HUMBOLDT STATE UNIVERSITY CENTER

BOARD OF DIRECTORS

BASIC FINANCIAL STATEMENTS

AND SUPPLEMENTARY INFORMATION

Including Schedules Prepared for
Inclusion in the Financial Statements of the
California State University

Year Ended June 30, 2021

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MOSSADAMS

Report of Independent Auditors

To the Board of Directors
Humboldt State University Center Board of Directors

Report on the Financial Statements

We have audited the accompanying financial statements the business-type activities of Humboldt State University Center Board of Directors (the "University Center"), a component unit of Humboldt State University as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the University Center'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.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the University Center as of June 30, 2021, and the respective changes in financial position and, where applicable, 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, the schedule of the University Center's proportionate share of the net pension liability, schedule of University Center's contributions, and schedule of changes in net other post-employment benefits liability 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the University Center's basic financial statements. The schedule of net position, schedule of revenues, expenses, and changes in net position, other information, and notes to the supplementary information (collectively supplementary information) is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The 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 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 supplementary information is 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 October 1, 2021 on our consideration of the University Center'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 University Center'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 University Center's internal control over financial reporting and compliance.

Moss Adams LLP

Medford, Oregon
October 1, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

HUMBOLDT STATE UNIVERSITY CENTER BOARD OF DIRECTORS

Management's Discussion and Analysis

Year ended June 30, 2021

This section of Humboldt State University Center Board of Directors (University Center) annual financial report presents management's overview and analysis of the financial activities of the University Center for the year ended June 30, 2021. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes.

Introduction to the Basic Financial Statements

The annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standard Board (GASB) Statement No. 35, Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities. This standard is applicable to University Center because it is a component unit of Humboldt State University (HSU). Consistent with HSU, University Center has adopted the business-type activity (BT) 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. These statements are supported in the annual report by the notes to the financial statements and this section. All sections should be considered together to obtain complete understanding of the financial picture of University Center.

Statement of Net Position – The Statement of Net Position includes all assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position. Assets and liabilities are reported on an accrual basis as of the statement date. It also identifies major categories of restrictions on the net position of University Center.

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.

Reporting Entity – The financial statements of HSU will be separated between HSU and its component units. The latter are separate I.R.C. 501 (c) (3) non-profit auxiliary organizations whose financial information will be presented in a discrete column and in the footnotes of HSU's financial statements. Consequently, these auxiliaries must comply with the same governmental rulings and present their individual separate audited financial statements in the same format.

Change in Operations

Effective January 8th 2021, the existing Operating Agreement between the Trustees of the California State University (CSU) and the University Center was terminated. As a result, the existing activities of developing, financing and operating the Student Union including bookstore, dining services and Student Union Programs of Recreational & Wellness, Student Recreation & Fitness and Professional Performance & Entertainment Events ceased.

Effective May 1, 2021, a new operating agreement was put in place between the Trustees of the California State University (CSU) and the University Center with activities limited to the support of Student Union Programs, comprised of payment of ongoing pension and other post-employment benefit obligations (OPEB) for employees of the University Center.

Analytical Overview

A summary of key financial statement information is presented below:

	2021	2020	Increase (Decrease)	Percent Change
Assets:				
Current assets	$ 1,134,194	$ 11,072,254	$ (9,938,060)	-90%
Capital assets, net of acculumated depreciation	-	816,548	(816,548)	-100%
Investment	7,063,102	-	7,063,102	100%
Postemployment benefit asset	513,116	420,761	92,355	-
Total assets	8,710,412	12,309,563	(3,599,151)	-29%
Deferred outflows of resources	1,524,915	1,588,279	(63,364)	-4%
Liabilities:				
Current liabilities	48,799	731,997	(683,198)	-93%
Non-current liabilities	2,245,518	1,884,318	361,200	19%
Total liabilities	2,294,317	2,616,315	(321,998)	-12%
Deferred inflows of resources	1,486,292	1,151,621	334,671	29%
Net position:				
Net investment in capital assets	-	816,548	(816,548)	-100%
Unrestricted	6,454,718	9,313,358	(2,858,640)	-31%
Total net position	$ 6,454,718	$ 10,129,906	$ (3,675,188)	-36%

Statement of Net Position Variance Analysis between 2021 and 2020

University Center has a cash balance of $96,755 in the checking account, $466,442 held in LAIF. This combined total of unrestricted cash of $563,197 is approximately 23.4% of the operating revenue of the 2020-21 fiscal year. This balance allows the University Center the ability to fund any of the immediate, yet minimal, operating expenses that may arise as a result of the change in operations.

Current assets decreased by $9,938,060. Current assets include: cash and cash equivalents, unrestricted cash in Local Agency Investment Fund (LAIF), accounts receivable and prepaid expenses. The decrease in current assets is due to the decrease in operational revenue resulting from the change in operations as well as the $7,000,000 of cash previously held in LAIF that was invested with the pooled investments held by the Humboldt State University Foundation (HSUF). Additionally, the University Center paid $1,134,500 to HSU to support Student Union Programs and previously approved maintenance projects on the building formerly occupied by the University Center.

Due to the change in operations, capital assets, net, decreased by $816,548. This was due to the disposition of assets with a net book value of $377,443. The remaining equipment and furniture, with a net book value of $439,105, was transferred to HSU in exchange for future business services through June 2026 as part of the new operating agreement effective May 2021.

The GASB 75 requirement to recognize postemployment benefit liability, as determined by an actuarial study dated June 30, 2020, found the actuarial accrued liability to be $4,044,069. University Center participates in the VEBA Trust developed by the California State University Auxiliary Organizations Association to hold plan assets to fund this accrued liability. As of the June 30, 2020 valuation, plan assets held by VEBA were $4,557,185 resulting in a net OPEB asset of $513,116. University Center reports the net OPEB asset as of June 30, 2021 based on the June 30, 2020 valuation.

Current liabilities decreased by $683,193. Current liabilities include: salaries and benefits payable and other current liabilities.

Non-current liabilities increased by $361,201. The noncurrent liabilities represent the net pension liability that is required to be recognized and recorded in accordance with the parameters of GASB Statement No. 68. The net pension liability as of June 30, 2021, as determined by an actuarial valuation dated June 30, 2019 and rolled forward to June 30, 2020, found the net pension liability to be $2,245,518. University Center participates in a cost sharing multiple-employer defined benefit plan through California Public Employees' Retirement System (CalPERS). University Center reports the net pension liability as of June 30, 2021 based on the June 30, 2020 valuation.

Deferred inflows of resources increased by $334,670 resulting from differences between projected and actual earnings and employer contributions and proportionate share of contributions on pension obligations and differences between expected and actual experiences on OPEB obligations.

Net position decreased by $3,675,188 reflecting the cumulative net change in assets, deferred inflows and outflows and liabilities for the year.

Operating Results

University Center's condensed summary of revenues, expenses, and changes in net position for the years ended June 30, 2021 and 2020 is as follows:

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

	2021	2020	Increase (Decrease)	Percent Change
Revenues:				
Operating revenues:				
Revenue from operations				
Dining sales	$ 1,861,589	$ 8,425,425	$ (6,563,836)	-78%
CenterArts sales	3,862	724,215	(720,353)	-99%
Center Activities sales	11,889	246,036	(234,147)	-95%
Student fees	406,158	1,165,488	(759,330)	-65%
Other revenues	121,337	305,353	(184,016)	-60%
Total operating revenues	2,404,835	10,866,517	(8,461,682)	-78%
Expenses:				
Operating expenses	5,629,381	11,819,182	(6,189,801)	-52%
Depreciation expense	214,612	245,384	(30,772)	-13%
Total operating expenses	5,843,993	12,064,566	(6,220,573)	-52%
Operating loss	(3,439,158)	(1,198,049)	(2,241,109)	187%
Non-operating revenues:				
Investment income, net	115,374	239,339	(123,965)	-52%
Net non-operating revenues	115,374	239,339	(123,965)	-52%
Decrease in net position	(3,323,784)	(958,710)	(2,365,074)	247%
Extraordinary item				
Loss on disposals of assets	(351,404)	-	(351,404)	
Decrease in net position	(3,675,188)	(958,710)	(2,716,478)	283%
Net position:				
Net position at beginning of year	10,129,906	11,088,616	(958,710)	-9%
Net position at end of year	$ 6,454,718	$ 10,129,906	$ (3,675,188)	-36%

Revenue and Expense Variance Analysis between 2021 and 2020

Through January 8, 2021, operating revenues were sales from operations and student fee monies. Sales from operations were comprised of Dining Services (The "J" and the Cupboard in the Residence Halls, The Depot, Windows Cafe, Library Café and College Creek Marketplace), outsourced bookstore operations to FOLLETT and student programming services for Center Activities, Student Recreation Center, Humboldt Bay Aquatic Center and Center Arts. Current year operating revenues decreased by $8,461,682 as all areas were affected by the change in operations which essentially ceased the aforementioned operating revenue streams. Current year operating expenses consist of auxiliary enterprise expenses of $6,195,397. Prior year operating expenses consisted of auxiliary enterprise expenses of $12,064,566. Current year operating expenses decreased by $5,869,169 which was due to the change in operations effective January 2021 through the end of the 2020-21 fiscal year.

Investment income was $115,734 which was a decrease of $123,965 over the prior year. Investment income is comprised of interest from LAIF and gains/losses on the investment held by HSUF. The decrease from the prior year is due to market fluctuations and having a decrease in funds held in LAIF of $9,737,732 as funds were used to cover operating costs as well as make $7,000,000 investment by HSUF in the 4th quarter of FY 2020-21 which saw minimal gains in the current fiscal year.

Factors Impacting Future Periods

The University Center is a participant in CalPERS. CalPERS is a defined-benefit retirement program that relies heavily on investments in financial markets for the assets required to pay benefits to retirees. This reliance on investment returns to meet expectations exposes the University Center to potentially large rate increases when the CalPERS investment portfolio fails to meet expectations.

Request for Information

This financial report is designed to provide a general overview of the University Center's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the University Center, 1 Harpst Street, Arcata, CA 95521.

BASIC FINANCIAL STATEMENTS

HUMBOLDT STATE UNIVERSITY CENTER BOARD OF DIRECTORS
Statement of Net Position
June 30, 2021

ASSETS		
Current assets:		
Cash and cash equivalents	$	96,755
Cash invested in LAIF		466,442
Accounts and other receivable, net		550,704
Prepaid expenses		20,293
Total current assets		1,134,194
Noncurrent assets:		
Investment		7,063,102
Net OPEB asset		513,116
Total noncurrent assets		7,576,218
Total assets		8,710,412
DEFERRED OUTFLOWS OF RESOURCES:		
OPEB - contributions		238,402
Pension - contributions		186,780
OPEB related		245,441
Pension related		854,292
Total deferred outflows of resources		1,524,915
LIABILITIES		
Current liabilities:		
Accrued salaries and benefits payable		508
Other liabilities		48,291
Total current liabilities		48,799
Noncurrent liabilities:		
Net pension liability		2,245,518
Total liabilities		2,294,317
DEFERRED INFLOWS OF RESOURCES:		
OPEB related		779,677
Pension related		706,615
Total deferred inflows of resources		1,486,292
NET POSITION		
Unrestricted		6,454,718
Total net position	$	6,454,718

See accompanying notes

HUMBOLDT STATE UNIVERSITY CENTER BOARD OF DIRECTORS
Statement of Revenue, Expenses, and Changes in Net Position
Year End June 30, 2021

Revenues	
Operating revenues:	
Revenue from operations	$ 1,998,677
Student fees	406,158
Total operating revenues	2,404,835
Expenses	
Operating expenses:	
Employee benefits	1,473,313
Salaries and wages	1,186,760
Operating contributions to Humboldt State University	1,160,731
Cost of sales	675,469
Rent	392,242
Depreciation	214,612
Outside professional services	167,282
Repairs and maintenance	151,771
Services from other funds	112,332
Utilities	97,449
Supplies and services	56,266
Insurance	53,634
Other and miscellaneous	50,120
Communications	23,971
Bank service charges	22,473
Event costs	5,568
Total operating expenses	5,843,993
Operating loss	(3,439,158)
Non-Operating revenues	
Investment income, net	115,374
Net non-operating revenues	115,374
Decrease in net position	(3,323,784)
Extraordinary item	
Loss on disposal of assets	351,404
Decrease in net position	(3,675,188)
Net position	
Net position at beginning of year	10,129,906
Net position at end of year	$ 6,454,718

See accompanying notes

HUMBOLDT STATE UNIVERSITY CENTER BOARD OF DIRECTORS
Statement of Cash Flows
Year ended June 30, 2021

Cash flows from operating activities:		
Cash received from customers	$	2,375,733
Cash payments to suppliers for operations		(2,804,593)
Cash payments to employees for services		(2,144,118)
Cash payments for general and administrative expenses		(262,489)
Net cash provided by (used in) operating activities		**(2,835,467)**
Cash flows from capital financing activities:		
Acquisition of capital assets		(193,314)
Net cash provided by (used in) capital activities		**(193,314)**
Cash flows from investing activities:		
Purchase of investments		(7,000,000)
Investment income		52,272
Net cash provided by (used in) investing activities		**(6,947,728)**
Net increase (decrease) in cash and cash equivalents		(9,976,509)
Cash and cash equivalents at beginning of the year		10,539,706
Cash and cash equivalents at end of the year	**$**	**563,197**
Reconciliation to cash per statement of net position:		
Cash and cash equivalents	$	96,755
Short term investments		466,442
Total cash and cash equivalents at end of year	**$**	**563,197**
Reconciliation of operating loss to net cash provided by (used in) operating activities:		
Operating loss	$	(3,439,158)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation		214,612
Changes in operating assets and liabilities:		
Accounts and other receivables		199,144
Inventories		170,597
Prepaid expenses		35,656
Net OPEB asset		(92,355)
Deferred outflows of resources		63,364
Accounts payable		(56,294)
Accrued salaries and benefits payable		(22,821)
Accrued compensated absenses		(109,411)
Unearned revenues		(228,248)
Other liabilities		(266,424)
Net pension liability		361,201
Deferred inflows of resources		334,670
Net cash provided by (used in) operating activities	**$**	**(2,835,467)**
Noncash investing, capital and financing activities:		
Receivable to sale of assets transferred to HSU	$	443,846

See accompanying notes

Note (1) Organization

Humboldt State University Center Board of Directors (University Center) is an auxiliary organization of Humboldt State University (HSU) in Arcata, California, and the California State University System. As an affiliated organization component unit of HSU, University Center's financial data is included in HSU's financial statements. University Center is a nonprofit corporation formed to promote the welfare of HSU and its students and employees.

Through January 8, 2021 the primary activities of University Center were to develop, finance and operate the Student Union, bookstore (under outside management), and dining services on the HSU campus. Through March 5, 2021, University Center provided management services to the Northern Humboldt Recreation and Park District. University Center was primarily supported by student fees and dining sales, and contracted revenues from students at HSU. Through January 8, 2021, University Center had a management agreement with Follett Higher Education Group, Inc. (Follett) which gave Follett the exclusive right to operate the bookstore on campus and related internet sales for the University Center.

Effective May 1, 2021 the primary function of University Center is to administer the Student Union with activities limited to the support of Student Union Programs, comprised of payment of ongoing pension and other post-employment benefit obligations (OPEB) for employees of the University Center.

Note (2) Summary of Significant Accounting Policies

(a) Basis of Presentation

University Center has determined that it should apply generally accepted accounting principles applicable to governmental entities based on an amendment to the articles of incorporation and bylaws that has clarified University Center's relationship as a component unit of HSU.

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. generally accepted accounting principles, as prescribed by the GASB. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The financial statements required by the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended by GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities* include a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows. University Center has elected to use the proprietary fund reporting model for special-purpose governments engaged only in business-type activities. Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. In accordance with the business-type activities reporting model, University Center prepares its statement of cash flows using the direct method.

(b) Basis of Accounting

The financial statements of have been prepared to conform with Accounting Principles Generally Accepted in the United States of America (GAAP) as applied to governmental units. GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The summary of significant accounting policies is presented to assist in understanding University Center's financial statements. The financial statements and notes are representations of

management, who is responsible for their integrity and objectivity. These accounting policies have been consistently applied in the preparation of the financial statements.

(c) Classification of Current and Noncurrent Assets and Liabilities

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

(d) Cash and Cash Equivalents

University Center considers all highly liquid investments with an original maturity date of three months or less to be cash and cash equivalents. Amounts included in the Local Agency Investment Fund (LAIF) are considered to be cash equivalents.

(e) Investments

Investments are stated at fair value. Interests in commingled funds with Humboldt State University Foundation (HSUF) are based upon the latest valuations provided by the fund managers of the respective funds adjusted for cash receipts, cash disbursements and securities distributions through June 30, 2021. The University Center believes the carrying amount of these financial instruments is a reasonable estimate of fair value. Because the commingled funds are not readily marketable, their estimated value is subject to uncertainty and, therefore, may differ significantly from the value that would have been used had a ready market for such investments existed.

(f) Accounts Receivable

University Center provides a reserve for uncollectible accounts that is based upon a review of outstanding receivables. Accounts receivable considered uncollectible are charged against the reserve account in the year they are deemed to be uncollectible. No reserve for uncollectible accounts was deemed necessary as of June 30, 2021.

(g) Inventories

The food and beverage inventory is stated at cost, using the first-in, first-out (FIFO) method. At June 30, 2021, the cost of the food and beverage inventory was $0 as University Center no longer provides dining services.

(h) Capital Assets

Capital assets are recorded at cost less depreciation calculated by the straight-line method. Building improvements are depreciated over a five- to twenty-year life. Equipment, furniture, and fixtures are depreciated over a five- to ten-year life. Work in progress represents expenditures for facility improvements not placed in service during the year.

University Center capitalizes acquisitions of equipment that have a useful life greater than one year and are in excess of $5,000, improvements in excess of $10,000, and intangible property in excess of $5,000.

(i) Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense) until then. The deferred outflows of resources related to pension and Other Post Employment Benefits (OPEB)

items as noted in Note (6) and Note (7). The deferred outflows will be amortized to pension and OPEB expense over the expected average remaining service lifetime for the plan.

(j) Net OPEB Asset

University Center recognizes post-employment benefits as a liability (asset) in the statement of net position and recognizes changes in the funded status in the year in which the changes occur in unrestricted net position, unless a minimum amortization is required to be included as a component of net periodic postretirement benefit cost in accordance with applicable accounting standards.

(k) Net Pension Liability

For purposes of measuring the net pension liability and deferred outflow/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the California Public Employees' Retirement System (CalPERS) plan and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value.

(l) Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position by the University Center that is applicable to a future reporting period. The deferred inflows of resources related to pension and OPEB as noted in Note (6) and Note (7). These amounts are deferred and amortized to pension and OPEB expense over closed periods ranging from 0 to 9.8 years.

(m) Net Position

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. University Center reports three categories of net position, as follows:

Net Investment in Capital Assets — consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted Expendable – Other – subject to externally imposed conditions that can be fulfilled by the actions of the University Center or the passage of time. At June 30, 2021, University Center had no restricted funds.

Unrestricted Net Position – consists of all other net position that does not meet the definition of the above component and is available for general use by University Center.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, management applies unrestricted net position first, unless a determination is made to use restricted net position.

(n) Fair Value

Governmental Accounting Standards Board Statement Number 72 provides the framework for measuring the fair value of investments. 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 (Level 1) and the lowest priority to unobservable units (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Foundation has the ability to access.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly, such as:

- quoted prices for similar assets 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;
- inputs derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair market value measurement.

Net Asset Value (NAV) – The amount of net assets attributable to each unit in commingled investments outstanding at the close of the period and excluded from the three defined levels above. All long-term investments are reported at NAV.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

(o) Classification of Revenues and Expenses

University Center considers operating revenues and expenses in the statement of revenues, expenses, and changes in net position to be those revenues and expenses that result from exchange transactions or from other activities that are connected directly to University Center's primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services.

Certain other transactions are reported as non-operating revenues and expense in accordance with GASB Statement No. 35. These non-operating activities include net investment income.

(p) Revenue Recognition

Student Fees - Student union fees are recorded when received from the revenue bond program.

Revenue from operations - All revenue from operations including, but not limited to, bookstore commissions, food sales, and vending, is recorded when earned.

Investment Income - Investment income is recorded at the time it is earned.

(q) Income Taxes

University Center qualifies as a tax exempt organization under the applicable sections of the Internal Revenue Code (IRC) Section 501(c)(3) and California Revenue and Taxation Code Section 23701(d).

University Center has evaluated its tax positions and the certainty as to whether those tax position will be sustained in the event of an audit by taxing authorities at the federal and state levels. The primary tax positions evaluated are related to the University Center's continued qualification as a tax-exempt organization and whether there is unrelated business income activities conducted that would be taxable. Management has determined that all income tax positions are more likely than not of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required. University Center files informational tax returns in the U.S. federal jurisdictions and the state of California.

(r) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note (3) Cash and Cash Equivalents

University Center maintains its cash in bank deposit accounts that are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of $250,000 per depositor. At June 30, 2021, University Center's uninsured and uncollateralized cash balance was $0. Custodial credit risk is the risk that in the event of the failure of a counterparty, University Center would not be able to recover the value of its investments that are in the possession of an outside party. Financial instruments that potentially subject University Center to custodial risk are investments in excess of amounts insured by the FDIC. No policy exists related to custodial risk specifically. University Center's investment policy does not prohibit deposits in single institutions that expose University Center to custodial credit risk. Management believes the organization is not exposed to any significant custodial credit risk related to cash.

University Center's short-term investment portfolio consists of investments in LAIF, a voluntary program created by statute as an alternative for California's local governments and special districts that allow affiliates to participate in a major investment portfolio. It is under the administration of the California State Treasurer's Office. There are no significant interest rate risks or credit risks to be disclosed in accordance with GASB Statement No. 40, Deposit and Investment Risk Disclosures - an amendment of GASB Statement No. 3. The investment is not insured. However, these funds are invested in accordance with California Government Code Sections 16430 and 16480, the stated investment authority for the Pooled Money Investment Account. At June 30, 2021, cash in LAIF was $466,442.

Note (4) Capital Asset

The change in capital assets for the year ended June 30, 2021, is as follows:

	Balance 6/30/2020	Additions	Deletions	Balance 6/30/2021
Capital assets, being depreciated:				
Equipment & furniture	$ 1,859,487	$ 193,314	$ (2,052,801)	$ -
Building & improvements	2,883,031	-	(2,883,031)	-
Total capital assets, being depreciated	4,742,518	193,314	(4,935,832)	-
Less accumulated depreciation for:				
Equipment & furniture	(1,269,485)	(146,222)	1,415,707	-
Buildings & improvements	(2,656,485)	(68,390)	2,724,875	-
Total accumulated depreciation	(3,925,970)	(214,612)	4,140,582	-
Total capital assets being depreciated, net	$ 816,548	$ (21,298)	$ (795,250)	$ -

Depreciation expense for the year ended June 30, 2021, was $214,612.

Note (5) Investment

The University Center has a long-term investment which is managed by HSUF and is administered in accordance with the California Uniform Prudent Management of Institutional Funds Act (UPMIFA). The investment is commingled with HSUF's pooled investment account held with Wells Fargo and is invested and managed in accordance with the investment and spending policies of HSUF. The HSUF Board of Directors understands that UPMIFA requires it to balance the goal of providing a consistent level of support for the intended purposes with the goal of protecting the value of the investment against

inflation. As a result of this interpretation the University Center classifies the original value of the investment along with any subsequent additions to the investment as corpus. These are included in the unrestricted net position category on the statement of net position.

(a) Investment at Net Asset Value

The value of the investment is determined by HSUF and is based on the University Centers pro rata interest in the underlying assets held by HSUF. HSUF allocates income and value pro rata based on the underlying assets held which are observable and unobservable. The valuation methods utilized by HSUF are subject to regular review by the University Center. At June 30, 2021 the long-term investment was $7,063,102.

	6/30/2021
Underlying assets held by HSUF	
Money Market Funds	$ 1,973,419
Mutual Funds - Equity	30,765,943
Mutual Funds - Fixed Income	7,160,995
Mutual Funds - Balanced	1,740,890
Real Estate Investment Trust	2,111,732
Equities - Stock	1,217
Real Estate	8,373,790
Total	$ 52,127,986
University Centers interest held by HSUF	13.5495%
Investment	$ 7,063,102

(b) Investment Risk

The commingled funds held by HSUF are invested in various types of investment securities. Investment securities are exposed to risks such as credit, custodial credit, and foreign currency risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net position.

Credit Risk and Interest Rate Risk

Certain securities with fixed income are subject to credit risk which is the risk that an issue of an investment will not fulfill its obligations. Other securities, including obligations of the U.S. government or those explicitly guaranteed by the U.S. government, are not considered to have credit risk. With regard to the trusts included in endowment investments, the University Center is not the trustee of these investments and; therefore, it currently has no policies with regard to credit risk for these investments.

Interest rate risk is the risk that the value of fixed income securities will decline because of changing interest rate. With regard to the trusts included in endowment investments, the University Center is not the trustee of these investments and; and therefore, it currently has no policies with regard to interest rate risk for these investments.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a failure of the custodian, the University Center may not be able to recover the value of the investments held by the custodian as these investments are uninsured. This risk typically occurs in repurchase agreements where one transfers cash to a broker-dealer in exchange for securities, but the securities are held by a separate trustee in the name of the broker-dealer. The University Center does not have a specific policy with regard to custodial credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the University Center's investments within any one issuer. The University Center does not have a specific policy with regard to the operating pool or the remainder of the endowment pool. At June 30, 2021, there were no investments within any one issuer in an amount that would constitute a concentration of credit risk to the University Center.

Foreign Currency Risk

Foreign currency risk is the risk of investments losing value due to fluctuations in foreign exchange rates. The University Center does not directly invest in foreign currency investments and is, therefore, not subject to foreign currency risk.

Note (6) Pension Plan – California Public Employee's Retirement System (CalPERS)

University Center participates in a cost sharing multiple-employer defined benefit plan through CalPERS which covers substantially all regular full-time employees of the University Center. CalPERS acts as a common investment and administrative agent for participating public entities with the state of California and reports information to the University Center in accordance with reporting standards established by GASB.

The proportionate share of the net pension liability, pension expense and deferred inflow of resources for the above plan and a deferred outflow of resources as follows of and for the year ended June 30, 2021:

Pension Plan	Proportionate Share of Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Proportionate Share of Pension Expense
CalPERS	$ 2,245,518	$ 1,041,072	$ 706,615	$ 944,939

Plan Description

Qualified employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Plan under CalPERS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The Public Agency Cost-Sharing Multiple-Employer Plan is comprised of a Miscellaneous or Safety Plan. The University Center sponsors two Miscellaneous Risk Pool plans, however, the information presented below represents the sum of the allocated pension amounts for each of the University Center's respective plans (the Plan). The Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State statues, as legislatively amended, within the Public Employees' Retirement Law.

Benefits Provided

The Plan provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor and the member's final compensation. Members hired on or before December 31, 2012, with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for employment-related disability benefits regardless of length of service and non-duty disability benefits after 5 years of service. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. The Post-Retirement Death Benefit is a one-time payment made to a retiree's designated survivor or estate upon the retiree's death. The Basic Death Benefit is paid to any member's beneficiary if the member dies while actively employed. An employee's eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least 5 years of credited service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. The First Tier Plan was closed to new entrants on or after January 1, 2013.

The Plan provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous Risk Pool	
	First Tier Plan	PEPRA Misc Plan
Hire date	On or Before December 31, 2012	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	55	62
Required employee contribution rates	7.000%	6.750%
Required employer contribution rates	11.031%	7.732%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Total plan contributions are determined annually through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. University Center is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as percentage of annual payroll. The contribution rates for each plan for the year ended June 30, 2021 are presented above and the total University Center contributions were $186,780.

Pension Liabilities, Pension Expense, Deferred Outflows or Resources and Deferred Inflows of Resources Related to Pension

As of June 30, 2021, University Center reported net pension liabilities for its proportionate share of the Miscellaneous Risk Pool net pension liability totaling $2,245,518. The net pension liability was measured as of June 30, 2020, the measurement date. The total pension liability for Miscellaneous Risk Pool was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2019 and rolling forward the total pension liability to June 30, 2020. University Center's proportion of the net

pension liability was based on a projection of University Center's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At the June 30, 2020 measurement date, University Center's proportion was 0.0206%.

For the year ended June 30, 2021, University Center recognized pension expense of $944,939. At June 30, 2021, University Center reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 236,716	$ -
Changes in assumptions	-	32,763
Net difference between projected and actual earnings on investments	136,457	-
Changes in proportion	481,119	-
Differences between employer contributions and proportionate share of contributions	-	673,852
Total (prior to post-measurement date contributions)	854,292	706,615
Contributions subsequent to the measurement date	186,780	-
Total	$ 1,041,072	$ 706,615

The deferred outflows of resources related to pensions resulting from University Center contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The remaining deferred outflows and inflows of resources will be amortized over a closed period of between 0 and 4.8 years and will be recognized in pension expense as follows:

Year Ended June 30	Deferred Outflows/ (Inflows) of Resources
2022	$ 10,107
2023	(8,785)
2024	80,907
2025	65,448
	$ 147,677

Actuarial Methods and Assumptions

Total pension liability for the Plan was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2019, and rolling forward the total pension liability to June 30, 2020. The financial reporting actuarial valuation as of June 30, 2019 used the following methods and assumptions, applied to all prior periods included in the measurement:

Valuation date	June 30, 2019
Measurement date	June 30, 2020
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality rate table	Derived using CalPERS' Membership Data for all Funds (1)

(1) The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

Asset Class (1)	New Strategic Allocation	Real Return Years 1-10 (2)	Real Return Years 11+ (3)
Global equity	50.0%	4.80%	5.98%
Fixed income	28.0	1.00	2.62
Inflation assets	0.0	0.77	1.81
Private equity	8.0	6.30	7.23
Real assets	13.0	3.75	4.93
Liquidity	1.0	0.00	(0.92)

(1) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
(2) An expected inflation of 2.00% used for this period
(3) An expected inflation of 2.92% used for this period

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liability Sensitivity

The following presents University Center's proportionate share of the net pension liability for the Plan, calculated as of June 30, 2021 using the discount rate for the Plan, as well as what University Center's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

Description	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
UC's proportionate share of the Plan's pension liability (asset)	$ 4,987,455	$ 2,245,518	$ (20,058)

Pension Plan Fiduciary Net Position

Detailed information about CalPERS Miscellaneous Risk Plan fiduciary net position is available in a separate issued comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Note (7) Other Post Employment Benefits (OPEB)

OPEB Plan Description - CalPERS

University Center participates in the CalPERS medical program. University Center pays a portion of the retiree's healthcare insurance premiums. The plan also covers dependents of the employee. Benefited employees hired prior to July 1, 2006, who are eligible to retire from CalPERS, are 100% vested. Benefited employees hired on or after July 1, 2006, are 50% vested at age 50 if they have 10 years of service. With every additional year of service the vesting increases by 5% reaching 100% for employees who are age 50 or older who have at least 20 years of service. University Center's premium contribution cannot be less than what is defined by CalPERS Section 22892(b). Total contribution payments to CalPERS for retirees for the year ended June 30, 2021 were $238,402.

In the fiscal year ended June 30, 2012, University Center began participating in the Auxiliaries Multiple Employer VEBA (Voluntary Employees' Beneficiary Association), an agent multiple-employer defined benefit OPEB plan. The Auxiliaries Multiple Employer VEBA is a separate 501(c)(9) organization established in August 2010 to assist in funding post-retirement healthcare benefits for recognized auxiliaries of the California State University System. The Auxiliaries Multiple Employer VEBA seeks an average total annual return net of fees and expenses of 3.0% plus the Consumer Price Index for All Urban Consumers: U.S. City Average – All Items. To achieve its return objectives, the Auxiliaries Multiple Employer VEBA's investment portfolio is allocated among a number of asset classes. Copies of the Trust annual financial report may be obtained from the Humboldt State University Center Business Office at 1 9Harpst Street, Arcata, CA 95521.

	Number of participants
Inactive employees receiving benefits	30
Inactive employees entitled to but not receiving benefits	0
Participating active employees	32
Total number of participants	62

OPEB Expense, Deferred Outflows or Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2021, University Center recognized OPEB expense of $112,337. At June 30, 2021, University Center reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 779,677
Changes in assumptions	147,531	-
Net difference between projected and actual earnings on investments	97,910	-
Total (prior to post-measurement date contributions)	245,441	779,677
Contributions subsequent to the measurement date	238,402	-
Total	$ 483,843	$ 779,677

The deferred outflows of resources related to OPEB resulting from University Center contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2022. The remaining deferred outflows and inflows of resources will be amortized over a closed period of between 0 and 9.8 years and will be recognized in OPEB expense as follows:

Year Ended June 30	Deferred Outflows/ (Inflows) of Resources
2022	$ (55,220)
2023	(55,220)
2024	(55,222)
2025	(64,740)
therafter	(303,834)
	$ (534,236)

Assumptions and Other Inputs

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

The Total OPEB Liability was determined by an actuarial valuation as of June 30, 2020 which is the measurement date using the following actuarial assumptions:

Inflation	2.75%
Health care cost trends	4.00%
Salary increases	2.75%
Investment rate of return	6.00%

Mortality rates were based on the 2017 CalPERS Active Mortality for Miscellaneous Employees and 2017 CalPERS Retiree Mortality for Miscellaneous Employees Tables. CalPERS periodically studies mortality tables that are modified versions of commonly used tables. These tables incorporate morality projections as deemed appropriate based on CalPERS analysis.

Retirement assumptions were based on the 2009 CalPERS 2.0%@60 Rates for Miscellaneous Employees and the 2009 CalPERS Retirement Rates for School Employees tables. Turnover assumptions were based

on the 2009 CalPERS Termination Rates for School Employees table. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

For other assumptions, the actuarial valuation used actual plan provisions and plan data.

The following presents the net OPEB liability, with a healthcare cost trend rate 1-percentage-point lower (3.0 percent) and 1-percentage-point higher (5.0 percent) than assumed in the valuation:

	Trend 1% Lower	Valuation Trend	Trend 1% Higher
Net OPEB Liability (Asset)	$ (990,723)	$ (513,116)	$ 76,844

The discount rate used to measure the total OPEB liability was 6.00%. The projection of cash flows used to determine the discount rate assumed that University Center's contributions will be made at the current contribution rate. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members over a period not to exceed 30 years. Historic 30 year real rates of return for each asset class along with an assumed long-term inflation assumptions was used to set the discount rate. The expected investment return was offset by investment expense of 25 basis points.

The Long-Term Expected Rate of Return on OPEB Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
All Fixed Income	39.0%	4.5000%
All Domestic Equities	30.0%	7.5000%
All International Equities	25.5%	7.5000%
Real Estate Investment Trusts	5.5%	7.5000%
	100.0%	

The following presents the net OPEB liability, with a discount rate 1-percentage-point lower (5.0 percent) and 1-percentage-point higher (7.0 percent) than assumed in the valuation:

	Discount Rate 1% Lower	Valuation Discount Rate	Discount Rate 1% Higher
Net OPEB Liability (Asset)	$ (3,079)	$ (513,116)	$ (935,116)

Changes in the Total OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Opening Balance 6/30/19	$ 4,224,485	$ 4,645,246	$ (420,761)
Service Cost/Expected Employer/Employee Contributions	164,135	-	164,135
Interest on Total OPEB Liability	252,055	-	252,055
Expected Investment Income	-	270,557	(270,557)
Administrative Expense	-	(21,924)	21,924
Employee Contributions	-	-	-
Employee Contributions to Trust	-	-	-
Employer Contributions as Benefited Payments	-	-	-
Benefit Payments from Trust	(250,000)	(250,000)	-
Expected Minus Actual Benefit Payments	38,741	-	38,741
Roll Forward Balance at 6/30/20 based on 6/30/20 valuation	$ 4,429,416	$ 4,643,879	$ (214,463)
Differences between Expected and Actual Experience	(552,291)	-	(552,291)
Change in Assumptions	166,944	-	166,944
Change in Benefit Terms	-	-	-
Investment Gains/Losses	-	(86,694)	86,694
Other	-	-	-
Net Change during 2019-20	(385,347)	(86,694)	(298,653)
Balance at 6/30/21 based on 6/30/20 valuation	$ 4,044,069	$ 4,557,185	$ (513,116)

As of June 30, 2020, the most recent actuarial valuation date and also the measurement date, University Center's total OPEB liability of $4,044,069. University Center has set aside funds to cover retiree health liabilities in VEBA, a GASB 75 qualifying trust. The Fiduciary Net Position of this trust at June 30, 2020 was $4,557,185, resulting in a Net OPEB Asset of $513,116. The OPEB expense for the year ended June 30, 2021 is $112,337.

Note (8) Operating Leases

University Center had a dining service agreement with the Trustees of the California State University to provide dining service as an integral part of the operation of the residence halls and educational facilities of Humboldt State University. The contract period was July 1, 2019 through June 30, 2022 however due to the change in operations this agreement was terminated effective January 8, 2021. The agreement required that the University Center pay for the use of the residence hall dining service facilities. The user fee covered rent for the facility use, all administrative services provided by the Housing Department in the marketing, licensing, management of licensing, cashiering, and the reception of visitor and calls relating to the Dining Program and all maintenances/repairs services provided to the residence halls dining service facilities. Amounts for rent and payroll are updated annually. For the year ended June 30, 2021, the user fee paid for square footage totals was $206,545 and for applicable payroll totals was $166,467, totaling $373,012.

For the year ended June 30, 2021 the amount totaled $373,012, which was included in rent expense:

Jolly Giant Commons (HSU)	$ 234,189
College Creek Marketplace (HSU)	138,823
Total	$ 373,012

Note (9) Unrestricted Net Position

Unrestricted net position consists of the following board designated classifications as of June 30, 2021:

Working capital reserves	$	99,863
Current operating reserves (economic uncertainty)		149,795
Planned future operations		6,205,060
Total unrestricted net position	$	6,454,718

Note (10) Related Party Transactions

University Center and HSU provide various services on each other's behalf including lease agreements that are described in Note 8. Such services are appropriately billed. At June 30, 2021, receivables due from HSU are $439,105. No amounts are due to HSU at June 30, 2021. Amounts paid by the University Center to HSU for the year ended June 30, 2021 totaled $1,253,768 for other than salaries of HSU personnel and $245,539 for salaries of HSU personnel. Amounts received by University Center from HSU for the year ended June 30, 2021 totaled $2,367,311, mostly the remittance of meal plan monies. University Center contributed $1,160,731 to HSU in the year ended June 30, 2021. This amount was comprised of $26,231 of dining goods and services, $103,000 to support CenterArts programming, $109,000 to support Center Activities programming, $750,000 for roof replacement of the University Center building and $172,500 for University Center service elevator rebuild.

In May 2021 University Center invested $7,000,000 which is commingled with HSUF's pooled investment account held with Wells Fargo. The investment is managed by HSUF and administered in accordance with the California Uniform Prudent Management of Institutional Funds Act (UPMIFA). HSUF charges an annual investment service fee of 1.5%. The amount of investment fee paid by the University Center to HSUF for the year ended June 30, 2021 totaled $26,487.

University transferred capital assets with a net book value of $439,105 to HSU as part of the new operating agreement between the CSU and University Center for the period of May 1, 2021 through June 30, 2026. For the duration of the agreement HSU will provide business services to University Center. University Center will reimburse HSU for the services provided by crediting the amount due from HSU for the transfer of the capital assets. The amount due from HSU at June 30, 2021 totaled $439,105.

Note (11) Follett Operating Agreement

On June 16, 2011, University Center entered into an initial agreement with Follett Higher Education Group, Inc. (FOLLETT) for FOLLETT to provide exclusive contracted bookstore management services for the period of July 1, 2011 through June 30, 2018. The agreement was extended for one additional year for the period July 1, 2018 through June 30, 2019 and then renewed for an additional two years, June 30, 2019 through June 30, 2021. However, due to the change in operations this agreement was terminated effective January 8, 2021.

Note (12) COVID-19

In January 2020, an outbreak of a novel coronavirus (COVID-19) occurred in the United States, along with various other countries globally. On March 11, 2020, the World Health Organization assessed the COVID-19 outbreak and characterized it as a pandemic. Although this was expected to be temporary, given the dynamic nature of these circumstances, the duration and intensity of the impact of COVID-19 and resulting impact to the market value changes, losses, and related financial impacts cannot be reasonably estimated at this time. Management is not currently able to reasonably estimate the potential financial impacts, and the financial statements have not been adjusted related to this matter.

REQUIRED SUPPLEMENTARY INFORMATION

HUMBOLDT STATE UNIVERSITY CENTER BOARD OF DIRECTORS

Schedule of University Center's Proportionate Share of the Net Pension Liability

California Public Employees Retirement Plan

Year ended June 30, 2021

	Measurement date June 30,							
	2020	2019	2018	2017	2016	2015	2014	2013
University Center's proportion of the net pension liability (asset)	0.02064%	0.01839%	0.01507%	0.01604%	0.01502%	0.04833%	0.05138%	not available
University Center's proportionate share of the net pension liability (asset)	$ 2,245,518	$ 1,884,318	$ 1,452,400	$1,591,076	$1,300,060	$3,317,223	$3,196,822	$4,111,907
University Center's covered payroll	$ 1,921,866	$ 1,897,965	$ 1,864,678	$1,841,448	$1,733,380	$1,656,173	$1,491,835	$1,481,211
University Center's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	116.84%	99.28%	77.89%	86.40%	75.00%	200.29%	214.29%	277.60%
Plan fiduciary net position as a percentage of the total pension liability	89.10%	90.56%	92.35%	91.30%	92.25%	78.30%	79.86%	72.55%

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

HUMBOLDT STATE UNIVERSITY CENTER BOARD OF DIRECTORS

Schedule of University Center's Contributions

California Public Employees Retirement Plan

Year ended June 30, 2021

	Year ended June 30,						
	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	$ 186,780	$ 380,984	$ 224,728	$ 184,909	$ 432,005	$ 381,830	$ 265,777
Contributions in relation to the actuarially determined contribution	(186,780)	(380,984)	(224,728)	(184,909)	(432,005)	(381,830)	(265,777)
Contribution deficiency (excess)	-	-	-	-	-	-	-
University Center's covered payroll	$ 783,124	$ 1,921,866	$ 1,897,965	$ 1,864,678	$ 1,841,447	$ 1,733,380	$ 1,656,173
Contributions as a percentage of covered payroll	23.85%	19.82%	11.84%	9.92%	23.46%	22.03%	13.89%

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available. Prior years data updated to meet current year reporting changes.

HUMBOLDT STATE UNIVERSITY CENTER BOARD OF DIRECTORS

Schedule of Changes in Net OPEB Liability and Related Ratios

California Public Employees Retirement Plan

Year ended June 30, 2021

	Measurement date June 30,			
	2020	2019	2018	2017
Total OPEB liability:				
Service cost	$ 164,135	$ 177,612	$ 103,607	$ 168,232
Interest on total OPEB liability	252,055	263,869	153,969	251,365
Changes of benefit terms	-	-	-	-
Change of assumptions	166,944	-	-	-
Differences between expected and actual experiences	(552,291)	(409,393)	(111,306)	-
Actual benefit payments from trust	(250,000)	-	-	-
Expected benefit payments	-	(233,236)	(135,864)	(223,951)
Expected minus actual benefit payments	38,741	-	-	-
Net change in total OPEB liability	(180,416)	(201,148)	10,406	195,646
Total OPEB liability - beginning	4,224,485	4,425,633	4,415,227	4,219,581
Total OPEB liability - ending	$ 4,044,069	$ 4,224,485	$ 4,425,633	$ 4,415,227
Plan fiduciary net position:				
Employer contributions	-	233,236	135,864	223,951
Expected investment income	270,557	266,311	153,748	557,197
Actual benefit payments from trust	(250,000)	-		-
Expected benefit payments	-	(233,236)	(135,864)	(223,951)
Investment gains/losses	(86,694)	(47,594)	(77,741)	-
Administrative expense	(21,924)	(23,978)	(18,300)	(30,500)
Net change in plan fiduciary net position	(88,061)	194,739	57,707	526,697
Plan fiduciary net position - beginning	4,645,246	4,450,507	4,392,800	3,866,103
Plan fiduciary net position - ending	$ 4,557,185	$ 4,645,246	$ 4,450,507	$ 4,392,800
University Center's net OPEB liability (asset) - ending	$ (513,116)	$ (420,761)	$ (24,874)	$ 22,427
Plan fiduciary net position as a percentage of the total OPEB liability	112.69%	109.96%	100.56%	99.49%
Covered payroll	$ 1,921,866	$ 1,897,965	$ 1,864,678	$ 1,780,692
University Center's net OPEB liability (asset) as a percentage of the covered payroll	-26.70%	-22.17%	-1.33%	1.26%

Note: Accounting standards require presentation of 10 years of information. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule as future data becomes available.

OTHER SUPPLEMENTARY INFORMATION

Humboldt State University Center Board of Directors

Schedule of Net Position

June 30, 2021

(for inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	96,755
Short-term investments	466,442
Accounts receivable, net	550,704
Capital lease receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	20,293
Total current assets	**1,134,194**
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	7,063,102
Capital assets, net	-
Other assets	513,116
Total noncurrent assets	**7,576,218**
Total assets	**8,710,412**
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension liability	1,041,072
Net OPEB liability	483,843
Others	-
Total deferred outflows of resources	**1,524,915**
Liabilities:	
Current liabilities:	
Accounts payable	-
Accrued salaries and benefits	508
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	48,291
Total current liabilities	48,799
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	2,245,518
Other liabilities	-
Total noncurrent liabilities	2,245,518
Total liabilities	2,294,317
Deferred inflows of resources:	
Service concession arrangements	-
Net pension liability	706,615
Net OPEB liability	779,677
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Others	-
Total deferred inflows of resources	1,486,292
Net position:	
Net investment in capital assets	-
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	-
Unrestricted	6,454,718
Total net position	**6,454,718**

Humboldt State University Center Board of Directors

Schedule of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2021

(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	1,998,677
Scholarship allowances (enter as negative)	-
Other operating revenues	406,158
Total operating revenues	**2,404,835**
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	5,980,785
Depreciation and amortization	214,612
Total operating expenses	**6,195,397**
Operating income (loss)	**(3,790,562)**
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	-
Investment income (loss), net	115,374
Endowment income (loss), net	-
Interest expense	-
Other nonoperating revenues (expenses) - excl. interagency transfers	-
Net nonoperating revenues (expenses)	**115,374**
Income (loss) before other revenues (expenses)	**(3,675,188)**
State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
Increase (decrease) in net position	**(3,675,188)**
Net position:	
Net position at beginning of year, as previously reported	10,129,906
Restatements	-
Net position at beginning of year, as restated	**10,129,906**
Net position at end of year	**6,454,718**

HUMBOLDT STATE UNIVERSITY CENTER BOARD OF DIRECTORS
Other Information
June 30, 2021
(for inclusion in the California State University)

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments	
All other restricted cash and cash equivalents	
Noncurrent restricted cash and cash equivalents	-
Current cash and cash equivalents	96,755
Total	**$ 96,755**

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Fair Value
Money market funds			-
Repurchase agreements			-
Certificates of deposit			-
U.S. agency securities			-
U.S. treasury securities			-
Municipal bonds			-
Corporate bonds			-
Asset backed securities			-
Mortgage backed securities			-
Commercial paper			-
Mutual funds			-
Exchange traded funds			-
Equity securities			-
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)	466,442		**466,442**
State of California Surplus Money Investment Fund (SMIF)			-
Other investments:			
Investment		7,063,102	**7,063,102**
			-
			-
			-
			-
Total Other investments	-	**7,063,102**	**7,063,102**
Total investments	**466,442**	**7,063,102**	**7,529,544**
Less endowment investments (enter as negative number)		-	-
Total investments, net of endowments	**$ 466,442**	**7,063,102**	**7,529,544**

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	$ -				
Repurchase agreements	-				
Certificates of deposit	-				
U.S. agency securities	-				
U.S. treasury securities	-				
Municipal bonds	-				
Corporate bonds	-				
Asset backed securities	-				
Mortgage backed securities	-				
Commercial paper	-				
Mutual funds	-				
Exchange traded funds	-				
Equity securities	-				
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)	**466,442**				466,442
State of California Surplus Money Investment Fund (SMIF)	-				
Other investments:					
Investment	**7,063,102**				7,063,102
	-				
	-				
	-				
	-				
Total Other investments	**$ 7,063,102**	-	-	-	**7,063,102**
Total investments	**7,529,544**	-	-	-	**7,529,544**

HUMBOLDT STATE UNIVERSITY CENTER BOARD OF DIRECTORS
Other Information
June 30, 2021
(for inclusion in the California State University)

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, 2020	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2020 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2021
Non-depreciable/Non-amortizable capital assets:									
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	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable capital assets	$ -	-	-	-	$ -	-	-	-	$ -
Depreciable/Amortizable capital assets:									
Buildings and building improvements	2,883,031				2,883,031	-	(2,883,031)		-
Improvements, other than buildings					-				-
Infrastructure					-				-
Leasehold improvements					-				-
Personal property:									
Equipment	1,859,487				1,859,487	193,314	(2,052,801)		-
Library books and materials					-				-
Intangible assets:									
Software and websites					-				-
Rights and easements					-				-
Patents, copyrights and trademarks					-				-
Licenses and permits					-				-
Other intangible assets:									
					-				-
					-				-
					-				-
					-				-
					-				-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	4,742,518	-	-	-	4,742,518	193,314	(4,935,832)	-	-
Total capital assets	$ 4,742,518	-	-	-	$ 4,742,518	193,314.0	(4,935,832.0)	-	$ -
Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)									
Buildings and building improvements	(2,656,485)				(2,656,485)	(68,390)	2,724,875		-
Improvements, other than buildings					-				-
Infrastructure					-				-
Leasehold improvements					-				-
Personal property:									
Equipment	(1,269,485)				(1,269,485)	(146,222)	1,415,707		-
Library books and materials					-				-
Intangible assets:									
Software and websites					-				-
Rights and easements					-				-
Patents, copyrights and trademarks					-				-
Licenses and permits					-				-
Other intangible assets:									
					-				-
					-				-
					-				-
					-				-
					-				-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	(3,925,970)	-	-	-	(3,925,970)	(214,612)	4,140,582	-	-
Total capital assets, net	$ 816,548	-	-	-	$ 816,548	(21,298)	(795,250)	-	-

HUMBOLDT STATE UNIVERSITY CENTER BOARD OF DIRECTORS
Other Information
June 30, 2021
(for inclusion in the California State University)

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense related to capital assets	$ 214,612
Amortization expense related to other assets	
Total depreciation and amortization	**$ 214,612**

4 Long-term liabilities:

	Balance June 30, 2020	Prior Period Adjustments/Reclassifications	Balance June 30, 2020 (Restated)	Additions	Reductions	Balance June 30, 2021	Current Portion	Noncurrent Portion
1. Accrued compensated absences	**$ 109,411**		**109,411**		(109,411)	**$ -**		$ -
2. Claims liability for losses and loss adjustment expenses	-		-			-		-
3. Capital lease obligations:								
Gross balance	-		-			-	-	-
Unamortized net premium/(discount)	-		-			-	-	-
Total capital lease obligations	**$ -**	-	-	-	-	-	-	-
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	**$** -		-			**$** -	-	-
4.2 Commercial paper	-		-			-		-
4.3 Notes payable (SRB related)	-		-			-		-
4.4 Others:								
	-		-			-		-
	-		-			-		-
	-		-			-		-
	-		-			-		-
Total others	-	-	-	-	-	-	-	-
Sub-total long-term debt	**$ -**	-	-	-	-	**$** -	-	-
4.5 Unamortized net bond premium/(discount)	-		-			-	-	-
Total long-term debt obligations	-	-	-	-	-	-	-	-
Total long-term liabilities	**$ 109,411**	-	**109,411**	-	**(109,411)**	**$** -	-	**$** -

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
Year ending June 30:									
2022			-			-	-	-	-
2023			-			-	-	-	-
2024			-			-	-	-	-
2025			-			-	-	-	-
2026			-			-	-	-	-
2027 - 2031			-			-	-	-	-
2032 - 2036			-			-	-	-	-
2037 - 2041			-			-	-	-	-
2042 - 2046			-			-	-	-	-
2047 - 2051			-			-	-	-	-
Thereafter			-			-	-	-	-
Total minimum lease payments	$ -	-	-	-	-	-	-	-	-
Less: amounts representing interest									-
Present value of future minimum lease payments									-
Unamortized net premium/(discount)									-
Total capital lease obligations									-
Less: current portion									-
Capital lease obligations, net of current portion									**$** -

HUMBOLDT STATE UNIVERSITY CENTER BOARD OF DIRECTORS
Other Information
June 30, 2021
(for inclusion in the California State University)

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
Year ending June 30:									
2022			-			-	-	-	-
2023			-			-	-	-	-
2024			-			-	-	-	-
2025			-			-	-	-	-
2026			-			-	-	-	-
2027 - 2031			-			-	-	-	-
2032 - 2036			-			-	-	-	-
2037 - 2041			-			-	-	-	-
2042 - 2046			-			-	-	-	-
2047 - 2051			-			-	-	-	-
Thereafter			-			-	-	-	-
Total minimum payments	$ -	-	-	-	-	-	-	-	-
Less: amounts representing interest									-
Present value of future minimum payments									-
Unamortized net premium/(discount)									-
Total long-term debt obligations									-
Less: current portion									-
Long-term debt obligations, net of current portion									-

7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	245,539
Payments to University for other than salaries of University personnel	1,253,768
Payments received from University for services, space, and programs	2,367,311
Gifts-in-kind to the University from discretely presented component units	-
Gifts (cash or assets) to the University from discretely presented component units	1,160,730
Accounts (payable to) University	-
Other amounts (payable to) University	-
Accounts receivable from University	439,105
Other amounts receivable from University	-

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	
		-

HUMBOLDT STATE UNIVERSITY CENTER BOARD OF DIRECTORS
Other Information
June 30, 2021
(for inclusion in the California State University)

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	1,186,760	1,473,313	-	-		3,320,712		5,980,785
Depreciation and amortization							214,612	214,612
Total operating expenses	**$ 1,186,760**	**1,473,313**	-	-	-	**3,320,712**	**214,612**	**6,195,397**

10 Deferred outflows/inflows of resources:

1. Deferred Outflows of Resources

Deferred outflows - unamortized loss on refunding(s)	
Deferred outflows - net pension liability	1,041,072
Deferred outflows - net OPEB liability	483,843
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	**$ 1,524,915**

2. Deferred Inflows of Resources

Deferred inflows - service concession arrangements	
Deferred inflows - net pension liability	706,615
Deferred inflows - net OPEB liability	779,677
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	**$ 1,486,292**

11 Other nonoperating revenues (expenses)

Other nonoperating revenues	
Other nonoperating (expenses)	
Total other nonoperating revenues (expenses)	**$ -**

HUMBOLDT STATE UNIVERSITY CENTER BOARD OF DIRECTORS
Note to Supplementary Information
Year ended June 30, 2021

NOTE 1 – SUPPLEMENTARY INFORMATION

As an auxiliary organization of the California State University (CSU), Humboldt State University Center Board of Directors (University Center) 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 University Center's financial statements and the supplementary schedules for CSU.

MOSSADAMS

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
Humboldt State University Center Board of Directors

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 of Humboldt State University Center Board of Directors (the "University Center"), a component unit of Humboldt State University as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the University Center's basic financial statements, and have issued our report thereon dated October 1, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University Center'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.

Moss Adams LLP

Medford, Oregon
October 1, 2021