

**The Agricultural Foundation of
of
California State University, Fresno**

**2023-24
Annual Report**

**Approved by the Board of Directors
October 11, 2024**



Reports of Independent Auditors
and Financial Statements with
Supplementary Information

**The Agricultural Foundation of California State
University, Fresno**

June 30, 2024



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Report of Independent Auditors

To the Board of Directors of
The Agricultural Foundation of California State University, Fresno

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Agricultural Foundation of California State University, Fresno (Agricultural Foundation), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (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 the Agricultural Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 18 to the financial statements, in 2024, the Agricultural Foundation has elected to change its method of accounting for contributions of nonfinancial assets – livestock and restated its 2023 financial statements for this change. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agricultural Foundation ability to continue as a going concern for one year after the date that the financial statements are 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agricultural 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 the Agricultural 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of net position, schedule of revenues, expenses, and changes in net position, and other information (collectively supplementary information) are presented for purposes of additional analysis and are 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 supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2024, on our consideration of Agricultural Foundation’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 Agricultural 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 Agricultural Foundation’s internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Fresno, California
September 20, 2024

The Agricultural Foundation of California State University, Fresno
Corporate Information (Unaudited)
For the Fiscal Year Ended June 30, 2024

BOARD OF DIRECTORS

William Bourdeau	Coalinga, California
Joe Del Bosque	Los Banos, California
Daniel Errotabere	Riverdale, California
Dr. Saúl Jiménez-Sandoval	Fresno, California
Richard Matoian	Fresno, California
Dianne Nury	Fresno, California
Pat V. Ricchiuti	Clovis, California
Steve Shehadey	Fresno, California
Dr. Rolston St. Hilaire	Fresno, California
Sarah Woolf	Fresno, California

CORPORATE OFFICERS

Pat V. Ricchiuti	Chair
Sarah Woolf	Vice Chair
Daniel Errotabere	Treasurer
Dr. Saúl Jiménez-Sandoval	Secretary

AUDIT COMMITTEE

Richard Matoian, Chair	Fresno, California
Daniel Errotabere, Vice Chair	Fresno, California
Dr. Lynn D. Hemink (thru 5/8/24)	Fresno, California
William Bourdeau	Coalinga, California

EXECUTIVE STAFF

Deborah S. Adishian-Astone (thru 2/6/24)	Executive Director
Nicole Lane (thru 2/6/24)	Associate Executive Director
Nicole Lane (began 2/7/24)	Executive Director

CORPORATE DATA

Executive Offices	2771 East Shaw Avenue Fresno, California 93710-8205 Telephone (559) 278-0800
Auditors	Moss Adams LLP 255 East River Park Circle, Suite 220 Fresno, California Telephone: 559-389-5700

Financial Statements

The Agricultural Foundation of California State University, Fresno
Statement of Financial Position
June 30, 2024

ASSETS

CURRENT ASSETS

Cash and cash equivalents (Note 4 and 5)	\$	883,474
Accounts receivable, net		487,398
Pledges receivable		34,000
Inventory (Note 6)		703,817
Investment in growing crops		385,367
Prepaid expenses		30
Total current assets		2,494,086

NONCURRENT ASSETS

Restricted (Note 4 and 5)		
Restricted cash		323,925
Total restricted assets		323,925

OTHER ASSETS

Long-term receivables (Note 7)		50,211
Investments (Note 5 and 8)		1,359,477
Total other assets		1,409,688

FIXED ASSETS

Breeding herd		101,590
Equipment and livestock		4,904,816
Capitalized development costs		1,302,024
Construction in progress		367,601
Total fixed assets		6,676,031
Less: accumulated depreciation		4,485,497
Total fixed assets, net		2,190,534
Total noncurrent assets		3,924,147
Total assets	\$	6,418,233

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and other accrued expenses	\$	520,189
Deferred revenue (Note 9)		37,721
Total current liabilities		557,910

NET ASSETS

Without donor restrictions (Note 11)		5,536,398
With donor restrictions (Note 11)		323,925
Total net assets		5,860,323
Total liabilities and net assets	\$	6,418,233

See accompanying notes.

The Agricultural Foundation of California State University, Fresno
Statement of Activities
Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING ACTIVITIES			
Revenues and other support			
Gross sales	\$ 4,536,135	\$ -	\$ 4,536,135
Contributions	153,873	60,000	213,873
Nonfinancial assets			
Agricultural operations support	860,676	-	860,676
Other nonfinancial assets	1,074,613	-	1,074,613
Federal subsidies	4,544	-	4,544
Interest income	73,137	-	73,137
Net assets released from restrictions	62,334	(62,334)	-
Total revenues and other support	<u>6,765,312</u>	<u>(2,334)</u>	<u>6,762,978</u>
Expenses			
Cost of sales	1,173,010	-	1,173,010
Salaries/wages	2,459,005	-	2,459,005
Employee benefits	254,888	-	254,888
Advertising	20,151	-	20,151
Audit fees	28,093	-	28,093
Capitalized development costs-depreciation	81,510	-	81,510
Custom harvesting	116,338	-	116,338
Depreciation	246,388	-	246,388
Donations	244	-	244
Equipment rental/repair	405,280	-	405,280
Insurance	68,785	-	68,785
Legal fees	59	-	59
Licenses/dues/fees	73,399	-	73,399
Livestock expense	133,162	-	133,162
Management services fee	169,454	-	169,454
Miscellaneous	51,325	-	51,325
Office supplies/duplicating	7,777	-	7,777
Postage/freight	5,565	-	5,565
Supplies	814,768	-	814,768
Utilities	124,876	-	124,876
Total expenses	<u>6,234,077</u>	<u>-</u>	<u>6,234,077</u>
Change in net assets from operations	<u>531,235</u>	<u>(2,334)</u>	<u>528,901</u>
NONOPERATING ACTIVITIES			
Unrealized gain on investments	111,287	-	111,287
Total nonoperating activities	<u>111,287</u>	<u>-</u>	<u>111,287</u>
CHANGE IN NET ASSETS	642,522	(2,334)	640,188
NET ASSETS, beginning of year, as previously stated	<u>4,424,509</u>	<u>326,259</u>	<u>4,750,768</u>
EFFECT OF RESTATEMENT (Note 18)	469,367	-	469,367
NET ASSETS, beginning of year, restated	<u>4,893,876</u>	<u>326,259</u>	<u>5,220,135</u>
NET ASSETS, end of year	<u>\$ 5,536,398</u>	<u>\$ 323,925</u>	<u>\$ 5,860,323</u>

See accompanying notes.

The Agricultural Foundation of California State University, Fresno
Statement of Cash Flows
Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	\$ 640,188
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities	
Depreciation	327,898
Unrealized gain on investments	(111,287)
Donation of fixed assets	(252,563)
Changes in	
Accounts receivable	(122,521)
Inventories	(48,713)
Investment in growing crops	18,077
Prepaid expenses	15
Accounts payable and other accrued expenses	(114,938)
Deferred revenue	2,932
	339,088
CASH FLOWS FROM INVESTING ACTIVITIES	
Collection of cash on long-term receivables	41,360
Acquisition of fixed assets	(455,399)
	(414,039)
NET DECREASE IN CASH	(74,951)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH beginning of year	1,282,350
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, end of year	\$ 1,207,399
RECONCILIATION OF CASH TO STATEMENT OF FINANCIAL POSITION	
Cash and cash equivalents	\$ 883,474
Restricted cash	323,925
	\$ 1,207,399

See accompanying notes.

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

Note 1 – General Information

The Agricultural Foundation of California State University, Fresno (The Agricultural Foundation) was incorporated on December 3, 1954 as a nonprofit corporation. It is a tax-exempt corporation under section 501(c)(3) of the Internal Revenue Code.

The Agricultural Foundation was formed and is operated exclusively to receive, hold, invest, and administer property and to make expenditures to or for the benefit of California State University, Fresno (the University). The Agricultural Foundation is supported primarily by sales of products from the various operating units. For the year ended June 30, 2024, approximately 12% and 13% of The Agricultural Foundation's revenue was from sales by the Mature Orchard and Dairy, respectively.

Note 2 – Summary of Significant Accounting Policies

Basis of presentation – The financial statements of The Agricultural Foundation have been prepared in accordance with US generally accepted accounting principles (US GAAP), which requires The Agricultural 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 organization. These net assets may be used at the discretion of The Agricultural Foundation's management and board of directors. See Note 11 for more information related to board designated net assets.

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 actions of The Agricultural Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Agricultural Foundation has net assets with donor restrictions of \$323,925 for the year ended June 30, 2024.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Basis of accounting – Basis of accounting refers to the timing of when various financial transactions are recognized in the accounts and reported in the financial statements. The accounting records of The Agricultural Foundation are maintained using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when goods or services are received.

Measure of operations – The statements of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to The Agricultural Foundation's ongoing farm laboratory services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Cash and cash equivalents – Cash and cash equivalents consist of demand deposit accounts and money market funds with financial institutions. The Agricultural Foundation considers all highly liquid investments with maturities of three months or less, when purchased, to be cash equivalents.

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

Concentrations of credit risk – Financial instruments that potentially subject The Agricultural Foundation to concentrations of credit risk consist principally of cash and cash equivalents and investments. The Agricultural Foundation maintains its cash and cash equivalents and investment accounts in various bank accounts, which are Federally Deposit Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC) insured up to the limits allowed by law. The Agricultural Foundation's cash and cash equivalent and investment accounts have been placed with high credit quality financial institutions. The Agricultural Foundation has not experienced, nor does it anticipate, any losses with respect to such accounts.

Revenue recognition – Revenue from the sales of products and livestock are recognized when the performance obligation of transferring the products is met. Sales of crops are recorded net of certain custom harvesting costs. All sales are transferred at a point in time.

The payment terms and conditions in customer contracts vary from 30-90 days from transfer of control. Unearned revenues represent stall deposits and gift certificates purchased that have not yet been redeemed at year end.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed donor-imposed fixed assets are recorded at fair value at the date of donation. Contributions with stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Contributed nonfinancial assets – The Agricultural Foundation recognized contributed financial assets within revenue, including donated livestock, feed, crops, supplies, equipment, and professional services. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Livestock was contributed to various programs within the Agricultural Foundation. The Agricultural Foundation will determine whether to utilize or sell the livestock based on the current needs of the program. The Agricultural Foundation assigns values based on the fair value determined at the time of donation.

Livestock feed was used in the Dairy program. The Agricultural Foundation estimates the fair value based on wholesale values that would be paid for similar feed products in the Central Valley.

Growing crops consist of various types of crops for various programs within the Agricultural Foundation. The Agricultural Foundation estimates the value based on the fair value that would be paid for similar crops in the Central Valley.

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

Supplies and equipment were used in various programs within the Agricultural Foundation. The Agricultural Foundation estimates the value based on the fair value that would be paid for similar items in the Central Valley.

Contributed services recognized comprise of professional services varying from farm management to engineering and design. Contributed services are valued and reported at the estimated fair value based on current rates for similar services. California State University, Fresno contributed \$1,106,903 during the year ended June 30, 2024 in salaries and benefits in support of the University Farm.

Advertising costs – Advertising costs are expensed as incurred and totaled \$20,151 for the year ended June 30, 2024.

Accounts receivable – Accounts receivable are unsecured, non-interest bearing, and are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for credit losses and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Allowance for credit losses at June 30, 2024 was \$3,344.

Functional expenses – The costs of providing various programs and other activities have been summarized on a functional basis in Note 14. Accordingly, certain costs have been allocated among programs and supporting services benefited. Such allocations are determined by management on an equitable basis. The costs have been allocated among the program and general and administrative based upon management's estimate of time and effort recorded on functions related to specific activity, or in the case of shared expenses, using an allocation based on usage or other relevant bases.

Inventories – Raised and donated inventory of animals held for sale is carried at maximum raised value established by the Board. Such values for all animal units were last reviewed in 2015. Inventory values are equivalent to average cost to raise to maturity. Purchased animals held for sale are valued at cost. Cost of supply inventories are determined using the first-in, first-out method (FIFO).

Investment in growing crops – The Agricultural Foundation accumulates all direct costs of growing crops and reports the growing crops on the statement of financial position at the lower of cost or market. It is the policy of Agricultural Foundation to charge-off investment in growing crops when there is damage or obsolete crops. There were no charge offs for the year ended June 30, 2024.

Investments – Investments in marketable securities are recorded at cost when purchased and at market value, thereafter. Market value is based on quoted market prices.

Fixed assets – Fixed assets represent milking livestock, breeding herds, and equipment. Raised and donated milking livestock and breeding herds are carried at fair value as of the date of donation. Purchased milking livestock and breeding herds are carried at cost less accumulated depreciation. Depreciation of livestock and herds is computed using straight line rates established by the Board.

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

Equipment is stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the lesser of the estimated useful lives of the assets or the lease term. The useful lives range from three to ten years. The Agricultural Foundation's policy is to capitalize renewals and betterments acquired for greater than \$5,000 and expense normal repairs and maintenance as incurred. Fully depreciated assets, which have economic value, are retained on the books although fully depreciated.

Capitalized development costs represent costs incurred for producing vineyards and orchards. The costs are depreciated over 10 years as the vineyards and orchards commence production.

Depreciation and amortization of fixed assets is computed using the straight-line method over the following estimated useful lives:

Breeding herd	3-16 years
Equipment	3-20 years
Livestock	3-16 years
Capitalized development costs	10 years

Depreciation expense amounted to \$327,898 for the year ended June 30, 2024.

Impairment of long-lived assets – The long-lived assets are reviewed by management for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable through the estimated undiscounted cash flows expected to result from the use and eventual disposition of that asset. Whenever any such impairment exists, an impairment loss will be recognized for the amount by which the carry value exceeds the fair value.

Use of estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New accounting pronouncements – In June 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (ASU 2016-13), which introduced an expected credit loss methodology for the measurement and recognition of credit losses on most financial assets, including trade account receivables. The expected credit loss methodology under ASU 2016-13 is based on historical experience, current conditions, and reasonable and supportable forecasts, and replaces the probable/incurred loss model for measuring and recognizing expected losses under current U.S. GAAP. The Agricultural Foundation adopted the standard effective July 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

Tax status – The Agricultural Foundation is organized and operated exclusively for educational purposes and is thus allowed tax exempt status under provisions of section 501(c)(3) of the Internal Revenue Code and section 21701(d) of the California Revenue and Taxation Code.

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

Note 3 – Liquidity and Availability

The following represents The Agricultural Foundation's financial assets at June 30, 2024:

Financial assets at year end	
Cash and cash equivalents	\$ 1,207,399
Accounts receivable, net	487,398
Pledge receivable	34,000
Investments	<u>1,359,477</u>
Total financial assets	<u>3,088,274</u>
Less amounts not available to be used within one year	
Net assets with donor restrictions	323,925
Quasi endowment established by the board	<u>1,359,477</u>
	<u>1,683,402</u>
Financial assets available to meet general expenditures over the next 12 months	<u><u>\$ 1,404,872</u></u>

As part of its liquidity plan, excess cash is invested in short-term investments including money market and State of California Local Agency Investment Fund (LAIF) accounts.

On August 30, 2020, the Board of Directors approved a revised Reserve Policy reducing the amount of working capital reserve minimum to \$750,000 or 15% of budgeted operating expenses (less depreciation) for the next fiscal year, whichever is greater. Of the minimum amount, \$250,000 in cash shall not be invaded for any purpose except in the case of extreme financial hardship with the authorization of both the University President and Chair of the Board of Directors. Fifteen percent of the budgeted operating expenses, net of depreciation is \$768,957 at June 30, 2024. Based on the available cash balances above, The Agricultural Foundation is meeting its minimum reserve requirements at June 30, 2024.

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

Note 4 – Cash and Cash Equivalents

Cash and cash equivalents at June 30, 2024 consisted of the following:

Deposits		
Cash in bank	\$	567,040
Money market		334,582
Pooled funds		
Cash in State of California Local Agency Investment Fund		302,677
Change funds		<u>3,100</u>
Total	\$	<u>1,207,399</u>

The Agricultural Foundation maintains some of its cash in The State of California Local Agency Investment Fund. The State pools these funds with those of other organizations and invests the cash. These pooled funds are carried at cost which approximates market value. Interest earned is remitted quarterly to The Agricultural Foundation. Any investment losses are proportionately shared by all funds in the pool.

Note 5 – Fair Value Measurements

Generally accepted accounting principles define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant observable input (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 – Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities. Valuations for assets and liabilities traded in active exchange markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Inputs other than quoted prices within Level 1 that are observable, either directly or indirectly. Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 – Inputs are unobservable. Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounts cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

Techniques and inputs - Level 1 assets include investments in money market and short-term investments for which quoted prices for identical assets are readily available.

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

Level 3 assets include investment held in the University's endowment fund for which quoted prices are not readily available. The Agricultural Foundation investments are pooled with other endowments and the fair values are estimated using an allocation based on the proportionate share of the University's endowment.

There have been no changes in the techniques and inputs used as of June 30, 2024

The table below presents the balance of assets measured at fair value on a recurring basis at June 30:

	Fair Value Measurement at June 30, 2024			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 1,207,399	\$ -	\$ -	\$ 1,207,399
Investment	-	-	1,359,477	1,359,477
Total	\$ 1,207,399	\$ -	\$ 1,359,477	\$ 2,566,876

The following table presents a reconciliation of the statement of financial position amounts for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended June 30, 2024:

	Balance June 30, 2023	Unrealized Gains	Purchases	Sales	Balance June 30, 2024
Fresno State Foundation Endowment Fund	\$ 1,248,190	\$ 111,287	\$ -	\$ -	\$ 1,359,477

Investments, in general, are subject to various risks, including credit, interest and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Note 6 – Inventory

Inventory at June 30, 2024, consists of the following:

	2024
Winery	\$ 191,228
Dairy	250,916
Beef	61,943
Others	199,730
Total	\$ 703,817

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

Note 7 – Long-Term Receivables

The Agricultural Foundation is a member of a milk cooperative known as the California Dairies Inc. Members of the cooperative must maintain a permanent capital fund to provide the necessary capital to finance the California Dairies' operation and growth. This equity account is refundable in five annual payments upon The Agricultural Foundation's withdrawal from the cooperative.

Long-term receivables are composed of the following at June 30, 2024:

	2024
California Dairies Inc.	\$ 50,211

Note 8 – Investments

Investment, stated at fair value, are summarized as follows at June 30, 2024:

	Original Investment	Fair Value	Unrealized Gain
Fresno State Foundation Endowment Fund	\$ 737,645	\$ 1,359,477	\$ 621,832
Total	\$ 737,645	\$ 1,359,477	\$ 621,832

Note 9 – Contracts with Customers

Revenue from performance obligations satisfied at a point in time consists of livestock and product sales. Product sales are sold direct to customers and wholesalers. The total amount of revenue recognized from contracts with customers at a point in time during the year ended June 30, 2024, was approximately \$4,536,000.

Contract assets include accounts receivable arising from contracts from customers in the amount of \$490,742 and \$368,377 at June 30, 2024 and June 30, 2023, respectively.

The following table provides information about significant changes in the contract liabilities for the year ended June 30, 2024:

Deferred revenue, beginning of year	
Revenue recognized that was included in deferred revenue at the beginning of year	\$ 34,789 (12,828)
Increase in deferred revenue due to cash received during the period	15,760
Deferred revenue, end of year	\$ 37,721

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

Note 10 – Contributed Nonfinancial Assets

Contributed nonfinancial assets recognized within the statement of activities included the following at June 30, 2024:

Livestock	\$ 721,930
Livestock feed	12,133
Growing crops	26,124
Supplies and equipment	97,813
Professional services	<u>1,077,289</u>
 Total	 <u><u>\$ 1,935,289</u></u>

Note 11 – Net Assets

Net assets without donor restrictions were as follows for the year ended June 30, 2024:

Undesignated	\$ 3,926,921
Designated, Capital Reserve (Note 3)	250,000
Designated, Fresno State Foundation Endowment Pool	<u>1,359,477</u>
 Total	 <u><u>\$ 5,536,398</u></u>

Endowment – The Board designated The Agricultural Foundation Endowment Fund to support the mission of the Agricultural donor-restricted Foundation. Since the fund resulted from an internal designation it is classified and reported as a component of net assets without donor restrictions.

Endowment assets are invested with the California State University, Fresno Foundation (Fresno State Foundation) in their endowment Pool A, a well-diversified fund that is intended to result in a consistent inflation-protected rate of return. Each year, the Fresno State Foundation either approves an appropriation for distribution from its endowments or a reinvestment in the pool. For fiscal year 2024, the Board authorized a distribution.

The distribution or reinvestment is measured as a percentage of its endowment fund's average fair value over the prior 12 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, The Agricultural Foundation considered the long-term expected return on its endowment. Accordingly, over the long term, The Agricultural Foundation expects the current spending policy to allow its general endowment fund to grow consistent with its return objectives and risk parameters. The Agricultural Foundation expects its endowment assets, over time, to exceed the rate of inflation. Actual returns in any given year may vary from this amount.

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

Composition of and changes in endowment net assets for the year ending June 30, 2024, was as follows:

Board-designated endowment net assets, July 1, 2023	\$ 1,248,190
Net appreciation (depreciation)	159,295
Amount reinvested	-
Amounts appropriated for expenditures	(48,008)
Total board designated endowment net assets, June 30, 2024	\$ 1,359,477

Net assets with donor restrictions were restricted for the following purposes for the year ended June 30, 2024:

Poultry reserve	\$ 198,025
Capital repairs and replacement reserve	19,093
Fig orchard	750
A-4 pistachio reserve	106,057
Total	\$ 323,925

Poultry reserve – In January 2012, an operating agreement was executed between Foster Farms, LLC and The Agricultural Foundation to maintain the proper facilities, conduct research and to raise and prepare broilers for processing. The agreement renewed in June 2021 for a 5-year term.

Capital repairs and replacement reserve – In October 2020, a donation of \$250,000 was received from the Fresno State Foundation to provide for capital repair and replacement on the Farm. As of June 30, 2024, \$19,093 remains to be used.

Pistachio donation reserve – In January 2022, a pledge of \$325,600 was received from Rod Stiefvater to provide for the establishing of a pistachio orchard. This donation is to be paid in several installments with a final installment to be provided to the Agricultural Foundation on July 1, 2025. As of June 30, 2024, \$106,057 remains to be used.

Fig orchard – In June 2023, a donation of \$9,125 was received from Kevin Herman with Specialty Crop Company to provide for the planting and support of 2.5 acres of figs. This donation is to be provided in installments with a final installment to be provided in 2025. As of June 30, 2024, \$750 remains to be used.

Note 12 – Related Parties

The Agricultural Foundation receives management services from the California State University, Fresno Association, Inc. (the Association). The Agricultural Foundation had the following transactions with the following entities during the year ended June 30, 2024:

Administrative fees paid to the Association for management services was \$169,454 for the year ended June 30, 2024, respectively based on a flat fee arrangement. The amounts due The Agricultural Foundation from the Association at June 30, 2024, was \$100. The amounts due the Association from The Agricultural Foundation at June 30, 2024, was \$13,700.

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

The Agricultural Foundation operates the University Farm, which serves as an instructional laboratory. As such, the University is required to pay for certain operational expenses during the fiscal year. The amounts paid by the University were \$860,676 for the year ended June 30, 2024. These payments, which were classified as nonfinancial contributions, were used to reduce farm operation expenses.

The amounts due from The Agricultural Foundation to the University at June 30, 2024, was \$121,702. The amounts due from the University to The Agricultural Foundation at June 30, 2024, was \$23,741.

The amounts due The Agricultural Foundation from California State University, Fresno Foundation at June 30, 2024, was \$87,069. The amounts due from The Agricultural Foundation to California State University, Fresno Foundation at June 30, 2024, was \$108.

The amounts due The Agricultural Foundation from Fresno State Athletics at June 30, 2024, were \$4,420.

Note 13 – Leases

The Agricultural Foundation evaluated current contracts to determine which met the criteria of a lease, per ASU Topic 842, *Leases*. Management has determined that no current contracts held by The Agricultural Foundation qualify to meet the threshold of a lease. Future contracts will continue to be reviewed for lease status as they are agreed upon.

Note 14 – Expenses by Natural/Functional Classification

The accompanying statement of activities reports certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable and systematic basis that is consistently applied by management in the preparation of its annual financial statements. All of The Agricultural Foundation's expenses are directly allocated to the functional categories by cost center. Such methodologies are deemed by management to be reasonable and appropriate and reflective of the functional purpose of each cost incurred for the respective reporting period.

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

The following is a detailed list of expenses by natural/functional classification for the year ended June 30, 2024:

	Program	General/ Admin	Total
Cost of sales	\$ 1,173,010	\$ -	\$ 1,173,010
Salaries/wages	2,459,005	-	2,459,005
Employee benefits	254,888	-	254,888
Advertising/publicity	20,151	-	20,151
Audit fees	-	28,093	28,093
Awards/premiums	-	-	-
Bad debts	-	-	-
Capitalized development costs-depreciation	81,510	-	81,510
Custom harvesting	116,338	-	116,338
Depreciation	246,388	-	246,388
Donations	244	-	244
Equip rental/repair	405,280	-	405,280
Insurance	33,660	35,125	68,785
Legal fees	-	59	59
Licenses/dues/fees	68,563	4,836	73,399
Livestock expense	133,162	-	133,162
Management service fee	-	169,454	169,454
Miscellaneous	50,346	979	51,325
Office supplies	1,783	5,994	7,777
Postage/freight	5,565	-	5,565
Supplies	814,768	-	814,768
Utilities	124,876	-	124,876
Totals	<u>\$ 5,989,537</u>	<u>\$ 244,540</u>	<u>\$ 6,234,077</u>

Program expenses are incurred by various instructional farm laboratories, whose purpose is to provide students with hands-on experience in world-class agriculture. These enterprises provide students with opportunities in production, processing and marketing in crops and livestock.

The Agricultural Foundation provides support for the financial management of the enterprise units and student projects operated within the context of the Farm Laboratory. Responsibilities include ensuring prudent financial management of the enterprises, and providing other related assistance to the Jordan College of Agricultural Sciences and Technology. The Agricultural Foundation comprises over 22 enterprises, which constitute the University Agricultural Laboratory.

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

Note 15 – Salaries/Wages and Employee Benefits

Salaries/wages at June 30, 2024, are reflected on the statements of activities and consist of the following:

Salaries/wages	\$ 357,449
Salaries reimbursed to the University	96,236
Salaries donated by the University	980,612
Contract labor - outside	<u>1,024,708</u>
Total	<u><u>\$ 2,459,005</u></u>

Employee benefits at June 30, 2024, are reflected on the statements of activities and consist of the following:

Employee benefits	\$ 128,597
Employee benefits donated by the University	<u>126,291</u>
Total	<u><u>\$ 254,888</u></u>

Note 16 – Subsequent Events

The Agricultural Foundation has evaluated subsequent events through September 20, 2024, which is the date the financial statements were available to be issued. The Agricultural Foundation is not aware of any material subsequent events requiring disclosure in the financial statements for the year ended June 30, 2024.

Note 17 – Uncertain Tax Positions

Income taxes – The Agricultural Foundation is exempt from Federal and State of California income tax under IRC section 501(c)(3) and California Revenue and Taxation Code Section 23701(d), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Agricultural Foundation has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Agricultural Foundation has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Generally accepted accounting principles provide accounting and disclosures guidance about positions taken by an entity in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Agricultural Foundation's returns are subject to examination by federal and state taxing authorities, generally for three years and four years, respectively, after they are filed.

The Agricultural Foundation of California State University, Fresno

Notes to Financial Statements

Note 18 – Change in Method of Accounting for Contribution of Nonfinancial Assets - Livestock

On July 1, 2023, The Agricultural Foundation elected to change its accounting policy for how it values the contributions of donated livestock to follow the accounting guidance in Accounting Standards Codification Topic 958-605 Revenue Recognition which requires contributions of non-financial assets be valued at fair value. Previously, The Agricultural Foundation had recorded these contributions at a standard rate. The impact of the change in valuation of previously donated livestock resulted in a prior period adjustment to The Agricultural Foundation's beginning net assets in the amount of \$469,367, fixed assets in the amount of \$434,175, and inventory in the amount of \$35,192 at July 1, 2023.

The effect of this change on the change in net assets, as of and for the year ended June 30, 2023, is as follows:

	<u>As Originally Reported in 2023</u>	<u>Effect of Correction</u>	<u>As Restated in 2023</u>
Change in net assets	\$ 30,261	\$ (177,394)	\$ (147,133)

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 of
The Agricultural Foundation of California State University, Fresno

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 Agricultural Foundation of California State University, Fresno (Agricultural Foundation), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 20, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Agricultural 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 Agricultural Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of Agricultural 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. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Agricultural 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*.

Agricultural Foundation's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Agricultural Foundation's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The Agricultural 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 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.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Fresno, California
September 20, 2024

The Agricultural Foundation of California State University, Fresno

Schedule of Findings and Responses

FINDING 2024-001 – CONTRIBUTIONS ON NONFINANCIAL ASSETS (LIVESTOCK) – MATERIAL WEAKNESS INTERNAL CONTROLS OVER FINANCIAL REPORTING

Criteria: The Agricultural Foundation's management is responsible for establishing and maintaining internal controls to ensure transactions are properly recorded and disclosed in the financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP)

Condition/Context: In previous years, the Agricultural Foundation's accounting policy for how it values contributions of donated livestock did not follow the accounting guidance in Accounting Standards Codification Topic 958-605, which requires contributions of non-financial assets to be valued at fair value.

Effect: As a result of the change in accounting policy, the beginning net assets for the Agricultural Foundation was adjusted by \$469,367, fixed assets was adjusted by \$434,175, and inventory by \$35,192.

Cause: The Agricultural Foundation's accounting policy had required that donated livestock be recorded at a standard rate rather than the fair value at the time of donation.

Recommendation: We recommend that management review its accounting policy to ensure the policy is consistent with U.S. GAAP.

Views of Responsible Officials: We concur. We are working to update the impacted policies to reflect that donated gifts in-kind are accounted for consistent with U.S. GAAP.

Supplementary Information

The Agricultural Foundation of California State University, Fresno
Schedule of Net Position
(for inclusion in the California State University Financial Statements)
June 30, 2024

Assets:

Current assets:

Cash and cash equivalents	\$	246,215
Short-term investments		637,259
Accounts receivable, net		487,398
Pledges receivable, net		34,000
Prepaid expenses and other current assets		1,089,214
Total current assets		2,494,086

Noncurrent assets:

Restricted cash and cash equivalents		323,925
Accounts receivable, net		50,211
Endowment investments		1,359,477
Capital assets, net		2,190,534
Total noncurrent assets		3,924,147
Total assets	\$	6,418,233

Liabilities:

Current liabilities:

Accounts payable	\$	502,442
Accrued salaries and benefits		9,199
Accrued compensated absences, current portion		1,000
Unearned revenues		37,721
Total current liabilities		550,362

Noncurrent liabilities:

Accrued compensated absences, net of current portion		7,548
Total noncurrent liabilities		7,548
Total liabilities		557,910

Net position:

Net investment in capital assets		2,190,534
Expendable:		
Capital projects		125,900
Others		198,025
Unrestricted		3,345,864
Total net position	\$	5,860,323

See report of independent auditor.

The Agricultural Foundation of California State University, Fresno
Schedule of Revenues, Expenses, and Changes in Net Position
(for inclusion in the California State University Financial Statements)
Year Ended June 30, 2024

Revenues:	
Operating revenues:	
Grants and contracts, noncapital:	
Federal	\$ 4,544
Sales and services of auxiliary enterprises, gross	4,536,135
Other operating revenues	<u>860,676</u>
Total operating revenues	<u><u>5,401,355</u></u>
Expenses:	
Operating expenses:	
Auxiliary enterprise expenses	5,906,179
Depreciation and amortization	<u>327,898</u>
Total operating expenses	<u>6,234,077</u>
Operating income (loss)	<u>(832,722)</u>
Nonoperating revenues (expenses):	
Gifts, noncapital	1,288,486
Investment income (loss), net	73,137
Endowment income (loss), net	111,287
Net nonoperating revenues (expenses)	<u>1,472,910</u>
Increase (decrease) in net position	640,188
Net position:	
Net position at beginning of year, as previously reported	4,750,768
Restatements	<u>469,367</u>
Net position at beginning of year, as restated	<u>5,220,135</u>
Net position at end of year	<u><u>\$ 5,860,323</u></u>

See report of independent auditor.

The Agricultural Foundation of California State University, Fresno
Other Information
(for inclusion in the California State University Financial Statements)
Year Ended June 30, 2024

1 Cash and cash equivalents:

All other restricted cash and cash equivalents	\$ 323,925
Noncurrent restricted cash and cash equivalents	<u>323,925</u>
Current cash and cash equivalents	<u>246,215</u>
Total	<u>\$ 570,140</u>

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds	\$ 334,582	\$	334,582
Equity securities		1,359,477	1,359,477
State of California Local Agency Investment Fund (LAIF)	<u>302,677</u>		<u>302,677</u>
Total investments	<u>637,259</u>	<u>1,359,477</u>	<u>1,996,736</u>
Less endowment investments (enter as negative number)	<u>-</u>	<u>(1,359,477)</u>	<u>(1,359,477)</u>
Total investments, net of endowments	<u>\$ 637,259</u>	<u>-</u>	<u>637,259</u>

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	\$ 334,582	\$ 334,582	\$ -	\$ -	-
Equity securities	1,359,477	-	-	1,359,477	-
State of California Local Agency Investment Fund (LAIF)	<u>302,677</u>	-	-	-	302,677
Total investments	<u>\$ 1,996,736</u>	<u>\$ 334,582</u>	<u>\$ -</u>	<u>\$ 1,359,477</u>	<u>\$ 302,677</u>

2.3 Investments held by the University under contractual agreements: None to report

See report of independent auditor.

The Agricultural Foundation of California State University, Fresno
Other Information
(for inclusion in the California State University Financial Statements)
Year Ended June 30, 2024

3.1 Capital Assets, excluding ROU assets:

Composition of capital assets, excluding ROU assets:

	Balance June 30, 2023	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2023 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2024
Non-depreciable/Non-amortizable capital assets:									
Construction work in progress (CWIP)	\$ 693,238	\$ -	\$ -	\$ -	\$ 693,238	\$ 50,192	\$ -	\$ (375,829)	\$ 367,601
Total non-depreciable/non-amortizable capital assets	693,238	-	-	-	693,238	50,192	-	(375,829)	367,601
Depreciable/Amortizable capital assets:									
Buildings and building improvements	926,195	-	-	-	926,195	-	-	375,829	1,302,024
Personal property:									
Equipment	2,868,944	-	1,464,000	-	4,332,944	721,450	(47,988)	-	5,006,406
Library books and materials	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	3,795,139	-	1,464,000	-	5,259,139	721,450	(47,988)	375,829	6,308,430
Total capital assets	4,488,377	-	1,464,000	-	5,952,377	771,642	(47,988)	-	6,676,031
Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)									
Buildings and building improvements	(609,579)	-	-	-	(609,579)	(81,510)	-	-	(691,089)
Equipment	(2,537,695)	-	-	(1,029,825)	(3,567,520)	(246,388)	19,500	-	(3,794,408)
Total accumulated depreciation/amortization	(3,147,274)	-	-	(1,029,825)	(4,177,099)	(327,898)	19,500	-	(4,485,497)
Total capital assets, net excluding ROU assets	\$ 1,341,103	\$ -	\$ 1,464,000	\$ (1,029,825)	\$ 1,775,278	\$ 443,744	\$ (28,488)	\$ -	\$ 2,190,534

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense - capital assets, excluding ROU assets	\$ 327,898
Total depreciation and amortization	\$ 327,898

See report of independent auditor.

The Agricultural Foundation of California State University, Fresno
Other Information
(for inclusion in the California State University Financial Statements)
Year Ended June 30, 2024

4 Long-term liabilities:

	Balance June 30, 2023	Prior Period Adjustments/Recla ssifications	Balance June 30, 2023 (Restated)	Additions	Reductions	Balance June 30, 2024	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ 8,761	\$ -	\$ 8,761	\$ -	\$ (213)	\$ 8,548	\$ 1,000	\$ 7,548
Total long-term liabilities						\$ 8,548	\$ 1,000	\$ 7,548

5 Future minimum payments schedule - leases, SBITA, P3: Nothing to report

6 Future minimum payments schedule - Long-term debt obligations: Nothing to report

7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$	87,780
Payments to University for other than salaries of University personnel	\$	89,018
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	\$	(121,702)
Other amounts (payable to) University	\$	-
Accounts receivable from University	\$	23,741
Other amounts receivable from University	\$	-

See report of independent auditor.

The Agricultural Foundation of California State University, Fresno
Other Information
(for inclusion in the California State University Financial Statements)
Year Ended June 30, 2024

8 Restatements

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

Note: Additional account details can be found in the Table of Object Codes and CSU Fund Definitions

								Debit/(Credit)		
	Restatement #1	Enter transaction description								
Error Correction		Unrestricted net position								\$ (35,192)
		Net investment in capital assets								\$ (434,175)
		Inventory								\$ 35,192
		Capital Asset, net								\$ 434,175
		Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses	
Auxiliary enterprise expenses		\$ 357,449	\$ 128,597	\$ -	\$ -	\$ -	\$ 5,420,133	-	\$ 5,906,179	
Depreciation and amortization		-	-	-	-	-	-	327,898	327,898	
Total operating expenses		\$ 357,449	\$ 128,597	\$ -	\$ -	\$ -	\$ 5,420,133	\$ 327,898	\$ 6,234,077	

No pension plan reported

N/A

10 Deferred outflows/inflows of resources: Nothing to report

11 Other nonoperating revenues (expenses): Nothing to report

See report of independent auditor.

