OUR MISSION

The mission of the CSULB 49er Foundation is to actively promote philanthropy and manage donated resources for the advancement of California State University, Long Beach.

CHIEF EXECUTIVE OFFICER’S MESSAGE

It has been seven decades since the first students attended the first classes at the institution that was to become California State University, Long Beach. During that time, we have made breathtaking progress … but even more exciting to me is the prospect of what is yet to come. Our future looks bright, indeed!

I am pleased to report that 2018-19 was a very successful year for fundraising. Highlights included the completion of fundraising for the Anna W. Ngai Alumni Center and a significant gift from Carolyn Campagna Kleefeld (see story, page 4) in support of program, capital, and scholarship funds for the Carolyn Campagna Kleefeld Contemporary Art Museum. Overall, we received nearly $39 million in philanthropic gifts — a new campus record and a 25.5% increase over the previous fiscal year.

Today, philanthropy plays a crucial role at Cal State Long Beach, just as it does on college campuses throughout the country. Whether it is an annual-fund donation, a gift made in support of a university priority, or a bequest that has taken a lifetime to build, every contribution makes a difference. Support from our donors helps advance our institution’s mission, vision, and values. And we are working diligently on our end through the pioneering BEACH 2030 initiative to ensure that our university does not merely survive but also thrives for generations to come.

Gifts to The Beach create positive change on our campus, in the lives of our students, and throughout our community. As the stories in this report illustrate, they can also provide donors with an effective and rewarding way to achieve their own philanthropic and financial goals.

Thanks so much for your time, your interest, and your generosity … and GO BEACH!

Sincerely,

Michele M. Cesca
Chief Executive Officer
CHAIR’S MESSAGE

On September 28, 2019, we celebrated an important milestone in the life of our university — the 70th anniversary of the day classes first convened at Cal State Long Beach.

The campus has changed dramatically since those early days, evolving and expanding to meet the needs of a diverse student body, a dynamic region, and an increasingly complex, interconnected world. Today’s Cal State Long Beach is a national leader in student-centered learning and a “university of choice” for an ever-growing group of prospective students who apply for admission by the tens of thousands each year. Not only do we continue to receive more applications than any other university in the 23-campus CSU system, but we are also, according to U.S. News & World Report, the 8th most-applied-to university in the entire country.

I am proud of our growth and impact; I am equally proud that the university’s commitment to its founding mission remains just as strong as it was 70 years ago. Now, as in the past, Cal State Long Beach strives to make a transformational difference in the lives of its many students, empowering them through teaching, research, mentoring, and personal- and social-development activities. Our advances have even gained the attention of national opinion-makers such as MONEY magazine, which recently ranked CSULB the nation’s 10th best public school — the highest placement of any university in the CSU system.

And those of us who have the privilege of serving on the 49er Foundation Board of Directors strive to ensure that CSULB students, faculty, and administrators have the resources they need to “be a force for good at the forefront of public education in California and the world.”

Thank you for coming along with us on this exciting journey!

Sincerely,

Jim Gray ’58
Board Chair
AN ENDOWMENT FOR THE FUTURE
The idea for a communication center started 20 years ago as a concept jotted on a wisp of paper. Today, the Luster E. and Audrey Nichol Hauth Center for Communication Skills celebrates its 20th anniversary in a new space on the Cal State Long Beach campus with a newly endowed center chair, all because of the generosity of the Hauth Family.

Emeritus Professor Luster E. and wife Audrey Nichol Hauth donated $1 million to fund the chair, which not only guarantees the Center that bears their name will continue to grow, but so will their legacy.

The endowed chair also means continued professional support and communications skills resources for students, staff and community and business leaders.

Students can receive individual training and rehearsal in preparing and delivering presentations for class assignments, speeches and pitches – support that can help them achieve success in their pursuit of a degree.

The latest gift is the third $1 million the Hauths have given the university. Their initial gift in 1998 established the Center – the largest gift of its kind from a retired professor in the CSU system at the time – and the second donation enabled the Center to grow and offer more services to students and the Long Beach community.

Audrey Hauth, who taught for 20 years, said the establishment of an endowed Hauth Center chair is “something that would guarantee that the Hauth Center would continue forever.”

Dr. Timothy G. Plax, executive director of the Center, indicated that an endowed chair is the gold standard of all universities.

“When a chair is endowed, whether in part or in whole, it brings credibility both locally, or nationally to the center or department that receives the endowment,” Plax said. “The family talked it over and it worked out financially to create the additional major foundational stone in this center.”

Pat Kearney, an emeritus professor of Communication Studies, said having an endowed chair puts “the punctuation” on the importance of the Hauth Center.

“It started as a little piece of paper and a concept, and it’s turned into a full-fledged center,” Kearney said, “so it only makes sense to do this one last thing to ensure the Center’s perpetuity and make sure we always have someone running the Center. The endowment ensures we will always have the money to have that leadership.”

The Luster E. and Audrey Nichol Hauth Center for Communication Skills recently moved from the second floor of the LAB Building to a high-tech office in Academic Services, where students, faculty and community residents and organizations can enhance their personal communication skills in a variety of ways. Among the ways the Center can help is with effective speaking, leadership and conversational techniques.

“Not only does (an endowed chair) strengthen the Center, but it serves as a reminder how our employees – a professor for 28 years, an educator for 20 years and a family—have made a commitment to making a difference in the world,” President Jane Close Conoley said. “It will give them the edge they need to stand out in an ever-changing world of work.”

College of Liberal Arts Dean David Wallace said it will take at least a year for the endowment to mature and allow the university to appoint someone for the position of chair.

“The chair that the Hauths have endowed will be charged with the daily running of the Center – training and overseeing the consultants being the primary tasks, but also consulting with faculty about how the Center can support oral communication curriculum more broadly,” Wallace said. “The endowment is critical as it will ensure intellectual leadership for the Center in perpetuity.”
Her words provoke and inspire. Her highly acclaimed paintings express in symbolic imagery the passions of the heart and a reverence for the wilderness. It’s this quest for creative experimentation and spiritual knowledge that has made Carolyn Campagna Kleefeld an award-winning poet, writer, visual artist and now benefactor to the university’s art museum and College of the Arts at Cal State Long Beach.

Kleefeld, whose paintings have appeared in numerous museums and galleries around the world, donated a financial sum and gifted 120 of her works to launch what she and the university expect to be a long and fruitful partnership. The museum has been renamed the Carolyn Campagna Kleefeld Contemporary Art Museum to reflect her generosity.

“Carolyn’s impact on California art has been nothing short of remarkable and we are delighted that the University Art Museum will be part of her lasting legacy, as well as provide us with the opportunity to showcase her work and that of other significant artists,” said President Jane Close Conoley.

Kleefeld’s gift allows the museum to offer multiple opportunities for visitors, including Cal State Long Beach students, through tours of current exhibitions and campus structure. The gift has established a new ASI Student Association that will give Cal State Long Beach students opportunities to get involved in student-oriented events and campus outreach as they pursue their degree. All students receive free memberships.

Kleefeld’s award-winning art is in the permanent collections of – among others – The Downey Museum of Art, Pepperdine University’s Frederick R. Weisman Art Museum, The Henry Miller Memorial Library in Big Sur and The Dylan Thomas Theatre in Swansea, Wales. Her vast portfolio includes an extensive and diverse body of paintings and drawings, ranging in style from Expressionist to Abstract to Figurative.

Kleefeld was born in Catford, England, but grew up in Southern California. She studied art and psychology at UCLA. In 1980, she moved to her current home in Big Sur, California, where she studies, writes and paints.

She is the author of 20 books, a number of which have been used by healing centers and universities. Kleefeld’s writings have been translated into over 15 languages. Her book, “Climates of the Mind,” was translated into Braille and has been used in psychology courses at Cal State Long Beach. Kleefeld’s literary and personal archive, as well as a complete set of her published books, will join her gift of artwork at the museum.

“A profound circle has magically manifested,” said Kleefeld of the relationship with the university. “When my parents, S. Mark and Amelia Taper, came to this country from England with my brother, sister and myself, we first stayed for some time at the Biltmore Hotel in...”
Long Beach, and later my father began his extensive housing for veterans there. So, now for my life’s work to be part of the Long Beach community is a destiny fulfilled.”

Cyrus Parker-Jeannette, former dean of the College of the Arts, was delighted at the addition of the Kleefeld Collection to the University Art Museum.

“The University Art Museum seeks to serve our students in ways that expand their understanding of the complex roles that art plays in culture,” Parker-Jeannette said when the gift was made. “It means so much to us that Carolyn’s legacy as an artist, a poet, and a historical figure will be celebrated here, and I am happily foreseeing that many great opportunities will emerge from this relationship.”

“As I express in my artist statement, ultimately art is an innocent interactive mirror of my innermost process, whisking me out of time into the Timeless,” Kleefeld said. “My life’s passion is to create art from this unconditioned well of being and to inspire such a journey in others. Thus, to have my art and writing in this educational setting is a dream realized, and my aspiration is for the students and visitors to the university to embark on their own journeys of inner discovery and creative expression, learning from my own experiential explorations.”
CSULB 49ER FOUNDATION

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Michele Cesca
Chief Executive Officer

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Faculty Representative

Bryanna Siguenza
Student Representative

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Gary L. Van Arnam ’83
Director
The CSULB endowment is managed by the CSULB 49er Foundation Board of Directors. It comprises hundreds of individual funds established by donors for a particular purpose. Some of these funds support scholarships, while others support annual lectures, departments, and programs.

The endowment is invested in a combination of domestic and international equities, fixed-income instruments, real estate, and alternative investments, with the goal of achieving the maximum rate of return with an acceptable, prudent level of risk. As of June 30, 2019, the endowment was valued at $79,351,656.

### BY THE NUMBERS

The pie chart shows the percentage distribution of the endowment's investments by asset class:
- **U.S. Large Cap Growth**: 6.30%
- **U.S. Large Cap Value**: 9.00%
- **U.S. Large Cap**: 14.10%
- **U.S. Small Cap**: 4.10%
- **International Equities**: 19.50%
- **Japan Equities**: 4.60%
- **Emerging Market Equities**: 6.00%
- **Short Term Fixed Income**: 2.90%
- **Securitized**: 2.70%
- **U.S. Taxable Core**: 13.20%
- **Inflation Linked Secs**: 2.90%
- **Global Macro**: 4.00%
- **Managed Futures**: 1.00%
- **Multi-Strategy**: 3.90%
- **Equity Long/Short**: 1.90%
- **Event Driven Credit**: 3.90%

The bar chart shows the endowment's historical value from 2010 to 2019:
- 2010: $36,563,865
- 2011: $46,269,016
- 2012: $44,084,299
- 2013: $50,528,887
- 2014: $57,000,071
- 2015: $57,190,877
- 2016: $56,442,378
- 2017: $66,613,450
- 2018: $77,174,529
- 2019: $79,351,656

### ANNUALIZED RETURNS*

**AS OF JUNE 30, 2019**

<table>
<thead>
<tr>
<th>Fiscal YTD</th>
<th>1 Year</th>
<th>4.76%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3 Year</td>
<td>8.07%</td>
</tr>
<tr>
<td></td>
<td>5 Year</td>
<td>4.74%</td>
</tr>
</tbody>
</table>

*Performance results are annualized for time periods greater than one year and include all cash and cash equivalents, realized and unrealized capital gains and losses, and dividends, interest and income. Time-weighted returns do not include the impact of fund contributions and withdrawals and therefore, may not reflect the actual rate of return of a specific fund.
## STATEMENT OF NET POSITION

### ASSETS

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2019</th>
<th>June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$3,486,112</td>
<td>$6,899,108</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>24,233,162</td>
<td>17,024,657</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>337,340</td>
<td>54,732</td>
</tr>
<tr>
<td>Pledges receivable, net</td>
<td>7,281,038</td>
<td>2,533,073</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>78,129</td>
<td>49,054</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>$35,415,781</td>
<td>$26,560,624</td>
</tr>
<tr>
<td><strong>NONCURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pledges receivable, net</td>
<td>3,411,450</td>
<td>4,192,862</td>
</tr>
<tr>
<td>Long-term investments</td>
<td>22,052</td>
<td>21,275</td>
</tr>
<tr>
<td>Endowment investments</td>
<td>79,351,657</td>
<td>77,174,529</td>
</tr>
<tr>
<td><strong>TOTAL NONCURRENT ASSETS</strong></td>
<td>$82,785,159</td>
<td>$81,388,666</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$118,200,940</td>
<td>$107,949,290</td>
</tr>
</tbody>
</table>

### LIABILITIES

|                |              |              |
| **CURRENT LIABILITIES** |              |              |
| Accounts payable | 117,642     | 143,024     |
| Other liabilities | 998,885     | 284,256     |
| **TOTAL CURRENT LIABILITIES** | $1,116,527 | $427,280    |
| **DEFERRED INFLOW OF RESOURCES** |              | $103,064 | $45,526    |
| **NET POSITION** |              |              |

**NET POSITION**

Restricted for:

Nonexpendable – endowments | $67,940,410 | $65,826,640 |
Expendable:

Scholarships and fellowships | $4,850,550  | $2,879,828  |
Other | $33,223,824 | $27,324,777 |
Unrestricted | $10,966,565 | $11,445,239 |

**TOTAL NET POSITION** | $116,981,349 | $107,476,484 |

The above financial statements were audited by Windes, Inc. The full set of audited financial statements is available upon request. The accompanying notes are an integral part of these financial statements.
# Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended June 30,

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Revenues</td>
<td>$1,460,543</td>
<td>$920,007</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Service</td>
<td>10,381</td>
<td>7,734</td>
</tr>
<tr>
<td>Academic Support</td>
<td>4,245,855</td>
<td>3,837,585</td>
</tr>
<tr>
<td>Student Services</td>
<td>1,225,808</td>
<td>1,287,095</td>
</tr>
<tr>
<td>Institutional Support</td>
<td>3,558,278</td>
<td>3,115,031</td>
</tr>
<tr>
<td>Student Grants and Scholarships</td>
<td>4,116,504</td>
<td>3,834,334</td>
</tr>
<tr>
<td><strong>Operating Loss</strong></td>
<td>(11,696,283)</td>
<td>(11,161,772)</td>
</tr>
<tr>
<td><strong>Non-Operating Revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gifts, Noncapital</td>
<td>14,307,628</td>
<td>8,943,318</td>
</tr>
<tr>
<td>Investment Income, Net</td>
<td>869,235</td>
<td>890,964</td>
</tr>
<tr>
<td>Endowment Income, Net</td>
<td>3,910,515</td>
<td>5,312,792</td>
</tr>
<tr>
<td><strong>Total Non-Operating Revenues</strong></td>
<td>19,087,378</td>
<td>15,147,074</td>
</tr>
<tr>
<td><strong>Income Before Other Additions</strong></td>
<td>7,391,095</td>
<td>3,985,302</td>
</tr>
<tr>
<td><strong>Additions to Permanent Endowments</strong></td>
<td>2,113,770</td>
<td>8,794,264</td>
</tr>
<tr>
<td><strong>Increase in Net Position Before Special Item</strong></td>
<td>9,504,865</td>
<td>12,779,566</td>
</tr>
<tr>
<td><strong>Special Item</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer of Net Position from CSULB Research Foundation, Net</td>
<td>-</td>
<td>654,816</td>
</tr>
<tr>
<td><strong>Increase in Net Position</strong></td>
<td>9,504,865</td>
<td>13,434,382</td>
</tr>
<tr>
<td><strong>Net Position at Beginning of Year</strong></td>
<td>107,476,484</td>
<td>94,042,102</td>
</tr>
<tr>
<td><strong>Net Position at End of Year</strong></td>
<td>$116,981,349</td>
<td>107,476,484</td>
</tr>
</tbody>
</table>

The above financial statements were audited by Windes, Inc. The full set of audited financial statements is available upon request. The accompanying notes are an integral part of these financial statements.
STATEMENT OF CASH FLOWS

For the Year Ended
	June 30,

<table>
<thead>
<tr>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments to or on behalf of the University departments</td>
<td>(6,275,241)</td>
</tr>
<tr>
<td>Payments to employees</td>
<td>(2,075,834)</td>
</tr>
<tr>
<td>Payments to students</td>
<td>(4,116,504)</td>
</tr>
<tr>
<td>Other receipts</td>
<td>11,488,860</td>
</tr>
<tr>
<td>Net Cash Used In Operating Activities</td>
<td>(11,318,719)</td>
</tr>
</tbody>
</table>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Gifts received for other than capital purposes          | 10,251,107  | 9,829,610   |

Net Cash Provided By Noncapital Financing Activities   | 10,251,107  | 9,829,610   |

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Net Cash Used In Capital and Related Financing Activities | - | - |

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from sales and maturities of investments       | 20,777,149  | 17,034,325 |
| Investment income, net                                | 869,235     | 890,964     |
| Endowment income, net                                 | 3,910,515   | 5,312,792   |
| Additions to permanent endowments                     | 2,113,770   | 8,794,111   |
| Purchase of investments                               | (30,016,053) | (26,630,562) |
| Net Cash Provided By (Used In) Investing Activities   | (2,345,384) | 5,401,630   |

NET CHANGE IN CASH AND CASH EQUIVALENTS

(3,412,996) | 3,948,923 |

CASH TRANSFER FROM CSULB RESEARCH FOUNDATION

- | 654,816 |

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR

6,899,108 | 2,295,369 |

CASH AND CASH EQUIVALENTS AT END OF YEAR

$3,486,112 | 6,899,108 |

RECONCILIATION OF OPERATING LOSS TO NET CASH FROM OPERATING ACTIVITIES:

Operating loss $ (11,696,283) | (11,161,772) |

Change in assets and liabilities:

Accounts receivable, net | (282,608) | (33,507) |
Prepaid expenses and other assets | (26,075) | (47,312) |
Accounts payable | (25,382) | 55,967 |
Other liabilities | 714,629 | (95,693) |

Net Cash Used In Operating Activities $ (11,318,719) | (11,282,317) |

The above financial statements were audited by Windes, Inc. The full set of audited financial statements is available upon request. The accompanying notes are an integral part of these financial statements.
NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The CSULB 49er Foundation (the 49er Foundation) is a nonprofit, tax-exempt corporation, which commenced operations on July 1, 2012. The 49er Foundation is organized to actively promote philanthropy and manage donated resources for the advancement of California State University, Long Beach (the University), by accepting and managing donations, gifts, and bequests for any University-related use. The 49er Foundation is a direct-support organization and component unit of the University.

Basis of Presentation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board (GASB).

The accompanying financial statements have been prepared on the accrual basis. The 49er Foundation reports as a Business Type Activity and, accordingly, has reported its activities within a single column in the basic financial statements.

The 49er Foundation’s policy for defining operating activities as reported on the statement of revenues, expenses, and changes in net position are those that generally result from administrative fees earned from gifts and donations made to the 49er Foundation and expenses of the activities associated with the intent or purpose of the gift or donation. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenues as defined by GASB, including gifts and investment income.

The 49er Foundation has adopted GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions, and GASB Statement No. 35, as amended by GASB Statements No. 37, Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments: Omnibus and GASB Statement No. 38, Certain Financial Statement Note Disclosures. GASB Statement No. 33 requires that unconditional promises to give be recorded as receivables and revenues when the 49er Foundation has met all applicable eligibility requirements. GASB Statement No. 35 established standards for external financial reporting for public colleges and universities and requires that resources be classified for accounting and reporting purposes into the following four net position categories: Invested in capital assets, net of related debt; Restricted, non-expendable; Restricted, expendable; and Unrestricted. As of June 30, 2019 and 2018, the 49er Foundation has no capital assets or debt.

The 49er Foundation adopted GASB Statement No. 81 – Irrevocable Split-Interest Agreements. This Statement provides recognition and measurement guidance for irrevocable split-interest agreements. Split-interest agreements are types of donor arrangements where resources are provided to two or more beneficiaries, including the 49er Foundation. This Statement will require an organization that enters into an irrevocable split-interest agreement to recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Assets could be resources (i.e., cash or investment) received or administered by a third party. Liabilities would be amounts due to other beneficiaries and deferred inflow of resources would be the organization’s share of the agreement. Changes to the assets or liabilities are recognized as increases or decreases in the deferred inflow of resources. Revenue is only recognized at the termination of the split-interest agreement.

Classification of Current and Noncurrent Assets (Other than Investments) and Liabilities

The 49er Foundation considers assets to be current that can reasonably be expected, as part of its normal business operations, to be converted to cash and be available for liquidation of current liabilities within 12 months of the statement of net position date. Liabilities that reasonably can be expected, as part of normal 49er Foundation business operations, to be liquidated within 12 months of the statement of net position date, are considered to be current. All other assets and liabilities are considered to be noncurrent. For clarification of current and noncurrent investments, see the investments accounting policy.
Net Position

The 49er Foundation’s net position is classified into the following net position categories:

- **Invested in capital assets, net of related debt**
  Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. The 49er Foundation had no capital assets as of June 30, 2019 and 2018.

- **Restricted**
  - **Nonexpendable** – Net position subject to externally imposed stipulations that they be maintained permanently by the 49er Foundation. Such assets include the 49er Foundation’s permanent endowment funds.
  - **Expendable** – Net position whose use by the 49er Foundation is subject to externally imposed stipulations that can be fulfilled by actions of the 49er Foundation pursuant to those stipulations or that expire by the passage of time.

- **Unrestricted**
  Unrestricted net position is one that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Directors, or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position is designated for any University-related use, which includes academic and research programs and initiatives, and capital programs.

Reporting Entity

The 49er Foundation is an affiliated organization component unit of the University. As such, the 49er Foundation’s financial data will be included in the financial statements of the University.

Use of Estimates and Assumptions

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. The most significant estimate relates to the allowance for uncollectible pledges receivable. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Cash and Cash Equivalents

The 49er Foundation considers all highly liquid, short-term investments purchased with an original maturity of three months or less to be cash equivalents. The 49er Foundation maintains cash with financial institutions in excess of federally insured limits.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the custodian, the investments may not be returned to the 49er Foundation. Substantially all of the 49er Foundation’s investments are registered in the 49er Foundation’s name by the custodian. As a result, custodial credit risk for such investments is remote.

The above financial statements were audited by Windes, Inc. The full set of audited financial statements is available upon request. The accompanying notes are an integral part of these financial statements.
NOTE 1 – Statement of Significant Accounting Policies (Continued)

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values using quoted market prices in the statement of net position. Realized and unrealized gains and losses are included in the accompanying statement of revenues, expenses, and changes in net position.

Accounts Receivable

Accounts receivable primarily consists of amounts due from another auxiliary organization of the University. Management deems all accounts receivable to be collectible and has not established an allowance for doubtful accounts.

Pledges Receivable

The 49er Foundation receives pledges and bequests of financial support from corporations, foundations, and individuals. Revenue is recognized when a pledge representing an unconditional promise to pay is received and all eligibility requirements, including time requirements, have been met. In the absence of such promise, revenue is recognized when the gift is received. Endowment pledges do not meet eligibility requirements, as defined by GASB Statement No. 33, and are not recorded as assets until the related gift is received. An allowance for uncollectible pledges receivable is provided based on management’s judgment of potential uncollectible amounts (approximately $1,016,000 and $312,000 at June 30, 2019 and 2018, respectively). The determination includes such factors as prior collection history, type of gift, and nature of fund-raising.

Deferred Outflows and Inflows of Resources

In accordance with GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, the Statement of Net Position reports separate sections for Deferred Outflows of Resources and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources — represent outflow of resources (consumption of net position) that apply to future periods and, therefore, will not be recognized as an expense until that time.

Resources and Deferred Inflows of Resources — (acquisition of net position) that apply to future periods and, therefore, are not recognized as revenue until that time.

Income Taxes

The 49er Foundation is tax-exempt under Internal Revenue Code Section 501(c)(3) for federal income taxes, as well as the related provisions for state income tax purposes.

Future Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87 – Leases. Under the new guidance, lessees will be required to recognize a lease liability and a right of use asset for all leases (with the exception of short-term leases) at the commencement date of the lease, recognize inflows or outflows of resources based on payment provisions of the lease, and disclose key information about leasing arrangements. The provisions of this Statement are effective beginning in fiscal year ending June 30, 2020 and will be applied on a modified retrospective basis. The 49er Foundation is currently evaluating the impact of this Statement.
CSULB Equity and Diversity Statement:
In addition to meeting fully its obligations of nondiscrimination under federal and state law, CSULB is committed to creating a community in which a diverse population can live, learn and work in an atmosphere of tolerance, civility and respect for the rights and sensibilities of each individual, without regard to economic status, ethnic background, veteran status, political views, sexual orientation or other personal characteristics or beliefs. An EEO/AA/Title IX Employer.

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