California State University, Los Angeles Foundation

FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

Years Ended June 30, 2025 and 2024

Aldrich

CALIFORNIA STATE UNIVERSITY, LOS ANGELES FOUNDATION

Financial Statements and Supplemental Information

Years Ended June 30, 2025 and 2024

Table of Contents

	Page
Independent Auditor's Report	1
Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	9
Supplemental Information:	
Schedule of Net Position	20
Schedule of Revenues, Expenses, and Changes in Net Position	23
Other Information	25
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	29

Aldrich CPAs + Advisors LLP
135 S. State College Blvd., #370
Brea, CA 92821

INDEPENDENT AUDITOR'S REPORT

To the Audit Committee
California State University, Los Angeles Foundation

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of California State University, Los Angeles Foundation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of California State University, Los Angeles Foundation as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of California State University, Los Angeles Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about California State University, Los Angeles Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements, continued

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information shown on pages 20-28 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2025, on our consideration of California State University, Los Angeles Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 California State University, Los Angeles Foundation'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 California State University, Los Angeles Foundation's internal control over financial reporting and compliance.

Aldrich CPAs + Advisors LLP

Brea, California
September 26, 2025

CALIFORNIA STATE UNIVERSITY, LOS ANGELES FOUNDATION

Statements of Financial Position

June 30, 2025 and 2024

	2025	2024
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 1,136,779	$ 5,094,120
Investments, current portion	50,000	485,000
Due from related parties	852,301	860,174
Promises to give, current portion, net of allowance	3,539,638	2,999,176
Prepaid expenses and other current assets	8,923	22,635
Total Current Assets	5,587,641	9,461,105
Noncurrent Assets:		
Restricted cash and cash equivalents	3,604,059	1,294,635
Investments, net of current portion	75,056,075	66,895,713
Promises to give, net of current portion, allowance and discount	1,258,090	1,878,655
Total Noncurrent Assets	79,918,224	70,069,003
Total Assets	$ 85,505,865	$ 79,530,108
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and other liabilities	$ 54,783	$ 157,293
Due to related parties	447,285	140,985
Total Liabilities	502,068	298,278
Net Assets:		
Without donor restrictions:		
General operations	1,404,833	1,097,725
Board designated	1,833,313	1,562,756
	3,238,146	2,660,481
With donor restrictions	81,765,651	76,571,349
Total Net Assets	85,003,797	79,231,830
Total Liabilities and Net Assets	$ 85,505,865	$ 79,530,108

See accompanying notes to financial statements.

CALIFORNIA STATE UNIVERSITY, LOS ANGELES FOUNDATION

Statement of Activities

Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues:			
Investment return, net	$ 706,445	$ 6,752,751	$ 7,459,196
Gifts and contributions	113,390	1,842,499	1,955,889
Contributed nonfinancial assets	9,855	-	9,855
Bad debt recovery	-	27,770	27,770
Net assets released from restriction	3,428,718	(3,428,718)	-
Total Support and Revenues	4,258,408	5,194,302	9,452,710
Expenses:			
Program services:			
Scholarships	2,244,567	-	2,244,567
College grants	872,095	-	872,095
Supporting services:			
General and administrative	348,187	-	348,187
Fundraising and development	215,894	-	215,894
Total Expenses	3,680,743	-	3,680,743
Change in Net Assets	577,665	5,194,302	5,771,967
Net Assets, beginning	2,660,481	76,571,349	79,231,830
Net Assets, ending	$ 3,238,146	$ 81,765,651	$ 85,003,797

See accompanying notes to financial statements.

CALIFORNIA STATE UNIVERSITY, LOS ANGELES FOUNDATION

Statement of Activities

Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues:			
Investment return, net	$ (416,078)	$ 6,203,554	$ 5,787,476
Gifts and contributions	110,797	2,179,434	2,290,231
Contributed nonfinancial assets	9,855	-	9,855
Interfund transfers	(1,273,944)	1,273,944	-
Net assets released from restriction	3,287,262	(3,287,262)	-
Total Support and Revenues	1,717,892	6,369,670	8,087,562
Expenses:			
Program services:			
Scholarships	1,659,937	-	1,659,937
College grants	786,009	-	786,009
Supporting services:			
General and administrative	416,450	-	416,450
Fundraising and development	603,551	-	603,551
Total Expenses	3,465,947	-	3,465,947
Change in Net Assets	(1,748,055)	6,369,670	4,621,615
Net Assets, beginning	4,408,536	70,201,679	74,610,215
Net Assets, ending	$ 2,660,481	$ 76,571,349	$ 79,231,830

See accompanying notes to financial statements.

CALIFORNIA STATE UNIVERSITY, LOS ANGELES FOUNDATION

Statement of Functional Expenses

Year Ended June 30, 2025

	Program Services		Supporting Services		
	Scholarships	College Grants	General and Administrative	Fundraising and Development	Total
Bank fees	$ -	$ -	$ 10,940	$ -	$ 10,940
Community engagement	-	-	21,476	68,769	90,245
Contract services	-	372,238	105,202	-	477,440
Equipment	-	66,521	-	-	66,521
Hospitality	-	28,787	-	12,914	41,701
Insurance	-	-	9,425	-	9,425
Maintenance	-	10,120	-	-	10,120
Miscellaneous	-	28,023	22,607	9,855	60,485
Office	-	4,142	1,647	-	5,789
Professional fees	-	10,732	162,061	-	172,793
Salaries and benefits	-	192,185	-	78,655	270,840
Scholarships and University projects	2,244,567	63,550	-	-	2,308,117
Supplies and other fees	-	70,888	9,980	44,628	125,496
Travel and entertainment	-	24,909	4,849	1,073	30,831
Total expenses	$ 2,244,567	$ 872,095	$ 348,187	$ 215,894	$ 3,680,743

See accompanying notes to financial statements.

CALIFORNIA STATE UNIVERSITY, LOS ANGELES FOUNDATION

Statement of Functional Expenses

Year Ended June 30, 2024

	Program Services		Supporting Services		
	Scholarships	College Grants	General and Administrative	Fundraising and Development	Total
Bad debt	$ -	$ -	$ -	$ 319,315	$ 319,315
Bank fees	-	-	14,886	-	14,886
Community engagement	-	-	27,462	18,000	45,462
Contract services	-	6,256	103,423	7,195	116,874
Equipment	-	40,331	-	-	40,331
Hospitality	-	3,071	-	27,775	30,846
Insurance	-	-	9,189	-	9,189
Miscellaneous	-	43	49,991	40,592	90,626
Office	-	-	1,497	-	1,497
Professional fees	-	-	165,969	-	165,969
Salaries and benefits	-	18,027	-	141,459	159,486
Scholarships and University projects	1,659,937	505,372	-	-	2,165,309
Supplies and other fees	-	192,224	41,769	49,215	283,208
Travel and entertainment	-	20,685	2,264	-	22,949
Total expenses	$ 1,659,937	$ 786,009	$ 416,450	$ 603,551	$ 3,465,947

See accompanying notes to financial statements.

CALIFORNIA STATE UNIVERSITY, LOS ANGELES FOUNDATION

Statements of Cash Flows

Years Ended June 30, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities:		
Change in net assets	$ 5,771,967	$ 4,621,615
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Donated securities	(35,006)	(36,901)
Net realized and unrealized gain on investments	(7,459,196)	(3,824,900)
Contributions restricted for endowment	(705,066)	(984,686)
Changes in operating assets and liabilities:		
Due from related parties	7,873	137,659
Promises to give, net	80,103	(219,626)
Prepaid expenses and other current assets	13,712	-
Accounts payable and other liabilities	(102,510)	(16,166)
Due to related parties	306,300	128,352
Net Cash Used by Operating Activities	(2,144,140)	(194,653)
Cash Flows from Investing Activities:		
Purchases of investments	(27,029,624)	(48,731,330)
Proceeds from sale of investments	26,763,458	51,007,200
Proceeds from sale of donated securities	35,006	36,901
Net Cash Provided (Used) by Investing Activities	(231,160)	2,312,771
Cash Flows Provided by Financing Activities:		
Endowment contributions	705,066	984,686
Net Increase (Decrease) in Cash and Cash Equivalents	(1,647,917)	3,102,804
Cash and Cash Equivalents, beginning	6,388,755	3,285,951
Cash and Cash Equivalents, ending	$ 4,740,838	$ 6,388,755
Cash and Cash Equivalents consist of the following:		
Cash and cash equivalents	$ 1,136,779	$ 5,094,120
Restricted cash and cash equivalents	3,604,059	1,294,635
	$ 4,740,838	$ 6,388,755

See accompanying notes to financial statements.

Note 1 - Organization and Summary of Significant Accounting Policies

Nature of Activities
California State University, Los Angeles Foundation (Foundation) is a nonprofit auxiliary corporation organized under the California Nonprofit Public Benefit Corporation Law. It was incorporated on September 9, 1985, for the primary purpose of encouraging and promoting the scientific, literary, educational, and charitable purposes of California State University, Los Angeles (University) by providing financial assistance through scholarships, grants, gifts, loans, and other means to the University, its support groups, students, faculty, and staff.

Financial Statement Presentation
The financial statements of the Foundation have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

- Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. The governing board may designate, from net assets without donor restrictions, net assets for an operating reserve through a board-designated endowment.

- Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the passage of time, purpose, or other events specified by the donor. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

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

Income Taxes
The Foundation is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the Revenue Taxation Code of California. Accordingly, no provision for income taxes is included in the accompanying financial statements.

The Foundation follows U.S. GAAP related to the recognition of uncertain tax positions. The Foundation recognizes accrued interest and penalties associated with uncertain tax positions as part of the statements of activities, when applicable. Management has determined that the Foundation has no uncertain tax positions at June 30, 2025 and 2024, and therefore, no amounts have been accrued.

Cash and Cash Equivalents
The Foundation considers all highly liquid investments with an original maturity date of three months or fewer to be cash equivalents.

Investments
The Foundation carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. The fair value is determined using quoted market prices. Alternative investments, for which quoted market prices are not readily available, are valued at fair value by the investment manager based on factors deemed relevant by the manager including, but not limited to, market conditions, purchase price, estimated liquidation value, restrictions on transfer, and meaningful third-party transactions in the private market. Because of the inherent uncertainty of valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material.

Note 1 - Organization and Summary of Significant Accounting Policies, continued

Investments, continued
Purchases and sales of securities are recorded on the basis at which they traded on that date. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the change in net assets in the statements of activities.

Accounts Receivable
Accounts receivable are stated at unpaid balances, less an allowance for credit losses. The Foundation provides for losses on accounts receivable using the allowance method. The Foundation uses a forward-looking expected credit loss model to determine its allowance for credit losses on accounts receivable. The expected credit loss model requires management to estimate current expected credit losses over the lifetime of the assets by considering historical experience, existing economic conditions, the financial stability of its customers, and reasonable and supportable forecast affecting collectability. Based on these factors, the Foundation determines that there should be no allowance for the year ended June 30, 2025 and 2024.

Promises to Give
Promises to give are stated at unpaid balances, less an allowance for doubtful accounts and a discount on those promises to give due in greater than one year. The Foundation provides for losses on receivables using the allowance method. The allowance is based on experience and other circumstances. It is the Foundation's policy to charge off uncollectable receivables when management determines the receivable will not be collected.

Unconditional promises to give are recorded as receivable when the promise is received and there is no barrier or right of return on the promise. Unconditional promises to give with payments due in future periods are reported as restricted support.

Revenue Recognition
Contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence or nature of any donor restrictions. Contributions for which donors have imposed restrictions, which limit the use of the donated assets, are reported as restricted support if the restrictions are not met in the same reporting period. When such donor-imposed restrictions are met in subsequent reporting periods, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions. Contributions of assets which donors have stipulated must be maintained in perpetuity, with only the income earned thereon available for current use, are classified as contributions with donor restrictions.

Gifts of land, buildings, and equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulation, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Conditional contributions, that is, those with a measurable performance or other barrier, and a right of return to the donor or release from obligation, are not recognized until the conditions on which they depend have been substantially met. As of June 30, 2025 and 2024, the Foundation did not have any conditional contributions.

Contributed Nonfinancial Assets
The Foundation records various types of in-kind contributions. Contributions of tangible assets are recognized at fair value when received. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The fair market value was determined through active markets of identical or similar items. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses.

Note 1 - Organization and Summary of Significant Accounting Policies, continued

Leases
Leases with an initial term of 12 months or fewer are not recorded on the statements of financial position. Lease expense is recognized for these leases on a straight-line basis over the lease term. Management has analyzed all lease agreements and determined no right-of-use assets or lease liabilities exist as of June 30, 2025 and 2024. The lease agreements do not contain any material residual value guarantees.

Advertising
The Foundation follows the policy of charging costs of advertising to expense as incurred.

Functional Expense Allocations
The costs of providing programs and other activities have been summarized on a functional basis in the accompanying statements of functional expenses. Accordingly, all costs besides salaries and benefits have been allocated among the program services and supporting services on the basis of initial coding to service. Salaries and benefits have been allocated among the program services and supporting services on the basis of time and effort.

Fair Value Measurements
The Foundation defines fair value as the exchange price that would be received for an asset or paid for a liability in the principal or most advantageous market. The Foundation applies fair value measurements to assets and liabilities that are required to be recorded at fair value under U.S. GAAP. Fair value measurement techniques maximize the use of observable inputs and minimize the use of unobservable inputs and are categorized in a fair value hierarchy based on the transparency of inputs.

The three levels are defined as follows:

Level 1 – Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the same term of the financial instrument.

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

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.

Certain financial instruments may be valued using net asset value (NAV) per share. NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, divided by the number of shares outstanding or percentage ownership.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024.

Common stock, exchange-traded funds, U.S. Treasury securities, and mutual funds – Valued at the closing price reported on the active market on which the individual securities are traded.

Corporate bonds, government securities, and certificates of deposit – Valued using pricing models maximizing the use of observable inputs for similar securities.

Alternative investments – Valued at net asset value per share.

Note 1 - Organization and Summary of Significant Accounting Policies, continued

Reclassifications
Certain items in the 2024 financial statements have been reclassified to conform to current year classifications, specifically, expenses within the statement of functional expenses and statement of activities. Such reclassifications had no effect on previously reported changes in net assets.

Subsequent Events
The Foundation has evaluated subsequent events through September 26, 2025, which is the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Foundation has various sources of liquidity at its disposal, including cash and cash equivalents, investments, and receivables.

The following reflects the Foundation's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual obligations within one year of the statement of financial position date:

	2025	2024
Cash and cash equivalents	$ 4,740,838	$ 6,388,755
Investments	75,106,075	67,380,713
Due from related parties	852,301	860,174
Promises to give, net	4,797,728	4,877,831
Total financial assets	85,496,942	79,507,473
Less amounts not available to be used within one year:		
Restricted by donor with time or purpose restrictions	(81,765,651)	(76,571,349)
Board designations	(1,833,313)	(1,562,756)
Financial assets available to meet cash needs for general expenditures within one year	$ 1,897,978	$ 1,373,368

The Foundation is substantially supported by donor-restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

As of June 30, 2025 and 2024, the Foundation had $1,833,313 and $1,562,756 in Board-designated funds, respectively. Although the Foundation does not intend to spend from its Board-designated funds, other than amounts approved for expenditure as part of the annual appropriation process, amounts could be made available, if necessary, by an action voted on by the Board of Directors.

Note 3 - Concentrations of Credit Risk

The Foundation 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. The balances at times may exceed FDIC limits. The Foundation manages this risk by using high-quality financial institutions. The Foundation has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Note 3 - Concentrations of Credit Risk, continued

The Foundation's investments are subject to various risks, such as interest rate, credit and overall market volatility risks. Further, because of the significance of the investments to the Foundation's financial position and the level of risk inherent in most investments, it is reasonably possible that changes in the values of these investments could occur in the near term and such changes could materially affect the amounts reported in the financial statements.

Management is of the opinion that the diversification of its invested assets among the various asset classes should mitigate the impact of changes.

Two donors comprised approximately 80% and 71% of the Foundation’s total promises to give at June 30, 2025 and 2024, respectively. One donor comprised approximately 13% and 17% of the Foundation’s total contributions for the years ended June 30, 2025 and 2024, respectively.

The Foundation had investment holdings in two private equity funds that amounted to 51% and 50% of total investments for the years ended June 30, 2025 and 2024, respectively.

Note 4 - Investments and Fair Value Measurement

Investments consist of the following at June 30, 2025:

	Level 1	Level 2	Level 3	NAV	Total
Common stock	$ 199,467	$ -	$ -	$ -	$ 199,467
Exchanged-traded funds	3,128,955	-	-	-	3,128,955
Corporate bonds	-	1,222,217	-	-	1,222,217
Certificates of deposit	-	245,424	-	-	245,424
Mutual funds	18,517,891	-	-	-	18,517,891
Alternative investments:					
Private equity	-	-	-	45,311,552	45,311,552
Hedge funds	-	-	-	3,715,169	3,715,169
Real estate	-	-	-	2,765,400	2,765,400
Total	$ 21,846,313	$ 1,467,641	$ -	$ 51,792,121	$ 75,106,075

Investments consist of the following at June 30, 2024:

	Level 1	Level 2	Level 3	NAV	Total
Common stock	$ 231,272	$ -	$ -	$ -	$ 231,272
Exchanged-traded funds	3,123,614	-	-	-	3,123,614
Corporate bonds	-	1,191,239	-	-	1,191,239
U.S. Treasury securities	504,838	-	-	-	504,838
U.S. Government securities	-	1,244,677	-	-	1,244,677
Certificates of deposit	-	1,939,175	-	-	1,939,175
Mutual funds	16,136,883	-	-	-	16,136,883
Alternative investments:					
Private equity	-	-	-	36,705,317	36,705,317
Hedge funds	-	-	-	3,536,991	3,536,991
Real estate	-	-	-	2,766,707	2,766,707
Total	$ 19,996,607	$ 4,375,091	$ -	$ 43,009,015	$ 67,380,713

Note 4 - Investments and Fair Value Measurement, continued

At June 30, 2025, the Foundation has the following investments that calculate NAV per share:

Type	Fair Value June 30, 2025	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Private equity funds [a]	$ 38,049,472	N/A	Weekly	None
Private equity funds [b]	4,361,201	N/A	Monthly	15 days
Private equity funds [c]	2,900,879	$ 265,488	N/A	N/A
Hedge funds [d]	1,713,535	None	Annually	None
Hedge funds [d]	935,332	None	Semi-annually	None
Hedge funds [d]	1,066,302	None	Quarterly	None
Real estate investment trusts [e]	2,765,400	None	Monthly	None

At June 30, 2024, the Foundation has the following investments that calculate NAV per share:

Type	Fair Value June 30, 2024	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Private equity funds [a]	$ 33,994,382	N/A	Weekly	None
Private equity funds [c]	2,710,935	$ 516,577	N/A	N/A
Hedge funds [d]	1,679,489	None	Annually	None
Hedge funds [d]	891,226	None	Semi-annually	None
Hedge funds [d]	966,276	None	Quarterly	None
Real estate investment trusts [e]	2,766,707	None	Monthly	None

[a] Funds in this category are climate-aligned index funds intended to meet U.S. and international equity targets per the Foundation's investment policy.

[b] The Foundation invests in private equity funds targeting growth potential in emerging markets.

[c] The Foundation invests in multiple private equity funds that invest in both U.S. and international equities.

[d] The Foundation invests in hedge funds that pursue multiple strategies to diversify risks and reduce volatility.

[e] The Foundation invests in two real estate investment trusts focusing on Sunbelt markets in both residential and commercial real estate. One fund also invests in international markets.

Investments consist of the following on the statements of financial position:

	2025	2024
Current	$ 50,000	$ 485,000
Noncurrent	75,056,075	66,895,713
	$ 75,106,075	$ 67,380,713

Note 5 - Promises to Give

Promises to give consist of the following:

	2025	2024
Due in less than one year	$ 3,656,601	$ 3,100,790
Due in one to five years	734,713	1,368,889
Due in more than five years	1,033,688	1,118,859
Gross promises to give	5,425,002	5,588,538
Less:		
Discount on promises to give (average imputed rate of 4.67%)	(453,746)	(527,569)
Allowance for doubtful promises to give	(173,528)	(183,138)
Promises to give, net	$ 4,797,728	$ 4,877,831

Promises to give consist of the following on the statements of financial position:

	2025	2024
Current	$ 3,539,638	$ 2,999,176
Noncurrent	1,258,090	1,878,655
	$ 4,797,728	$ 4,877,831

Note 6 - Net Assets

Board-Designated Net Assets

Board-designated net assets consist of funds that are invested to be used for scholarships. Additionally, earnings have also been designated for scholarships. At June 30, 2025 and 2024, Board-designated net assets were $1,833,313 and $1,562,756, respectively.

Net Assets with Donor Restrictions

At June 30, 2025 and 2024, net assets with donor restrictions consist of the following:

	2025	2024
Time or purpose:		
Unappropriated endowment earnings	$ 15,347,529	$ 11,306,935
Academic programs	4,558,037	8,970,910
Scholarships	6,005,200	5,235,073
	25,910,766	25,512,918
Perpetual:		
Endowments	55,854,885	51,058,431
	$ 81,765,651	$ 76,571,349

At June 30, 2025 and 2024, net assets totaling $55,854,885 and $51,058,431, respectively, are restricted for investments in perpetuity, primarily for scholarships and program services, which represents the Foundation's endowment funds. At the request of the donor, any interest not awarded to any qualified candidates should be retained as perpetually restricted in the same year. There was no investment income to be retained as perpetually restricted for the years ended June 30, 2025 and 2024.

Note 6 - Net Assets, continued

Net Assets Released from Restrictions
Net assets with donor restrictions were released from restrictions for the following purposes at June 30:

	2025	2024
Scholarships	$ 2,244,567	$ 1,659,937
College grants	872,095	786,009
Annual general fund support	312,056	841,316
	$ 3,428,718	$ 3,287,262

Note 7 - Endowments

General Board Policy on Administration of Endowment Funds
The Board of Trustees of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions retained in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts donated to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions retained in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for spending by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Foundation and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation
7. The investment policies of the Foundation

Investment Policy
The Foundation has adopted investment and spending policies, approved by the Board of Trustees, for endowment assets that attempt to provide a predictable stream of funding for the scholarships supported by its endowment assets, while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity, debt securities, and mutual funds, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make annual scholarship distributions of approximately 3% to 5% of the fair value of the endowment investments as of December 31, while growing the funds, if possible. Investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Note 7 - Endowments, continued

Spending Policy

The Foundation has a policy of appropriating for distribution for scholarships each year approximately 3% to 5% of its endowed investments' fair value as of December 31. In establishing this policy, the Foundation considered the long-term expected return on its investment assets, the nature and duration of the endowment fund which must be maintained in perpetuity because of donor restrictions, and the possible effects of inflation.

The policy is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return. For the years ended June 30, 2025 and 2024, appropriation of $2,625,066 and $2,304,745 was made from the endowment fund for scholarship distributions.

The Foundation has a policy of appropriating 5% of all contributions received for the endowment fund annually to cover general operating expenses of the Foundation of which donors are notified of upon gift acceptance. The amount appropriated from the endowment for general operations as of June 30, 2025 and 2024, was $35,253 and $49,234, respectively, which represented 5% of endowed contributions received.

Additionally, the Foundation has a policy of appropriating up to 1.5% of its endowment fund's fair value as of June 30 of the prior year, for general operating expenses of the Foundation as established in the annual budget for the Foundation in July of the subsequent year. During the years ended June 30, 2025 and 2024, $529,223 and $385,684, respectively, appropriation was made from the endowment fund for general operations expenses.

The endowment net assets composition by type of fund consisted of the following as of June 30, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	$ 1,833,313	$ -	$ 1,833,313
Donor designated funds:			
Original donor-restricted gift amount required to be maintained in perpetuity by donor	-	55,854,885	55,854,885
Accumulated investment gains	-	15,347,529	15,347,529
	$ 1,833,313	$ 71,202,414	$ 73,035,727

The endowment net assets composition by type of fund consisted of the following as of June 30, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	$ 1,562,756	$ -	$ 1,562,756
Donor designated funds:			
Original donor-restricted gift amount required to be maintained in perpetuity by donor	-	51,058,431	51,058,431
Accumulated investment gains	-	11,306,935	11,306,935
	$ 1,562,756	$ 62,365,366	$ 63,928,122

Note 7 - Endowments, continued

Changes in endowment net assets for the year ended June 30, 2025 consisted of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 1,562,756	$ 62,365,366	$ 63,928,122
Contributions	-	705,066	705,066
Transfers, net	-	4,091,388	4,091,388
Appropriated expenditures	(104,650)	(2,625,066)	(2,729,716)
Investment return, net	375,207	6,665,660	7,040,867
Endowment net assets, end of year	$ 1,833,313	$ 71,202,414	$ 73,035,727

Changes in endowment net assets for the year ended June 30, 2024 consisted of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 2,459,114	$ 55,648,873	$ 58,107,987
Contributions	-	984,686	984,686
Transfers, net	(3,400)	1,956,976	1,953,576
Appropriated expenditures	-	(2,304,745)	(2,304,745)
Investment return, net	(892,958)	6,079,576	5,186,618
Endowment net assets, end of year	$ 1,562,756	$ 62,365,366	$ 63,928,122

During the year ended June 30, 2025, management reviewed the Foundation's internal fund classifications and determined that certain funds were functioning as endowments. Accordingly, certain amounts presented in the endowment and net assets footnotes as of June 30, 2024, have been updated to reflect this evaluation. The overall ending restricted balance previously reported remains unchanged.

Transfers are comprised of prior year contributions redesignated to the endowment during the years ended June 30, 2025 and 2024.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. These deficiencies result from unfavorable market fluctuations. As of June 30, 2025, deficiencies of this nature exist in nine donor designated endowment funds, which have an original gift value of $751,108, a current fair value of $713,337, and a deficiency of $37,771. As of June 30, 2024, deficiencies of this nature exist in 28 donor designated endowment funds, which together have an original gift value of $3,186,178, and a current fair value of $2,915,190, and a deficiency of $270,998.

The Foundation's donor-restricted endowment contains a collection of funds totaling $8,627,761 and $8,267,735 as of June 30, 2025 and 2024, respectively, which were originally restricted for a specific purpose by the donor left as a bequest, that the Board has determined to operate as an endowment fund with earnings serving the original donor-restricted purpose.

Note 8 - Related Party Transactions

Transactions with the University
The Foundation reimbursed the University $565,153 and $290,283 for miscellaneous expenses incurred during the years ended June 30, 2025 and 2024, respectively. The Foundation reimbursed the University $92,450 for accounting services for the years ended June 30, 2025 and 2024.

University personnel performed administrative services for the Foundation, and the charges related to such services totaled $132,726 and $126,164 for the years ended June 30, 2025 and 2024, respectively, of which the Foundation reimbursed the University.

Transactions with Cal State L.A. University Auxiliary Services, Inc. (UAS)
UAS assists the University in various program expenses. The Foundation reimbursed UAS $67,682 and $0 for campus program expenses incurred during the years ended June 30, 2025 and 2024, respectively.

For the years ended June 30, 2025 and 2024, contributions received from UAS were $50,550 and $51,000, respectively.

Transactions with the University-Student Union at California State University, Los Angeles (Union)
Payroll services for the Foundation were provided by the Union. The Foundation reimburses the Union for wages and benefits paid along with an administrative fee. Total reimbursed wages and benefits were $80,122 and $150,724 for the years ended June 30, 2025 and 2024, respectively. Total fees were $5,576 and $6,050 for the years ended June 30, 2025 and 2024, respectively.

The Foundation subleases space from the Union consisting of 375 square feet on the first floor of the University-Student Union Building. In March 2010, the Union revised the agreement to waive the normal square footage rate and payment was based on the calculation of $0.24 per square foot for utility services. As such, the Foundation recorded $9,855 as a contributed nonfinancial asset use of facilities and expense on the accompanying statements of activities for the years ended June 30, 2025 and 2024. The value of the donated facilities is equal to the fair market value of this rent for similar facilities and is used for administrative purposes. Payments made during years ended June 30, 2025 and 2024, for utility services were $1,665 and $1,620, respectively. Total payments under the agreement for custodial services were $2,565 and $2,340 for the years ended June 30, 2025 and 2024, respectively.

Transactions with the Chancellor's Office
The Chancellor's Office holds funds related to charitable gift annuities. For the years ended June 30, 2025 and 2024, net contributions and valuation changes were a gain of $20,241 and a loss of $33,326, respectively.

The following table summarizes accounts receivable from and accounts payable to affiliated organizations at June 30:

	2025	2024
Due from related parties:		
University	$ 163	$ 9,800
UAS	748,273	766,750
Chancellor's Office	103,865	83,624
	$ 852,301	$ 860,174
Due to related parties:		
University	$ 389,288	$ 99,467
UAS	57,997	40,562
Union	-	956
	$ 447,285	$ 140,985

SUPPLEMENTAL INFORMATION

CALIFORNIA STATE UNIVERSITY, LOS ANGELES FOUNDATION

Schedule of Net Position

June 30, 2025

(for inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	1,136,779
Short-term investments	50,000
Accounts receivable, net	852,301
Lease receivable, current portion	-
P3 receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	3,539,638
Prepaid expenses and other current assets	8,923
Total current assets	5,587,641
Noncurrent assets:	
Restricted cash and cash equivalents	3,604,059
Accounts receivable, net	-
Lease receivable, net of current portion	-
P3 receivable, net of current portion	-
Notes receivable, net of current portion	-
Student loans receivable, net	-
Pledges receivable, net	1,258,090
Endowment investments	65,910,047
Other long-term investments	9,146,028
Capital assets, net	-
Other assets	-
Total noncurrent assets	79,918,224
Total assets	85,505,865
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Leases	-
P3	-
Others	-
Total deferred outflows of resources	-

CALIFORNIA STATE UNIVERSITY, LOS ANGELES FOUNDATION

Schedule of Net Position, continued

June 30, 2025

(for inclusion in the California State University)

Liabilities:	
Current liabilities:	
Accounts payable	502,068
Accrued salaries and benefits	-
Accrued compensated absences, current portion	-
Unearned revenues	-
Lease liabilities, current portion	-
SBITA liabilities - current portion	-
P3 liabilities - current portion	-
Long-term debt obligations, current portion	-
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	-
Other liabilities	-
Total current liabilities	502,068
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	-
Unearned revenues	-
Grants refundable	-
Lease liabilities, net of current portion	-
SBITA liabilities, net of current portion	-
P3 liabilities, net of current portion	-
Long-term debt obligations, net of current portion	-
Claims liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	-
Net pension liability	-
Other liabilities	-
Total noncurrent liabilities	-
Total liabilities	502,068

Deferred inflows of resources:	
P3 service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Lease	-
P3	-
Others	-
Total deferred inflows of resources	-
Net position:	
Net investment in capital assets	-
Restricted for:	
Nonexpendable – endowments	55,854,885
Expendable:	
Scholarships and fellowships	6,005,200
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	19,905,566
Unrestricted	3,238,146
Total net position	85,003,797

CALIFORNIA STATE UNIVERSITY, LOS ANGELES FOUNDATION

Schedule of Revenues, Expenses, and Changes in Net Position

Year Ended June 30, 2025

(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	-
Scholarship allowances (enter as negative)	-
Other operating revenues	-
Total operating revenues	-
Expenses:	
Operating expenses:	
Instruction	-
Research	-
Public service	-
Academic support	-
Student services	872,095
Institutional support	564,081
Operation and maintenance of plant	-
Student grants and scholarships	2,244,567
Auxiliary enterprise expenses	-
Depreciation and amortization	-
Total operating expenses	3,680,743
Operating income (loss)	(3,680,743)

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	1,993,514
Investment income (loss), net	418,329
Endowment income (loss), net	7,040,867
Interest expense	-
Other nonoperating revenues (expenses)	-
Net nonoperating revenues (expenses)	9,452,710
Income (loss) before other revenues (expenses)	5,771,967
State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
Increase (decrease) in net position	5,771,967
Net position:	
Net position at beginning of year, as previously reported	79,231,830
Restatements	-
Net position at beginning of year, as restated	79,231,830
Net position at end of year	85,003,797

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments	2,303,025
All other restricted cash and cash equivalents	1,301,034
Noncurrent restricted cash and cash equivalents	**3,604,059**
Current cash and cash equivalents	1,136,779
Total	**$ 4,740,838**

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds	-	-	-
Repurchase agreements	-	-	-
Certificates of deposit	50,000	195,424	**245,424**
U.S. agency securities	-	-	-
U.S. treasury securities	-	-	-
Municipal bonds	-	-	-
Corporate bonds	-	1,222,217	**1,222,217**
Asset backed securities	-	-	-
Mortgage backed securities	-	-	-
Commercial paper	-	-	-
Supranational	-	-	-
Mutual funds	-	18,517,891	**18,517,891**
Exchange traded funds	-	3,128,955	**3,128,955**
Equity securities	-	199,467	**199,467**
Alternative investments:			
Private equity (including limited partnerships)	-	45,311,552	**45,311,552**
Hedge funds	-	3,715,169	**3,715,169**
Managed futures	-	-	-
Real estate investments (including REITs)	-	2,765,400	**2,765,400**
Commodities	-	-	-
Derivatives	-	-	-
Other alternative investment types	-	-	-
Other external investment pools	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-
State of California Local Agency Investment Fund (LAIF)	-	-	-
State of California Surplus Money Investment Fund (SMIF)	-	-	-
Other investments:			
	-	-	-
	-	-	-
Total Other investments	-	-	-
Total investments	**50,000**	**75,056,075**	**75,106,075**
Less endowment investments (enter as negative number)	-	(65,910,047)	**(65,910,047)**
Total investments, net of endowments	**50,000**	**9,146,028**	**9,196,028**

2.2 Fair value hierarchy in investments:

Investment Type		Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds	$	-	-	-	-	-
Repurchase agreements		-	-	-	-	-
Certificates of deposit		**245,424**	-	245,424	-	-
U.S. agency securities		-	-	-	-	-
U.S. treasury securities		-	-	-	-	-
Municipal bonds		-	-	-	-	-
Corporate bonds		**1,222,217**	-	1,222,217	-	-
Asset backed securities		-	-	-	-	-
Mortgage backed securities		-	-	-	-	-
Commercial paper		-	-	-	-	-
Supranational		-	-	-	-	-
Mutual funds		**18,517,891**	18,517,891	-	-	-
Exchange traded funds		**3,128,955**	3,128,955	-	-	-
Equity securities		**199,467**	199,467	-	-	-
Alternative investments:						
Private equity (including limited partnerships)		**45,311,552**	-	-	-	45,311,552
Hedge funds		**3,715,169**	-	-	-	3,715,169
Managed futures		-	-	-	-	-
Real estate investments (including REITs)		**2,765,400**	-	-	-	2,765,400
Commodities		-	-	-	-	-
Derivatives		-	-	-	-	-
Other alternative investment types		-	-	-	-	-
Other external investment pools		-	-	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)		-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)		-	-	-	-	-
State of California Surplus Money Investment Fund (SMIF)		-	-	-	-	-
Other investments:						
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
Total other investments:		-	-	-	-	-
Total investments		**75,106,075**	**21,846,313**	**1,467,641**	**-**	**51,792,121**

2.3 Investments held by the University under contractual agreements: Not Applicable

3.1 Capital Assets, excluding ROU assets: Not Applicable

3.2 Detail of depreciation and amortization expense: Not Applicable

4 Long-term liabilities: Not Applicable

5 Future minimum payments schedule - leases, SBITA, P3: Not Applicable

6 Future minimum payments schedule - Long-term debt obligations: Not Applicable

7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	$	132,726
Payments to University for other than salaries of University personnel		657,603
Payments received from University for services, space, and programs		-
Gifts-in-kind to the University from discretely presented component units		-
Gifts (cash or assets) to the University from discretely presented component units		-
Accounts (payable to) University		(389,288)
Other amounts (payable to) University		-
Accounts receivable from University		163
Other amounts receivable from University		-

8 Restatements: Not Applicable

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	192,185	-	-	-	-	679,910	-	**872,095**
Institutional support	78,655	-	-	-	-	485,426	-	**564,081**
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	2,244,567	-	-	**2,244,567**
Auxiliary enterprise expenses	-	-	-	-	-	-		-
Depreciation and amortization	-	-	-	-	-	-	-	-
Total operating expenses	**$ 270,840**	**-**	**-**	**-**	**2,244,567**	**1,165,336**	**-**	**3,680,743**

No pension plan reported N/A

10 Deferred outflows/inflows of resources: Not Applicable

11 Other nonoperating revenues (expenses): Not Applicable

Aldrich CPAs + Advisors LLP
135 S. State College Blvd., #370
Brea, CA 92821

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Audit Committee
California State University, Los Angeles Foundation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of California State University, Los Angeles Foundation (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 26, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described below as item 2025-001, that we consider to be a significant deficiency.

2025-001 Financial Close and Reporting

Criteria: The California State University Office of the Chancellor requires that an independent audit be completed 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. The audit report must be submitted annually by a specified deadline. To meet these requirements, the financial close process should provide timely, accurate, and fully supported financial information, including reconciliations and schedules, to ensure compliance with both internal and external reporting obligations.

Condition: During our audit of the California State University, Los Angeles Foundation, we noted that certain reconciliations, supporting schedules, specifically, the investments rollforward, schedule of net assets, statement of functional expenses, and financial statements were not completed timely, were not properly reconciled, contained internal inconsistencies, or did not consistently reflect the most current data. These circumstances resulted in multiple iterations of key audit support, particularly in the areas of investments, net assets, and functional expenses.

Report on Internal Control over Financial Reporting, continued

2025-001 Financial Close and Reporting, continued

Cause: The issues identified primarily stem from weaknesses in the preparation and review of reconciliations and schedules. Processes lacked adequate controls to ensure that reconciliations tied to both the underlying investment statements and the general ledger. Additionally, oversight of financial close procedures did not consistently ensure accuracy, completeness, or clarity of presentation, particularly in areas involving net asset and endowment-related disclosures.

Effect: These deficiencies delayed financial reporting, required repeated iterations of supporting schedules, increased the risk of misstatements, prolonged audit procedures in critical areas, and complicated related disclosures.

Recommendation: We recommend that the California State University, Los Angeles Foundation enhance its year-end and month-end close processes to ensure all major accounts, specifically, the investment rollforward, schedule of net assets, and statement of functional expenses are reconciled, reviewed at a level commensurate with the complexity of the associated schedule, and on a timely basis to ensure that financial reporting is accurate, complete, and prepared within required deadlines.

Views of Responsible Officials: Management acknowledges the delays caused by overreliance on manual workbooks and a single individual maintaining critical information. Corrective actions include cross training, centralized documentation, and enhanced communication protocols.

To improve the financial close process, management is implementing:

1. Stronger Internal Controls – A financial close calendar with clear deadlines for preparation and review of major accounts.
2. Cross-Training – At least two employees trained for each process to ensure continuity and knowledge sharing.
3. Improved Communication Protocols – Regular check-ins, status updates, and response timelines between preparers and reviewers.
4. System and Process Improvements – Optimizing endowment accounting and pursuing specialized software to streamline reconciliations and reporting.

To ensure the effectiveness of these corrective actions, we will conduct regular internal reviews of the reconciliation process and financial close procedures. Additionally, we will continue to assess the appropriateness of our staffing levels and ensure that they are knowledgeable of critical financial information.

We are committed to improving our financial close and reporting process and ensuring that future audits are conducted without delays. The corrective actions outlined above will help address the deficiencies noted in the audit and prevent similar issues from recurring.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether California State University, Los Angeles Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*, CONTINUED

California State University, Los Angeles Foundation's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on California State University, Los Angeles Foundation's response to the finding identified in our audit and described above. California State University, Los Angeles Foundation's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 California State University, Los Angeles Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering California State University, Los Angeles Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Aldrich CPAs + Advisors LLP

Brea, California
September 26, 2025