

**CALIFORNIA STATE UNIVERSITY,
EAST BAY FOUNDATION, INC.**

SINGLE AUDIT REPORT

YEAR ENDED JUNE 30, 2022



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate remaining fund information of California State University, East Bay Foundation, Inc., as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the California State University, East Bay Foundation, Inc.'s basic financial statements, and have issued our report thereon dated September 30, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered California State University, East Bay Foundation, Inc.'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of California State University, East Bay Foundation, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of California State University, East Bay Foundation, Inc.'s internal control.

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


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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether California State University, East Bay Foundation, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Glendora, California
September 30, 2022



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE,
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited California State University, East Bay Foundation, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of California State University, East Bay Foundation, Inc.'s major federal programs for the year ended June 30, 2022. California State University, East Bay Foundation, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, California State University, East Bay Foundation, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of California State University, East Bay Foundation, Inc. and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of California State University, East Bay Foundation, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to California State University, East Bay Foundation, Inc.'s federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on California State University, East Bay Foundation, Inc.'s compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about California State University, East Bay Foundation, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 California State University, East Bay Foundation, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of California State University, East Bay Foundation, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of California State University, East Bay Foundation, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Government Auditing Standards requires the auditor to perform limited procedures on California State University, East Bay Foundation, Inc.'s response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. California State University, East Bay Foundation, Inc.'s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the the business-type activities and the aggregate remaining fund information of California State University, East Bay Foundation, Inc. as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise California State University, East Bay Foundation, Inc.'s basic financial statements. We issued our report thereon, dated September 30, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Glendora, California
September 30, 2022

CALIFORNIA STATE UNIVERSITY, EAST BAY FOUNDATION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

Federal Agency Pass Through Agency Federal Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Research and Development Cluster:				
National Aeronautics and Space Administration				
Direct Programs:				
Science	43.001		\$ -	\$ 17,762
Pass Through Program:				
Smithsonian Institution				
Science	43.001	20-SUBC-440-00440701	-	6,146
Total National Aeronautics and Space Administration			-	23,908
National Institutes of Health				
Direct Programs:				
Biomedical Research and Research Training	93.859		-	97,221
Pass Through Program:				
University of California, Berkeley				
Allergy, Immunology and Transplantation Research	93.855	00010742	-	26,428
Rutgers University, The State University of New Jersey				
Aging Research	93.866	1335436	-	4,908
University of California, San Francisco				
Aging Research	93.866	12391sc	-	7,340
Total National Institutes of Health			-	135,897
National Institutes of Standards and Technology				
Pass Through Program:				
University of Virginia				
Measurement and Engineering Research and Standards	11.609	GO12832.PO#2275879	-	17,906
Total National Institutes of Standards and Technology			-	17,906
National Science Foundation				
Direct Programs:				
Mathematical and Physical Sciences	47.049		-	287,963
Biological Sciences	47.074		-	61,244
Social, Behavioral, and Economic Sciences	47.075		-	198,854
Education and Human Resources	47.076		556,455	1,641,472
Pass Through Programs:				
University of Pittsburgh				
Engineering Grants	47.041	N/A	-	6,000
San Jose State University Research Foundation				
Mathematical and Physical Sciences	47.049	21-1504-6047	-	1,303
Association of Public & Land-Grant Universities				
Education and Human Resources	47.076	N/A	-	5,194
CSU Chancellor Office				
Education and Human Resources	47.076	X0170120-EBAUX	-	3,788
University Enterprises, Inc. (CSU Sacramento)				
Education and Human Resources	47.076	533074	-	10,000
Total National Science Foundation			556,455	2,215,818
U.S. Department of Agriculture				
Direct Programs:				
Agriculture and Food Research Initiative (AFRI)	10.310		557,695	612,130
Total U.S. Department of Agriculture			557,695	612,130
U.S. Department of Agriculture, Forest Service				
Direct Programs:				
Cooperative Forestry Assistance	10.664		-	12,743
Total U.S. Department of Agriculture, Forest Service			-	12,743
U.S. Department of Education				
Direct Programs:				
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325		-	223,237
Strengthening Minority-Serving Institutions	84.382		-	127,259
Total U.S. Department of Education			-	350,496
U.S. Department of Energy/NNSA				
Direct Programs:				
Office of Science Financial Assistance Program	81.049		16,575	98,178
Nuclear Energy Research, Development and Demonstration	81.121		-	142,907
Pass Through Program:				
Triad National Security, LLC				
Department of Energy	81.U01	89233218CNA000001	-	19,716
University of California, Lawrence Berkeley National Laboratory				
Granting of Patent Licenses	81.003	7607202	-	90,548
Brookhaven Science Associates, LLC.				
Advanced Research and Projects Agency - Energy	81.135	365173	-	22,886
Total U.S. Department of Energy/NNSA			16,575	374,235
U.S. Department of Health and Human Services				
Pass Through Program:				
Christopher & Dana Reeve Foundation				
Paralysis Resource Center	93.325	N/A	-	5,245
Total U.S. Department of Health and Human Services			-	5,245
U.S. Geological Survey				
Direct Program:				
U.S. Geological Survey_ Research and Data Collection	15.808		-	20,200
Total U.S. Geological Survey			-	20,200
Total Research and Development Cluster			\$ 1,130,725	\$ 3,768,578

**CALIFORNIA STATE UNIVERSITY, EAST BAY FOUNDATION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Federal Agency Pass Through Agency Federal Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Other Federal Programs:				
National Institutes of Health Pass Through Program: California State University, Long Beach Research Foundation Public Health Informatics & Technology Workforce Development Program Total National Institutes of Health	93.355	SG256021100EBFND	\$ - -	\$ 63,233 63,233
U.S. Department of Agriculture SNAP Cluster Pass Through Program: California State University, Chico Research Foundation State Administrative Matching Grants for the Supplemental Nutrition Assistance Program Chico State Enterprises State Administrative Matching Grants for the Supplemental Nutrition Assistance Program State Administrative Matching Grants for the Supplemental Nutrition Assistance Program State Administrative Matching Grants for the Supplemental Nutrition Assistance Program Total SNAP Cluster	10.561	SUB18-029 20-012 A22-0055-S022 SUB20-012	- - - -	23,714 15,506 16,380 11,725 67,325
Contra Costa County Resource Conservation District Environmental Quality Incentives Program Total U.S. Department of Agriculture	10.912	N/A	- -	9,703 77,028
U.S. Department of Education Direct Programs: TRIO Cluster TRIO Student Support Services Total TRIO Cluster Higher Education Institutional Aid Fund for the Improvement of Education Special Education-Personnel Development to Improve Services and Results for Children with Disabilities	84.042		- -	625,826 625,826 164,413 5,538,038 200,881
Pass Through Programs: Sonoma State University English Language Acquisition Grants UC Office of the President Improving Teacher Quality State Grants Improving Teacher Quality State Grants Total U.S. Department of Education	84.365 84.367 84.367	121,505 ESSA20-CSP-EAST BAY ESSA21-CSP-EAST BAY	- - 7,395 4,388,201	17,571 (4,348) 27,323 6,569,704
U.S. Department of Energy Pass Through Programs: University of California, Lawrence Berkeley National Lab Granting of Patent Licenses Total U.S. Department of Energy	81.003	7540138	- -	18,601 18,601
U.S. Department of Health and Human Services Pass Through Programs: University of California, Berkeley Foster Care Title IV-E Foster Care Title IV-E Mental and Behavioral Health Education and Training Grants Total U.S. Department of Health and Human Services	93.658 93.658 93.732	00009905 00010499 00009667	- - -	(7,075) 1,168,235 73,024 1,234,184
U.S. Department of the Treasury Pass Through Programs: Governor's Office of Research and Planning (OPR) COVID-19 Coronavirus State and Local Fiscal Recovery Funds Total U.S. Department of the Treasury	21.027	CCSFRF005	- -	24,846 24,846
U.S. Small Business Administration Pass Through Programs: Humboldt State University Sponsored Programs Foundation Small Business Development Centers Total U.S. Small Business Administration Total Other Federal Programs	59.037	F3243	- -	35,488 35,488 4,388,201 8,023,084
Total Federal Expenditures			\$ 5,518,926	\$ 11,791,662

CALIFORNIA STATE UNIVERSITY, EAST BAY FOUNDATION, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2022

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of California State University, East Bay Foundation, Inc. (the Foundation), under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the consolidated financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles in Office of Management and Budget Circular 21, *Cost Principles for Institutions of Higher Education*, or the cost principles contained in Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 INDIRECT COST RATE

The Foundation has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4 SUBRECIPIENTS

The Foundation passes certain federal awards received from the U.S. Department of Education to other governments or not-for-profit agencies (subrecipients). The Foundation reports expenditures of Federal awards to subrecipients on an accrual basis.

NOTE 5 NATIONAL SCIENCE FOUNDATION GRANTS

According to the National Science Foundation's Proposal and Award Policies and Procedures Guide (Guide) dated January 14, 2013, certain National Science Foundation individual programs are included in the Research and Development Cluster and are reported in the Schedule accordingly under the Research and Development Cluster. In accordance with the transition statements published with the adoption of the Guide, awards that existed prior to the Guide's issuance are reported on the Schedule based on the content of the award until they expire.

**CALIFORNIA STATE UNIVERSITY, EAST BAY FOUNDATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____yes x no
 - Significant deficiency(ies) identified? _____yes x none reported
3. Noncompliance material to financial statements noted? _____yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____yes x no
 - Significant deficiency(ies) identified? _____yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____yes x no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
84.215	Promise Neighborhoods

Dollar threshold used to distinguish between Type A and Type B programs:	\$ <u> 750,000 </u>
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Auditee qualified as low-risk auditee? x yes _____no

CALIFORNIA STATE UNIVERSITY, EAST BAY FOUNDATION, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2022

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



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