as compared to the previous year.

#### Overview of the Financial Statements

The annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 35, Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities. This standard is applicable to the Educational Foundation because it is a component unit of California State University, East Bay (University). Consistent with the University, the Educational Foundation has adopted the Business-Type Activity (BTA) reporting model to represent its activities.

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. All sections should be considered together to obtain a complete understanding of the financial picture of the Educational Foundation. The discussion has been prepared by management and should be read in conjunction with the basic financial statements and accompanying notes.

*Statement of Net Position:* The statement of net position includes all assets and liabilities of the Educational Foundation. It is prepared under the accrual basis of accounting, whereby revenues and receivables are recognized when the service is provided and expenses and liabilities are recognized when incurred, regardless of when cash is exchanged. It also identifies major categories of restrictions on the net position of the Educational 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, 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 operating activities.

*Notes to Financial Statements:* The notes to financial statements provide additional information that are essential to a full understanding of the data provided in the Educational Foundation's financial statements. The notes are included immediately following the basic financial statements within this report.

**Cal State East Bay Educational Foundation, Inc.**  
Management's Discussion and Analysis (Continued)  
Year Ended June 30, 2020  
(Unaudited)

A summary of key financial statement information is presented below:

Statement of Net Position

	<b>2020</b>	<b>2019</b>	
Assets:			
Current assets	\$ 5,142,498	\$ 7,637,478	
Noncurrent assets	14,855,172	13,290,318	
Total Assets	19,997,670	20,927,796	
Liabilities:			
Current liabilities	657,428	693,710	
Net Position:			
Restricted:			
Nonexpendable	13,956,477	13,054,142	
Expendable	4,942,419	6,743,187	
Unrestricted	441,346	436,757	
Total net position	\$ 19,340,242	\$ 20,234,086	

**Assets**

Current assets decreased by \$2.5 million or 33% primarily due to a \$1.9 million decrease in the value of the investment portfolio and a \$680,000 decrease in pledge receivable. Investment decreased due to the global pandemic's negative impact on market volatility and valuation. Additionally, pledges decreased due to the completion of previous year pledges. These decreases were partially offset by small increase in cash and accounts receivable as compared to the previous year.

Noncurrent assets increased by \$1.6 million or 12% in fiscal year 2020. The increase was from the \$900,000 increase in additions to permanent endowments during the year and a \$660,000 increase in noncurrent pledge receivables attributable to the increase of new pledges received during the year.

**Liabilities**

Current liabilities decreased by \$36,000 or 5% due to a \$76,000 lower gains on the value of invested agency funds as compared to the prior year, offset by a \$39,000 increase in accounts payable due to the timing of the payment for campus cost recovery charges.

**Net Position**

Net position decreased by \$890,000 or 4% in fiscal year 2020 mainly due to the expendable net position, which decreased by a total of \$1.9 million due to the global pandemic negatively impacting investment returns. A \$900,000 increase in nonexpendable net position from additions to permanent endowments received during the year offset this impact.

**Cal State East Bay Educational Foundation, Inc.**  
Management's Discussion and Analysis (Continued)  
Year Ended June 30, 2020  
(Unaudited)

Statements of Revenues, Expenses and  
Changes in Net Position

	<b>2020</b>	<b>2019</b>
Operating revenues	\$ 2,610,135	\$ 2,661,806
Operating expenses	2,271,030	2,082,299
Operating income	339,105	579,507
Nonoperating revenues (expenses)	(1,232,949)	175,481
Increase (decrease) in net position	(893,844)	754,988
Net position, beginning of year	20,234,086	19,479,098
Net position, end of year	\$ 19,340,242	\$ 20,234,086

**Revenues and Expenses**

Operating revenues decreased by \$51,000 or 2% in fiscal year 2020 mainly due to smaller additions to permanent endowment offset by higher noncapital gifts received in the current year compared to the previous year.

Operating expenses increased by \$190,000 or 9% mainly due to the increase in contributions made to the University for scholarships and other programs in the current year as compared to the previous year.

Nonoperating revenues decreased by \$1.4 million or 802% due to the global pandemic negatively impacting investment returns causing significant lower gains on the value of invested funds as compared to the previous year.

**Request for Information**

The financial report is designed to provide a general overview of the Educational Foundation's finances. For questions concerning any information in this report or for additional financial information, contact Kim Napoli, University Controller, California State University, East Bay, 25800 Carlos Bee Boulevard, Hayward, California 94542 or call 510-885-7363.

**Cal State East Bay Educational Foundation, Inc.**

Statement of Net Position

Year Ended June 30, 2020

**ASSETS**

Current assets:

Cash	\$ 1,222,839
Investments	2,977,505
Accounts receivable	255,475
Pledge receivable, net	686,679
Total current assets	<u>5,142,498</u>

Noncurrent assets:

Endowment investments	13,956,477
Pledge receivable, net	898,695
Total noncurrent assets	<u>14,855,172</u>

Total assets	<u>19,997,670</u>
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**LIABILITIES**

Current liabilities:

Accounts payable	45,944
Agency liabilities	611,484
Total current liabilities	<u>657,428</u>

**NET POSITION**

Restricted:

Nonexpendable-endowments	13,956,477
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Expendable:

Scholarships and fellowships	1,297,550
Capital projects	318,412
Other programs	3,326,457

Unrestricted	441,346
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Total net position	<u>\$ 19,340,242</u>
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**Cal State East Bay Educational Foundation, Inc.**  
Statement of Revenues, Expenses, and Changes in Net Position  
Year Ended June 30, 2020

**REVENUES**

Operating revenues	
Gifts, capital	\$ 80,367
Gifts, noncapital	1,417,245
In-kind contributions	7,654
Additions to permanent endowments	903,287
Other operating revenues	201,582
Total operating revenues	<u>2,610,135</u>

**EXPENSES**

Operating expenses:	
Contributions to support activities of the University	2,073,014
Accounting and administrative cost	198,016
Total operating expenses	<u>2,271,030</u>
Net operating income	<u>339,105</u>

**NONOPERATING REVENUES (EXPENSES)**

Investment loss, net	(1,423,366)
Investment income, net	190,417
Total nonoperating revenues (expenses)	<u>(1,232,949)</u>

**DECREASE IN NET POSITION**

(893,844)

**NET POSITION**

Net position, Beginning of year	<u>20,234,086</u>
Net position, End of year	<u>\$ 19,340,242</u>

See accompanying Notes to Financial Statements.

**Cal State East Bay Educational Foundation, Inc.**

Statement of Cash Flows

Year Ended June 30, 2020

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from contributors	\$ 2,428,997
Payments for contributions to the University	(2,073,014)
Payments for accounting and administrative costs	(198,016)
Other operating cash flows	126,862
Net cash provided by operating activities	<u>284,829</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchases of investments	(9,668,085)
Sales of investments	10,428,418
Investment gain, net	(985,177)
Net cash used in investing activities	<u>(224,844)</u>

Net increase in cash 59,985

Cash, beginning of year 1,162,854

Cash, end of year \$ 1,222,839

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income	339,105
Adjustments to reconcile operating income to Net cash used in operating activities	
Changes in operating assets and liabilities	
Accounts receivable	(38,438)
Pledges receivable, net	20,444
Accounts payable	39,917
Agency liabilities	(76,199)
Net cash provided by operating activities	<u>\$ 284,829</u>

**SUPPLEMENTAL DISCLOSURE OF NONCASH INFORMATION**

Change in fair value of investments	<u>\$ (247,772)</u>
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See accompanying Notes to Financial Statements.

**Cal State East Bay Educational Foundation, Inc.**

Notes to Financial Statements

June 30, 2020

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Nature of Activities

Cal State East Bay Educational Foundation, Inc. (Educational Foundation) is a California tax-exempt, nonprofit corporation organized in 1963 as the Cal State-Affiliates to support California State University, East Bay (University). The Educational Foundation promotes private sector support for educational activities to supplement state support. Contributions to the Educational Foundation support scholarships and other University programs.

B. Financial Reporting Entity

The basic financial statements include the accounts of the Educational Foundation. The Educational Foundation is a government organization under accounting principles generally accepted in the United States of America and is also a component unit of the University, a public university under the California State University system. The Educational Foundation has chosen to use the reporting model for special-purpose governments engaged only in business-type activities.

C. Basis of Presentation

The 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. Voluntary nonexchange transactions are recognized as revenue as soon as all eligibility requirements have been met.

D. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

E. Cash

The Educational Foundation considers highly liquid investments with a maturity of three months or less to be cash and cash equivalents.

F. Pledges Receivable

Pledges that are expected to be collected within one year are reflected as current and are recorded at their net realizable value. Pledges that are due in subsequent years are reflected as noncurrent and are discounted to their present value using risk-adjusted rates. The discount rate for the year ended June 30, 2020 was 1.27%. Allowance for uncollectible pledges is provided based on management's judgment, considering such factors as prior collection history, type of contribution, relationship with the donor, and other relevant factors.

**Cal State East Bay Educational Foundation, Inc.**

Notes to Financial Statements (Continued)

June 30, 2020

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

G. Investments

Investments are reflected at fair value using quoted market prices. Earnings, gains, and losses are included in the statements of revenues, expenses, and changes in net position as investment gains (losses), net or investment income, net. Earnings, gains, or losses on donor-restricted endowments are available or deducted from donor-designated purposes, primarily scholarships, and are presented separately under nonoperating revenues (expenses) in the accompanying statement of revenues, expenses, and changes in net position.

Consistent with Cal State East Bay Educational Foundation's Endowment and Investment Policy Statement (Document No.301), *restricted endowment funds are funds for which the donor specifies how the endowed income will be used.* Donor gift agreements direct that Restricted Nonexpendable Endowments are to be held in perpetuity with only the investment returns being available for use in accordance with the Educational Foundation's endowment spending policy. As such, the investments attributable to the Restricted Nonexpendable Endowments are classified as long-term.

H. Capital Assets

Capital assets are stated at cost, net of accumulated depreciation. Expenses for maintenance and repairs are charged against operations. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets of three years. The Educational Foundation's property and equipment are fully depreciated and therefore, do not appear in this report.

I. Agency Liabilities

The Educational Foundation administers monies and investments for the California State University East Bay Alumni Association and other University programs. Such funds are reported as agency liabilities in the accompanying statement of net position.

J. In-kind Contributions

In-kind contributions are composed of miscellaneous tangible items and reported at fair value. All items greater than \$5,000 require a professional appraisal and the remainder are valued by the donor.

**Cal State East Bay Educational Foundation, Inc.**

Notes to Financial Statements (Continued)

June 30, 2020

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

K. Net Position

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

Restricted – Expendable - Net position subject to externally imposed conditions that can be fulfilled by the actions of the Educational Foundation or by the passage of time.

Restricted - Nonexpendable - Net position subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity for the purpose of generating investment income to fund the agreed-upon purpose of the donor's gift.

Unrestricted - All other categories of net position, including those net position designated by the board and management.

L. Classification of Revenues and Expenses

The Educational Foundation considers operating revenues and expenses in the statements 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 with the Educational 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. 35, Basic Financial Statements-and Management's Discussion and Analysis-for Public Colleges and Universities-an amendment of GASB Statement No. 34. These nonoperating activities include the Educational Foundation's net investment income and interest expense.

M. Services and Facilities

Certain administrative personnel and office facilities provided to the Educational Foundation by the University were subject to reimbursement through the University cost recovery process. As these services and facilities have been priced via an objective valuation process, the related expenses have been reflected in the financial statements of the Educational Foundation as reimbursements to the University.

N. Income Taxes

The Educational Foundation is exempt from Federal and State corporate income taxes under Internal Revenue Service (IRS) Code Section 501(c)(3) and California Revenue and Taxation Service Code 23701d. In addition, the Educational Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(1). However, the Educational Foundation remains subject to taxes on any net income which is derived from a trade or business, regularly carried on, and unrelated to its exempt purpose.

**Cal State East Bay Educational Foundation, Inc.**

Notes to Financial Statements (Continued)

June 30, 2020

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

The Educational Foundation recognizes accrued interest and penalties associated with uncertain tax positions as part of the income tax provision, when applicable. There are no amounts accrued in the financial statements related to uncertain tax positions.

The Educational Foundation files informational and income tax returns in the United States and various state and local jurisdictions. The Educational Foundation's Federal income tax and informational returns are subject to examination by the IRS and state taxing authorities generally for three and four years, respectively, after the returns were filed.

**O. Risks Financing Activities**

The Educational Foundation is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Educational Foundation carries commercial insurance. The Educational Foundation has not had any significant reduction in insurance coverage, and there have been no claims in excess of coverage, in any of the past three years.

**P. Risks and Uncertainties**

The Coronavirus Disease 2019 (COVID-19) has recently affected global markets, supply chains, employees of companies and our communities. Management of the organization is taking appropriate actions to mitigate the impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as of June 30, 2020.

**NOTE 2 INVESTMENTS**

With respect to its investment decision-making, the Educational Foundation considers factors such as general economic conditions, possible effects of inflation or deflation, expected total return, availability of other resources, the needs of the University, and preservation of capital. Investment decisions are made in the context of the entire portfolio viewed as a whole.

The desired target for distributions from endowment funds for each year will be amounts that, over time, will result in the retention of earnings in the endowments equal to the rate of inflation plus 0% to 5%, after payment of investment, administration fees, and distributions. In order to provide stability in distribution amounts over time, the Educational Foundation's approved overall distribution percentage will be no more than 4% times the average of the quarter-end balances of endowment and quasi-endowment values over the preceding twelve quarters as of March 31.

**Cal State East Bay Educational Foundation, Inc.**

Notes to Financial Statements (Continued)

June 30, 2020

**NOTE 2 INVESTMENTS (CONTINUED)**

Investments consist of the following as of June 30, 2020:

Equity securities	\$ 9,246,049
Mutual funds	3,250,420
Corporate bonds	1,842,190
U.S. treasury securities	1,346,625
Municipal bonds	746,017
Money market mutual funds	476,848
U.S. agency securities	25,834
Total	<u><u>\$ 16,933,982</u></u>

Nonoperating revenues (expenses), net, consists of the following for the year ended June 30, 2020:

Realized and unrealized losses	\$ (1,423,366)
Interest and dividends, net of fees	190,417
Total	<u><u>\$ (1,232,949)</u></u>

**A. Credit Risk**

Credit risk is the risk that an issuer or other counterparty to a debt instrument will not fulfill its obligations. This is measured by the assignment of ratings by nationally recognized statistical rating organizations. The Educational Foundation's investment policy generally prohibits investments in the following vehicles: private placements, venture capital investments, real estate properties, futures contracts, options, short sales, or margin sales. Investments in cash equivalents, fixed income securities, equity securities and mutual funds are done in a diversified manner that is risk averse with an objective of minimized risk while obtaining a reasonable return. The Educational Foundation's investment policy dictates a diverse asset allocation as follows: equities (10-80%), fixed income (20-50%), cash (0-10%), and alternative investments (10-35%). The investment consultant is provided a maximum and minimum portfolio target for each asset class to ensure proper diversification and to avoid unnecessary risk.

**B. Custodial Credit Risk**

Custodial credit risk for deposits is the risk that the Educational Foundation will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The California Government Code and Education Code do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the provision that a financial institution must secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The risk is mitigated in that the Educational Foundation's deposits are maintained at financial institutions that are fully insured or collateralized as required by state law.

**Cal State East Bay Educational Foundation, Inc.**

Notes to Financial Statements (Continued)

June 30, 2020

**NOTE 2 INVESTMENTS (CONTINUED)**

C. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. Under the Educational Foundation's Investment Policy, no more than five percent (5%) of the total assets of the investments held by Educational Foundation may be invested in the securities of any one issuer. In order to maximize the rate of return in Educational Foundation's long-term investment portfolio while preserving capital and limiting concentration of credit risks, the Educational Foundation's investment policy dictates a diverse asset allocation as follows: equities (10-80%), fixed income (20-50%), cash (0-10%), and alternative investments (10-35%).

D. Interest Rate Risk

This is the risk of loss due to the fair value of an investment falling due to interest rates rising. As a means of limiting this exposure, short-term investments are limited to relatively liquid instruments such as certificates of deposit, savings accounts, federally guaranteed notes and bills, money market mutual funds.

The following indicates the credit and interest rate risk of investments as of June 30, 2020. The credit ratings listed are for Moody's Investor Services.

	Weighted-Average Duration (Years)	Fair Value	Rating						
			AAA	Aa1-Aa3	A1-A3	BA1	Baa1- Baa3	NR	
Corporate bonds	4.96	\$ 1,842,190	\$429	\$ 705	\$ 5,018	\$ 52,545	\$ 372,568	\$ 1,410,925	
U.S. agency securities	1.54	\$ 25,834	\$ -	\$ -	\$ -	\$ 25,834	\$ -	\$ -	

E. Fair Value Measurement and Application

GASB Statement No. 72, Fair Value Measurement and Application, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

*Level 1* - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Educational Foundation has the ability to access.

*Level 2* - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets in inactive markets; inputs other than quoted prices that are observable for the asset or liability; or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.



**Cal State East Bay Educational Foundation, Inc.**

Notes to Financial Statements (Continued)

June 30, 2020

**NOTE 2 INVESTMENTS (CONTINUED)**

*Level 3* - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The valuation technique utilized to measure the investments is the market approach using prices and other relevant information generated by market transactions involving identical or comparable assets.

Money Market Funds are not categorized under the fair value hierarchy and are shown at Net Asset Value (NAV). These investments are measured at amortized cost when calculating NAV per share (or its equivalent) of the investment.

The following shows the investments by fair value level as of June 30, 2020:

Investment by Fair Value Level	Fair Value Measurements Using			
	Total	Quoted Prices in Active Markets for Identical Assets		Significant Other Observable Inputs
		Level 1	Level 2	NAV
Corporate bonds	\$ 1,842,190	\$ -	\$ 1,842,190	\$ -
Equity securities	9,246,049	9,246,049		-
Mutual funds	3,250,420	-	3,250,420	-
U.S. treasury securities	1,346,625	-	1,346,625	-
Municipal bonds	746,017	-	746,017	-
Money market mutual funds	476,848	-		476,848
U.S. agency securities	25,834	-	25,834	-
<b>Total investments by fair value level</b>	<b>\$ 16,933,982</b>	<b>\$ 9,246,049</b>	<b>\$ 7,211,085</b>	<b>\$ 476,848</b>

**NOTE 3 PLEDGE RECEIVABLE**

Pledges receivable consist of the following at June 30, 2020:

Receivable in less than one year	\$ 723,769
Receivable in one to five years	936,363
Less: allowance for doubtful accounts	(37,090)
Less: discount factor to present value	(37,668)
<b>Total</b>	<b>\$ 1,585,374</b>

**Cal State East Bay Educational Foundation, Inc.**

Notes to Financial Statements (Continued)

June 30, 2020

**NOTE 4 RELATED PARTY TRANSACTIONS**

The Educational Foundation may enter into transactions with the other California State University, East Bay Auxiliaries (Associated Students, Inc. of California State University, East Bay and the California State University, East Bay Foundation, Inc. (collectively known as the Auxiliaries)) as well as transactions with the University itself.

The Educational Foundation reimburses the University for certain services to Educational Foundation. The fees for these services for the year ended June 30, 2020 was \$114,372. During the year ended June 30, 2020, the Educational Foundation paid cash and contributed in-kind gifts of \$2,061,792 and \$7,654, respectively to the University. Fees of \$60,403 for services rendered in relation to these gifts were deducted from the contributions. These amounts are included as contributions to support activities of the University in the accompanying statement of revenues, expenses, and changes in net position. Accounts payables to California State University, East Bay at June 30, 2020 was \$45,943.

At June 30, 2020, the Educational Foundation had pledges receivable from members and officers of the Board of Directors in the amount of \$811,051, net of allowances for doubtful accounts and discounts. These pledges receivable are due at various dates through 2025.

**NOTE 5 FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statement of revenues, expenses, and changes in net position. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Other Supplementary Information  
For California State University  
Office of the Chancellor**

**Cal State East Bay Educational Foundation, Inc.**  
**Schedule of Net Position**  
**Year Ended June 30, 2020**

<b>Assets:</b>	
<b>Current assets:</b>	
Cash and cash equivalents	\$ 1,222,839
Short-term investments	2,977,505
Accounts receivable, net	255,475
Capital lease receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	686,679
Prepaid expenses and other current assets	-
<b>Total current assets</b>	<b>5,142,498</b>
<b>Noncurrent assets:</b>	
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	898,695
Endowment investments	13,956,477
Other long-term investments	-
Capital assets, net	-
Other assets	-
<b>Total noncurrent assets</b>	<b>14,855,172</b>
<b>Total assets</b>	<b>19,997,670</b>
<b>Deferred outflows of resources:</b>	
Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Others	-
<b>Total deferred outflows of resources</b>	<b>-</b>
<b>Liabilities:</b>	
<b>Current liabilities:</b>	
Accounts payable	45,944
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	611,484
Other liabilities	-
<b>Total current liabilities</b>	<b>657,428</b>
<b>Noncurrent liabilities:</b>	
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	-
<b>Total noncurrent liabilities</b>	<b>-</b>
<b>Total liabilities</b>	<b>657,428</b>
<b>Deferred inflows of resources:</b>	
Service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Others	-
<b>Total deferred inflows of resources</b>	<b>-</b>
<b>Net position:</b>	
Net investment in capital assets	-
Restricted for:	
Nonexpendable – endowments	13,956,477
Expendable:	
Scholarships and fellowships	1,297,550
Research	-
Loans	-
Capital projects	318,412
Debt service	-
Others	3,326,457
Unrestricted	441,346
<b>Total net position</b>	<b>\$ 19,340,242</b>

See accompanying note to supplementary information.

**Cal State East Bay Educational Foundation, Inc.**  
Schedule of Revenues, Expenses, and Changes in Net Position  
Year Ended June 30, 2020

<b>Revenues:</b>	
<b>Operating revenues:</b>	
Student tuition and fees, gross	\$ -
Scholarship allowances (enter as negative)	-
<b>Grants and contracts, noncapital:</b>	
Federal	-
State	-
Local	-
Nongovernmental	-
Sales and services of educational activities	-
Sales and services of auxiliary enterprises, gross	-
Scholarship allowances (enter as negative)	-
Other operating revenues	-
<b>Total operating revenues</b>	<b>-</b>
<b>Expenses:</b>	
<b>Operating expenses:</b>	
Instruction	-
Research	-
Public service	-
Academic support	-
Student services	-
Institutional support	-
Operation and maintenance of plant	-
Student grants and scholarships	-
Auxiliary enterprise expenses	2,271,030
Depreciation and amortization	-
<b>Total operating expenses</b>	<b>2,271,030</b>
<b>Operating income (loss)</b>	<b>(2,271,030)</b>
<b>Nonoperating revenues (expenses):</b>	
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	1,424,899
Investment income (loss), net	(1,423,366)
Endowment income (loss), net	190,417
Interest expense	-
Other nonoperating revenues (expenses) - excl. interagency transfers	201,582
<b>Net nonoperating revenues (expenses)</b>	<b>393,532</b>
<b>Income (loss) before other revenues (expenses)</b>	<b>(1,877,498)</b>
State appropriations, capital	-
Grants and gifts, capital	80,367
Additions (reductions) to permanent endowments	903,287
<b>Increase (decrease) in net position</b>	<b>(893,844)</b>
<b>Net position:</b>	
Net position at beginning of year, as previously reported	20,234,086
Restatements	-
<b>Net position at beginning of year, as restated</b>	<b>20,234,086</b>
<b>Net position at end of year</b>	<b>\$ 19,340,242</b>

See accompanying note to supplementary information.

**Cal State East Bay Educational Foundation, Inc.**

Other Information

Year Ended June 30, 2020

**1 Cash and cash equivalents:**

Portion of restricted cash and cash equivalents related to endowments	
All other restricted cash and cash equivalents	
<b>Noncurrent restricted cash and cash equivalents</b>	<u>-</u>
Current cash and cash equivalents	<u>1,222,839</u>
<b>Total</b>	<u><u>\$ 1,222,839</u></u>

**2.1 Composition of investments:**

Investment Type	Current	Noncurrent	Fair Value
Money market funds	83,844	393,004	476,848
Repurchase agreements			-
Certificates of deposit			-
U.S. agency securities	4,542	21,291	25,833
U.S. treasury securities	236,777	1,109,847	1,346,624
Municipal bonds	131,172	614,845	746,017
Corporate bonds	323,913	1,518,278	1,842,191
Asset backed securities			-
Mortgage backed securities			-
Commercial paper			-
Mutual funds	571,522	2,678,898	3,250,420
Exchange traded funds			-
Equity securities	1,625,735	7,620,314	9,246,049
Alternative investments:			
Private equity (including limited partnerships)			-
Hedge funds			-
Managed futures			-
Real estate investments (including REITs)			-
Commodities			-
Derivatives			-
Other alternative investment			-
Other external investment pools			-
CSU Consolidated Investment Pool (formerly SWIFT)			-
State of California Local Agency Investment Fund (LAIF)			-
State of California Surplus Money Investment Fund (SMIF)			-
Other investments:			
			-
			-
			-
			-
			-
			-
			-
			-
			-
Total Other investments	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total investments</b>	<u>2,977,505</u>	<u>13,956,477</u>	<u>16,933,982</u>
Less endowment investments (enter as negative number)		(13,956,477)	(13,956,477)
<b>Total investments, net of endowments</b>	<u>\$ 2,977,505</u>	<u>-</u>	<u>2,977,505</u>

**Cal State East Bay Educational Foundation, Inc.**  
**Other Information (Continued)**  
**Year Ended June 30, 2020**

**2.2 Fair value hierarchy in investments:**

Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds	\$ 476,848				476,848
Repurchase agreements	-				
Certificates of deposit	-				
U.S. agency securities	25,834		25,834		
U.S. treasury securities	1,346,625		1,346,625		
Municipal bonds	746,017		746,017		
Corporate bonds	1,842,190		1,842,190		
Asset backed securities	-				
Mortgage backed securities	-				
Commercial paper	-				
Mutual funds	3,250,420		3,250,420		
Exchange traded funds	-				
Equity securities	9,246,049	9,246,049			
Alternative investments:					
Private equity (including limited partnerships)	-				
Hedge funds	-				
Managed futures	-				
Real estate investments (including REITs)	-				
Commodities	-				
Derivatives	-				
Other alternative investment	-				
Other external investment pools	-				
CSU Consolidated Investment Pool (formerly SWIFT)	-				
State of California Local Agency Investment Fund (LAIF)	-				
State of California Surplus Money Investment Fund (SMIF)	-				
Other investments:					
	-				
	-				
	-				
	-				
Total Other investments	\$ -	-	-	-	-
<b>Total investments</b>	<b>16,933,982</b>	<b>9,246,049</b>	<b>7,211,086</b>	<b>-</b>	<b>476,848</b>

**2.3 Investments held by the University under contractual agreements:**

	Current	Noncurrent	Total
Investments held by the University under contractual agreements e.g. - CSU Consolidated Investment Pool (formerly SWIFT):		\$ -	-

**3.1 Composition of capital assets:**

	Balance June 30, 2019	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2019 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2020 (Restated)
<b>Non-depreciable/Non-amortizable capital assets:</b>									
Land and land improvements				\$ -	-				\$ -
Works of art and historical treasures					-				-
Construction work in progress (CWIP)					-				-
Intangible assets:									
Rights and easements					-				-
Patents, copyrights and trademarks					-				-
Intangible assets in progress (PWIP)					-				-
Licenses and permits					-				-
Other intangible assets:									
					-				-
					-				-
					-				-
					-				-
					-				-
Total Other intangible assets		-	-	-	-				-
<b>Total intangible assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>				<b>-</b>
<b>Total non-depreciable/non-amortizable capital assets</b>		<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>				<b>-</b>

**Cal State East Bay Educational Foundation, Inc.**  
**Other Information (Continued)**  
**Year Ended June 30, 2020**

**Depreciable/Amortizable capital assets:**

Buildings and building improvements		-	-
Improvements, other than buildings		-	-
Infrastructure		-	-
Leasehold improvements		-	-
Personal property:			
Equipment		-	-
Library books and materials		-	-
Intangible assets:			
Software and websites	112,000	112,000	112,000
Rights and easements		-	-
Patents, copyrights and trademarks		-	-
Licenses and permits		-	-
Other intangible assets:		-	-
		-	-
		-	-
		-	-
		-	-
Total Other intangible assets:	-	-	-
<b>Total intangible assets</b>	<b>112,000</b>	<b>112,000</b>	<b>112,000</b>
<b>Total depreciable/amortizable capital assets</b>	<b>112,000</b>	<b>112,000</b>	<b>112,000</b>
<b>Total capital assets</b>	<b>\$ 112,000</b>	<b>\$ 112,000</b>	<b>\$ 112,000</b>

**Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)**

Buildings and building improvements		-	-
Improvements, other than buildings		-	-
Infrastructure		-	-
Leasehold improvements		-	-
Personal property:			
Equipment		-	-
Library books and materials		-	-
Intangible assets:			
Software and websites	(112,000)	(112,000)	(112,000)
Rights and easements		-	-
Patents, copyrights and trademarks		-	-
Licenses and permits		-	-
Other intangible assets:		-	-
		-	-
		-	-
		-	-
		-	-
Total Other intangible assets:	-	-	-
<b>Total intangible assets</b>	<b>(112,000)</b>	<b>(112,000)</b>	<b>(112,000)</b>
<b>Total accumulated depreciation/amortization</b>	<b>(112,000)</b>	<b>(112,000)</b>	<b>(112,000)</b>
<b>Total capital assets, net</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**3.2 Detail of depreciation and amortization expense:**

Depreciation and amortization expense related to capital assets	\$ -
Amortization expense related to other assets	-
<b>Total depreciation and amortization</b>	<b>\$ -</b>



**Cal State East Bay Educational Foundation, Inc.**  
**Other Information (Continued)**  
**Year Ended June 30, 2020**

**4 Long-term liabilities:**

	Balance June 30, 2019	Prior Period Adjustments/Reclassification s	Balance June 30, 2019 (Restated)	Additions	Reductions	Balance June 30, 2020 (Restated)	Current Portion	Noncurrent Portion
<b>1. Accrued compensated absences</b>	\$ -	-	-	-	-	\$ -	\$ -	-
<b>2. Claims liability for losses and loss adjustment expenses</b>	-	-	-	-	-	-	-	-
<b>3. Capital lease obligations:</b>								
Gross balance	-	-	-	-	-	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-
<b>Total capital lease obligations</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4. Long-term debt obligations:</b>								
4.1 Auxiliary revenue bonds (non-SRB related)	\$ -	-	-	-	-	\$ -	-	-
4.2 Commercial paper	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	-	-	-	-	-	-	-	-
4.4 Others:	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total others	-	-	-	-	-	-	-	-
<b>Sub-total long-term debt</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>
4.5 Unamortized net bond premium/(discount)	-	-	-	-	-	-	-	-
<b>Total long-term debt obligations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total long-term liabilities</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>

**5 Capital lease obligations schedule:**

	Capital lease obligations related to SRB			All other capital lease obligations			Total capital lease obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
<b>Year ending June 30:</b>									
2021	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-
2026 - 2030	-	-	-	-	-	-	-	-	-
2031 - 2035	-	-	-	-	-	-	-	-	-
2036 - 2040	-	-	-	-	-	-	-	-	-
2041 - 2045	-	-	-	-	-	-	-	-	-
2046 - 2050	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
<b>Total minimum lease payments</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less: amounts representing interest									-
<b>Present value of future minimum lease payments</b>									<b>-</b>
Unamortized net premium/(discount)									-
<b>Total capital lease obligations</b>									<b>-</b>
Less: current portion									-
<b>Capital lease obligations, net of current portion</b>									<b>\$ -</b>

**Cal State East Bay Educational Foundation, Inc.**  
**Other Information (Continued)**  
**Year Ended June 30, 2020**

**6 Long-term debt obligations schedule:**

	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
<b>Year ending June 30:</b>									
2021			-			-			-
2022			-			-			-
2023			-			-			-
2024			-			-			-
2025			-			-			-
2026 - 2030			-			-			-
2031 - 2035			-			-			-
2036 - 2040			-			-			-
2041 - 2045			-			-			-
2046 - 2050			-			-			-
Thereafter			-			-			-
<b>Total minimum payments</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less: amounts representing interest									-
<b>Present value of future minimum payments</b>									-
Unamortized net premium (discount)									-
<b>Total long-term debt obligations</b>									-
Less: current portion									-
<b>Long-term debt obligations, net of current portion</b>									-

**7 Transactions with related entities:**

Payments to University for salaries of University personnel working on contracts, grants, and other programs

Payments to University for other than salaries of University personnel

114,372

Payments received from University for services, space, and programs

60,403

Gifts-in-kind to the University from discretely presented component units

7,654

Gifts (cash or assets) to the University from discretely presented component units

2,061,792

Accounts (payable to) University (enter as negative number)

(45,943)

Other amounts (payable to) University (enter as negative number)

Accounts receivable from University (enter as positive number)

Other amounts receivable from University (enter as positive number)

**8 Restatements**

Provide a detailed breakdown of the journal entries (at the financial statement line items level) booked to record each restatement:

		Debit/(Credit)
Restatement #1	Enter transaction description	
Restatement #2	Enter transaction description	

**Cal State East Bay Educational Foundation, Inc.**  
**Other Information (Continued)**  
**Year Ended June 30, 2020**

**9 Natural classifications of operating expenses:**

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	-	-	-	-	-	-	-	-
Research	-	-	-	-	-	-	-	-
Public service	-	-	-	-	-	-	-	-
Academic support	-	-	-	-	-	-	-	-
Student services	-	-	-	-	-	-	-	-
Institutional support	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	-	-	-	-
Auxiliary enterprise expenses	-	-	-	-	-	2,271,030	-	2,271,030
Depreciation and amortization	-	-	-	-	-	-	-	-
<b>Total operating expenses</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,271,030</b>	<b>-</b>	<b>2,271,030</b>

**10 Deferred outflows/inflows of resources:**

**1. Deferred Outflows of Resources**

Deferred outflows - unamortized loss on refunding(s)  
 Deferred outflows - net pension liability  
 Deferred outflows - net OPEB liability  
 Deferred outflows - others:  
   Sales/intra-entity transfers of future revenues  
   Gain/loss on sale leaseback  
   Loan origination fees and costs  
   Change in fair value of hedging derivative instrument  
   Irrevocable split-interest agreements

Total deferred outflows - others                     -  
**Total deferred outflows of resources** **\$ -**

**2. Deferred Inflows of Resources**

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

Total deferred inflows - others                     -  
**Total deferred inflows of resources** **\$ -**

**Cal State East Bay Educational Foundation, Inc.**

Note to Supplementary Schedules

Year Ended June 30, 2020

**Note 1      Supplementary Schedules**

As an auxiliary organization, the Cal State East Bay Educational Foundation, Inc. is required to include audited supplementary information in its financial statements in the form and content specified by CSU. As a result, there are differences in reporting format between the Educational Foundation's financial statements and supplementary schedules for CSU.

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC,  
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