



UFSS Executive Committee Meeting

California State University, Sacramento

Thursday, September 25, 2025 at 3:00 PM

<https://csus.zoom.us/j/84098247023?pwd=87XyCz9U8zwuGy3OIL4icaaXMw1XiV.1>

Agenda

I. Call the Meeting to Order

II. Public Comments - Members of the public may speak for up to one minute

III. Review and Approval of the September 25, 2025 Agenda

IV. Review and Approval of the May 21, 2025 Minutes

V. Committee Updates

A. Audit Committee

- Review draft audit financial statements and letter from CLA

B. Finance Committee

- UFSS Financial Statements as of 6-30-25
- Budget to Actual as of 6-30-25
- Sand Hill Q2 Portfolio Review

C. Governance Committee

VI. UFSS Dashboard

VII. Review Agenda for the October 10 & 11, 2025 Board Retreat and Meeting

VIII. Other Business

IX. Adjournment



**The University Foundation
at Sacramento State**
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The University Foundation at Sacramento State
Executive Committee Meeting
Wednesday, May 21, 2025 2:00-3:30 p.m.
Zoom

Committee Members Present:

Alice Perez, *Committee Chair*
Bernice Bass de Martinez
Garry Maisel
Sue McGinty
Ryan Murphy
Holly Tiche
Tina Treis

Guests:

Pam Stewart

Advancement Staff:

Sharise Harrison, *AVP of Advancement Services*
Jennifer Barber, *AVP Alumni Relations*
Gina Curry
Chris McAlary
Renee Siden

Committee Member Not Present:

Michael Reza

MINUTES

1. Chair Alice Perez called the meeting to order at 2:05 p.m. with a quorum
2. Public Comments - none
3. Approval of the May 21, 2025 agenda
 - a. Motion: Ryan Murphy
 - b. Second: Bernice Bass de Martinez
 - c. With no corrections or objections, the agenda was unanimously approved
4. Approval of the February 13, 2024 minutes
 - a. Motion: Garry Maisel
 - b. Second: Sue McGinty
 - c. With no corrections or objections, the minutes were unanimously approved
5. Audit Committee Update
 - a. Tina Treis shared that the Form 990 includes the Conflict-of-Interest (Form 700)
 - b. The Conflict-of-Interest results spreadsheet will be shared with the full board at the June 6 Board meeting.
 - c. Traditionally tracking the COI is handled by the Governance Committee.
 - d. A motion was made to move the report of the Conflict-of-Interest (Form 700) results forward to the full board for approval noting that no board members cited any potential conflicts of interest for the Foundation.

- i. Motion: Bass de Martinez
 - ii. Second: Perez
 - iii. Approved
- 6. Finance Committee Update
 - a. Garry Maisel reported out on the Finance Committee including the financials as of 3/31/25, Actual vs. Budget as of 3/31/25 and the Q1 Sand Hill Portfolio Review
 - b. At the May 15 meeting the committee discussed establishing a reserve policy
 - c. It was moved to advance the financial statements to the full board for review and approval.
 - i. Motion: Murphy
 - ii. Second: McGinty
 - iii. The motion passed unanimously
- 7. Governance Committee Update
 - a. Bernice Bass de Martinez reported out on the committee's last meeting
 - b. A motion was made that Fred Baldini's name be moved forward to the full board for acceptance as the UFSS Representative to the SSAA Board of Directors
 - i. Motion: Bass de Martinez
 - ii. Second: McGinty
 - iii. Motion passed
- 8. UFSS Dashboard
 - a. Alice asked everyone to review the Dashboard and note progress towards our goals
- 9. The agenda for the June 6, 2025 Board meeting was reviewed
- 10. Other Business – none
- 11. Closed Session
- 12. Vote on Advancement Budget didn't take place due to time constraints
- 13. The motion to adjourn was made at 3:34 pm
 - a. Motion: Murphy
 - b. Second: Perez
 - c. With no further business the meeting was adjourned.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
SACRAMENTO, CALIFORNIA**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED JUNE 30, 2025 AND 2024

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
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INDEPENDENT AUDITORS' REPORT

Board of Directors
The University Foundation at Sacramento State
Sacramento, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The University Foundation at Sacramento State (the Foundation), a component unit of California State University, Sacramento, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audits 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*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 opinions.

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 Foundation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 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 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Foundation's basic financial statements. The schedule of net position, the schedule of revenues, expenses, and changes in net position, note to supplementary information and other information as listed in the table of contents are presented for purposes of additional analysis and are 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 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 GAAS. In our opinion, the accompanying schedule of net position, the schedule of revenues, expenses, and changes in net position, note to supplementary information and other information, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT DATE on our consideration of the 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 the 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 the Foundation's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

Sacramento, California
REPORT DATE

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025 AND 2024**

This section of The University Foundation at Sacramento State (the Foundation's) annual financial report presents management's discussion and analysis of the financial performance of the Foundation during the fiscal years ended June 30, 2025 and 2024. This discussion has been prepared by management along with the financial statements and related note disclosures and should be read in conjunction with, and is qualified in its entirety by, the financial statements and footnotes. The financial statements, notes, and this discussion are the responsibility of management.

Financial Highlights

- Total restricted contributions and gifts, along with return on investments, fees and other income, and additions to permanent endowments, received during fiscal year 2025 amounted to \$27.7 million.
- Total Foundation funds used in support of University projects in fiscal year 2025 totaled \$8.2 million.
- Foundation operating gain during fiscal year 2025 was \$16.2 million.
- Total increase in net position, including additions to permanent endowments, amounted to \$18.5 million.

Financial Highlights Prior Year

- Total restricted contributions and gifts, along with return on investments, fees and other income, and additions to permanent endowments, received during fiscal year 2024 amounted to \$25.5 million.
- Total Foundation funds used in support of University projects in fiscal year 2024 totaled \$6.6 million.
- Foundation operating gain during fiscal year 2024 was \$15.1 million.
- Total increase in net position, including additions to permanent endowments, amounted to \$17.9 million.

Overview of the Financial Statements

The financial statements presented herein include all the activities of the Foundation as prescribed by statements of the Governmental Accounting Standards Board (GASB). The Foundation is a component unit of the California State University, Sacramento (the University or CSUS).

The *Statements of Net Position* present information on all the Foundation's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Foundation is improving or deteriorating.

The *Statements of Revenues, Expenses, and Changes in Net Position* present information showing how net position changed during the two most recent fiscal years. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025 AND 2024**

The *Statements of Cash Flows* present information about the cash receipts and cash payments of the Foundation during the two most recent fiscal years. When used with related disclosures and information in the other financial statements, the information provided in these statements should help financial report users assess the Foundation's ability to generate future net cash flows, its ability to meet its obligations as they come due, and its need for external financing. It also provides insight into the reasons for differences between operating income and associated cash receipts and payments, and the effects on the Foundation's financial position of its cash and its noncash investing, capital, and related financing transactions during the year.

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the data provided in the Foundation's basic financial statements. The notes are included immediately following the basic financial statements within this report.

**The Foundation's Net Position
(Amounts Expressed in Thousands)**

	2025	2024	2023
ASSETS			
Current Assets	\$ 12,399	\$ 6,837	\$ 8,611
Noncurrent Assets	133,852	120,982	100,893
Total Assets	<u>146,251</u>	<u>127,819</u>	<u>109,504</u>
LIABILITIES			
Current Liabilities	881	974	546
Noncurrent Liabilities	-	-	-
Total Liabilities	<u>881</u>	<u>974</u>	<u>546</u>
NET POSITION			
Restricted:			
Expendable	58,642	44,372	29,847
Nonexpendable	83,819	80,241	77,427
Unrestricted	2,909	2,232	1,684
Total Net Position	<u>\$ 145,370</u>	<u>\$ 126,845</u>	<u>\$ 108,958</u>

The \$18.4 million increase in total assets between fiscal years 2025 and 2024 was primarily due to a \$12.8 million increase in restricted long-term investments combined with a \$5.6 million increase in cash and cash equivalents.

The \$93 thousand decrease in total liabilities in 2025, compared to 2024, was primarily due to a decrease in accounts payable.

The \$18.3 million increase in total assets between fiscal years 2024 and 2023 was primarily due to a \$20.1 million increase in restricted long-term investments, offset by a \$1.2 million decrease in restricted short-term investments, along with a \$543 thousand net decrease in cash and restricted cash.

The \$428 thousand increase in total liabilities in 2024, compared to 2023, was primarily due to an increase in accounts payable.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025 AND 2024**

**The Foundation's Changes in Net Position
(Amounts Expressed in Thousands)**

	2025	2024	2023
OPERATING REVENUES			
Contributions and Gifts	\$ 12,388	\$ 6,928	\$ 7,259
Fees and Other	38	470	1,023
Investment Income	12,917	15,299	10,094
Total Operating Revenues	<u>25,343</u>	<u>22,697</u>	<u>18,376</u>
OPERATING EXPENSES			
University Projects	8,166	6,593	6,082
General and Administration	1,011	1,004	732
Total Operating Expenses	<u>9,177</u>	<u>7,597</u>	<u>6,814</u>
OPERATING INCOME	<u>16,166</u>	<u>15,100</u>	<u>11,562</u>
INCOME BEFORE ADDITIONS TO PERMANENT ENDOWMENTS	16,166	15,100	11,562
ADDITIONS TO PERMANENT ENDOWMENTS	<u>2,359</u>	<u>2,787</u>	<u>4,405</u>
CHANGES IN NET POSITION	18,525	17,887	15,967
Net Position - Beginning of Year	<u>126,845</u>	<u>108,958</u>	<u>92,991</u>
NET POSITION - END OF YEAR	<u><u>\$ 145,370</u></u>	<u><u>\$ 126,845</u></u>	<u><u>\$ 108,958</u></u>

The Foundation's receipt of contributions and gifts showed an increase of \$5.5 million in 2025 compared to 2024. This is primarily due to large gift of \$5 million and larger gifts received for multiple funds in 2025.

Investment income decreased by \$2.4 million in 2025 compared to 2024, mainly due to decreased realized gains offset by increased unrealized gains and increased interest and dividends.

Operating expenses increased by 1.6 million in 2025, compared to 2024. The Foundation completed an internal audit to verify campus was using funds in a timely manner, per donor instructions. After the audit, policies were implemented to encourage timely use of funds. This spending is the result of the new policies.

The Foundation's receipt of contributions and gifts showed a decrease of \$331 thousand in 2024 compared to 2023. This is primarily due to larger gifts received for multiple funds in 2023.

Investment income increased by \$5.2 million in 2024 compared to 2023, mainly due to increased realized gains in 2024.

Operating expenses increased by \$783 thousand in 2024, compared to 2023, due to encouraging campus to use funds timely per donor instruction.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
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MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025 AND 2024**

Request for Information

The financial report is designed to provide a general overview of the Foundation's finances. For questions concerning any information in this report or for additional financial information, please contact California State University, Sacramento, Christopher McAlary, Interim CFO and Vice President of Administration and Business Affairs, 6000 J Street, Sacramento, California, 95819, or call (916) 278-6312.

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**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
STATEMENTS OF NET POSITION
JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 8,126,439	\$ 2,450,638
Restricted Cash	519,436	448,697
Short-Term Investments	853,665	1,121,488
Restricted Short-Term Investments	2,872,965	2,745,311
Total Cash and Cash Equivalents	<u>12,372,505</u>	<u>6,766,134</u>
Receivables:		
Unrestricted Receivables	25,299	17,171
Restricted Receivables	1,549	52,862
Total Current Assets	<u>12,399,353</u>	<u>6,836,167</u>
NONCURRENT ASSETS		
Cash Surrender Value of Life Insurance Policies	283,838	241,690
Restricted Long-Term Investments	133,568,146	120,740,021
Total Noncurrent Assets	<u>133,851,984</u>	<u>120,981,711</u>
 Total Assets	 <u><u>\$ 146,251,337</u></u>	 <u><u>\$ 127,817,878</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 881,117	\$ 973,544
Total Liabilities	<u>881,117</u>	<u>973,544</u>
NET POSITION		
Restricted:		
Expendable	58,641,846	44,371,870
Nonexpendable	83,818,960	80,240,736
Unrestricted	2,909,414	2,231,728
Total Net Position	<u>145,370,220</u>	<u>126,844,334</u>
 Total Liabilities and Net Position	 <u><u>\$ 146,251,337</u></u>	 <u><u>\$ 127,817,878</u></u>

See accompanying Notes to Financial Statements.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
OPERATING REVENUES		
Contributions and Gifts - Noncapital	\$ 12,388,592	\$ 6,927,709
Fees and Other	37,951	469,868
Investment Income	<u>12,916,880</u>	<u>15,298,645</u>
Total Operating Revenues	25,343,423	22,696,222
OPERATING EXPENSES		
University Projects	8,165,874	6,592,187
General and Administration	<u>1,011,447</u>	<u>1,004,509</u>
Total Operating Expenses	<u>9,177,321</u>	<u>7,596,696</u>
OPERATING INCOME	16,166,102	15,099,526
NONOPERATING REVENUES		
Additions to Permanent Endowments	<u>2,359,784</u>	<u>2,787,308</u>
CHANGES IN NET POSITION	18,525,886	17,886,834
Net Position - Beginning of Year	<u>126,844,334</u>	<u>108,957,500</u>
NET POSITION - END OF YEAR	<u><u>\$ 145,370,220</u></u>	<u><u>\$ 126,844,334</u></u>

See accompanying Notes to Financial Statements.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Campus Community	\$ 12,427,580	\$ 7,369,213
Investment Income Received	3,405,752	3,087,070
Cash Paid to Suppliers	<u>(9,269,748)</u>	<u>(7,169,469)</u>
Net Cash Provided by Operating Activities	6,563,584	3,286,814
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Endowments Received	<u>2,359,784</u>	<u>2,787,308</u>
Net Cash Provided by Noncapital Financing Activities	2,359,784	2,787,308
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Long-Term Investments	59,319,579	33,384,167
Long-Term Investments Purchased	<u>(62,636,576)</u>	<u>(41,242,897)</u>
Net Cash Used by Investing Activities	<u>(3,316,997)</u>	<u>(7,858,730)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5,606,371	(1,784,608)
Cash and Cash Equivalents - Beginning of Year	<u>6,766,134</u>	<u>8,550,742</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 12,372,505</u></u>	<u><u>\$ 6,766,134</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	\$ 16,166,102	\$ 15,099,526
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Change in Fair Value of Investments	(3,606,036)	(1,931,042)
Realized Gain on Investments	(5,905,092)	(10,280,533)
(Increase) Decrease in Noncash Assets:		
Cash Surrender Value of Life Insurance Policies	(42,148)	(18,470)
Unrestricted Accounts Receivable	(8,128)	(8,693)
Restricted Receivables	51,313	(1,201)
Increase (Decrease) in Noncash Liabilities:		
Accounts Payable and Accrued Expenses	<u>(92,427)</u>	<u>427,227</u>
Net Cash Provided by Operating Activities	<u><u>\$ 6,563,584</u></u>	<u><u>\$ 3,286,814</u></u>

See accompanying Notes to Financial Statements.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The California State University Sacramento Trust Foundation was established in 1986 as the philanthropic arm of California State University, Sacramento (the University or CSUS), to promote, assist, and enhance the educational mission of CSUS. In May 2006, the California State University Sacramento Trust Foundation changed its name to The University Foundation at Sacramento State (the Foundation). The Foundation is a governmental nonprofit, tax exempt California State University auxiliary organization located on the campus of California State University, Sacramento.

The Foundation receives contributions and performs activities for the benefit of the University community.

Basis of Presentation

The Foundation operates as a business enterprise and is a component unit of the University. The accompanying financial statements reflect the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The Foundation accounts for the general activities of the organization, gifts, and contributions to the Foundation that have been restricted by donors as to the purposes for which the funds may be used, and endowment funds that have been contributed to the Foundation for which the donor has specified that the principal may not be expended. Income earned from the investment of endowment funds is generally expendable within the restrictions specified by the donors.

Proprietary funds distinguish operating from nonoperating revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are contributions and gifts, fees and other, and investment income. Operating expenses include University projects and general and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Foundation's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and Cash Equivalents

For purposes of the statements of cash flows, cash and cash equivalents consist of cash on hand, cash in commercial accounts, short-term money market funds (excluding the charitable remainder unitrusts), and deposits in the State of California Investment Pooled Money Investment Account Local Agency Investment Fund (LAIF).

Restricted Cash and Short-Term Investments

Restricted cash and short-term investments represent restricted donations.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Investments

Excess cash is pooled for investing purposes. Interest, dividend income, and net realized gains and losses from the sale of such marketable securities are recorded as investment income on the statements of revenues, expenses, and changes in net position. The Foundation's policies authorize investment of excess funds in certificates of deposit, savings accounts, federally guaranteed notes and bills, money market funds, equity, and other fixed income securities and mutual funds.

These investment securities are exposed to risks, such as interest rate and various capital market fluctuations. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities may occur in the near term and that such changes could materially affect the financial statements.

Fair Value Measurements

The Foundation categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America (GAAP). The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

That framework provides a fair value hierarchy that classifies assets and liabilities into three levels, based on the markets in which the assets and liabilities are traded, and the reliability of the assumptions used to determine fair value. Valuations within these levels are based upon the following:

Level 1 – Quoted market prices for identical instruments traded in active exchange markets.

Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model based valuation techniques for which all significant assumptions are observable or can be corroborated by observable market data.

Level 3 – Model based techniques that use at least one significant assumption not observable in the market. These unobservable assumptions reflect the Foundation's estimates of assumptions that market participants would use on pricing the asset or liability. Valuation techniques include management's judgment and estimation which may be significant.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Fair Value Measurements (Continued)

Following is a description of the valuation methodologies used for assets measured at fair value for the years ended June 30, 2025 and 2024.

Money Market Funds and Certificates of Deposit: Amounts are in interest bearing deposit accounts, which at times may be more than the Federal Deposit Insurance Corporation insurance limit. The Foundation does not consider these amounts for use in general operations; therefore, they are not classified as cash and cash equivalents.

Mutual Funds, Equity Securities, and Exchange Traded Funds: Each investor will typically receive units of participation or shares. These shares are valued daily, based on the underlying securities owned, and are usually publicly traded equity securities. Equity securities are instruments that signify an ownership position in a corporation and represent a claim on its proportional share in the corporation's assets and profits. Ownership is determined by the number of shares an investor owns divided by the total number of shares outstanding. Mutual funds, equity securities, and exchange traded funds are valued daily based on the closing market price in the active exchange markets.

Bonds and Fixed Income Securities: Corporate and municipal bonds and other debt and fixed income securities are generally valued by a computerized pricing service or, for less actively traded issues, by utilizing a yield-based matrix system to arrive at an estimated market value. Each bond series has a unique set of variables including coupon payment, number of payments, interest rate, and the maturity value. These factors are used to determine the estimated market value and can be determined daily.

LAIF: The investment in LAIF is measured and reported at amortized cost and is part of the State of California Pooled Money Investment Account (PMIA), which, as of June 30, 2025 and 2024, had a balance of \$178.1 billion and \$178 billion, respectively. The weighted average maturity of PMIA investments was 248 days and 217 days as of June 30, 2025 and 2024, respectively. The total amount invested by all public agencies in LAIF as of June 30, 2025 and 2024, was \$24.5 billion and \$21.9 billion, respectively. The Local Investment Advisory Board (the Board) has oversight responsibility for LAIF. The Board consists of five members as designated by state statute. The value of the pool shares in LAIF which may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the Foundation's portion of the pool. PMIA funds are on deposit with the state's Centralized Treasury System and are not U.S. Securities and Exchange Commission registered but are managed in compliance with the *California Government Code*, according to a statement of investment policy that sets forth permitted investment vehicles, liquidity parameters, and maximum maturity of investments. These investments consist of U.S. government securities, securities of federally sponsored agencies, domestic corporate bonds, interest bearing time deposits in California banks, prime rated commercial paper, bankers' acceptances, negotiable certificates of deposit, and repurchase and reverse repurchase agreements. The PMIA policy limits the use of reverse repurchase agreements, subject to limits of no more than 10% of the PMIA. The PMIA does not invest in leveraged products or inverse floating rate securities. Included in the PMIA's investment portfolio are asset backed securities totaling \$3.4 billion and \$3 billion as of June 30, 2025 and 2024, respectively.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Net Position

Certain amounts within net position have been designated by the Board of Directors with the intention of providing funds for certain University programs and activities.

Donations and Contributions

Unrestricted contributions are recorded as revenue when received. Under the accrual basis of accounting, receivables and revenues from private donations that are voluntary nonexchange transactions are recognized when all applicable eligibility requirements (required characteristics of recipients, time requirements, reimbursements, and contingencies) are met. When the revenue recognition requirements have not been met, amounts are reported as unearned revenue. Noncash donations are recorded at estimated fair market value on the date of donation.

Contributions received with donor restrictions are recorded as revenue when all applicable eligibility requirements, generally timing restrictions, have been met. Unexpended contributions with donor purpose restrictions are classified as expendable restricted net position. Additions to permanent endowments are classified as nonexpendable restricted net position, because the principal is required to be retained in perpetuity pursuant to the donor agreements.

The Foundation has received contributions by being named as owner and beneficiary of life insurance policies. Revenues are recognized when cash surrender values are established and upon receipt of any death benefit proceeds from the policies.

Approximately 54% and 44% of all donation revenues were received from five donors at June 30, 2025 and 2024, respectively.

Use of Estimates

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

Income Taxes

The Foundation is exempt from federal income tax under Section 501(c)(3) of the *Internal Revenue Code* (IRC) and comparable state statutes and is not classified as a private foundation under (509)(a) of the IRC. Contributions to the Foundation qualify as charitable contributions.

Subsequent Events

We have evaluated subsequent events through REPORT DATE, the date the financial statements were available to be issued.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 CASH AND INVESTMENTS

The Foundation had the following cash and investments:

	2025	2024
Cash and Restricted Cash:		
Deposits	\$ 8,645,875	\$ 2,899,335
Investments:		
Money Market Deposit	3,791,437	3,905,906
LAIF	32,583	30,981
Mutual Funds:		
Equity	2,279,612	8,607,160
Fixed Income	20,296,106	13,173,567
Other	3,598,807	4,699,689
Exchange Traded Funds:		
Equity	64,459,018	76,888,424
Fixed Income	39,699,554	13,563,247
Real Estate	2,770,021	3,447,201
Equity Securities	367,638	290,645
Total Investments	<u>137,294,776</u>	<u>124,606,820</u>
Total Cash and Investments	<u>\$ 145,940,651</u>	<u>\$ 127,506,155</u>

The following is a schedule of the assets at fair value, by level within the fair value hierarchy:

	2025			
	Level 1	Level 2	Net Asset Value	Total
Investments:				
Money Market-WFB	\$ -	\$ 97,390	\$ -	\$ 97,390
Money Market-Sand Hill	-	3,694,047	-	3,694,047
Pooled Investments:				
Local Agency Investment Fund	-	-	32,583	32,583
Mutual Funds by Investment Objective:				
Bond and Fixed Income Funds	20,296,106	-	-	20,296,106
International Funds	2,279,612	-	-	2,279,612
Total Return Funds	3,598,807	-	-	3,598,807
Exchange Traded Funds by Investment Objective:				
Bond and Fixed Income Funds	39,699,554	-	-	39,699,554
Blend Funds	52,258,515	-	-	52,258,515
Real Assets Funds	2,770,021	-	-	2,770,021
International Funds	12,200,503	-	-	12,200,503
Equity Securities by Industry Type:				
Consumer Discretionary	41,930	-	-	41,930
Consumer Staples	7,320	-	-	7,320
Financials	54,081	-	-	54,081
Health Care	28,234	-	-	28,234
Industrials	34,795	-	-	34,795
Information Technology	149,815	-	-	149,815
Materials	4,580	-	-	4,580
International	46,883	-	-	46,883
Total Assets at Fair Value	<u>\$ 133,470,756</u>	<u>\$ 3,791,437</u>	<u>\$ 32,583</u>	<u>\$ 137,294,776</u>

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

	2024			
	Level 1	Level 2	Net Asset Value	Total
Investments:				
Money Market-WFB	\$ -	\$ 70,088	\$ -	\$ 70,088
Money Market-Sand Hill	-	3,835,818	-	3,835,818
Pooled Investments:				
Local Agency Investment Fund	-	-	30,981	30,981
Mutual Funds by Investment Objective:				
Bond and Fixed Income Funds	13,173,567	-	-	13,173,567
International Funds	5,443,628	-	-	5,443,628
Growth Funds	3,163,532	-	-	3,163,532
Total Return Funds	4,699,689	-	-	4,699,689
Exchange Traded Funds by Investment Objective:				
Bond and Fixed Income Funds	13,563,247	-	-	13,563,247
Blend Funds	62,053,133	-	-	62,053,133
Real Assets Funds	3,447,201	-	-	3,447,201
International Funds	14,835,291	-	-	14,835,291
Equity Securities by Industry Type:				
Consumer Discretionary	23,431	-	-	23,431
Consumer Staples	6,216	-	-	6,216
Financials	29,319	-	-	29,319
Health Care	33,943	-	-	33,943
Industrials	21,141	-	-	21,141
Information Technology	128,972	-	-	128,972
Materials	5,396	-	-	5,396
International	42,227	-	-	42,227
Total Assets at Fair Value	<u>\$ 120,669,933</u>	<u>\$ 3,905,906</u>	<u>\$ 30,981</u>	<u>\$ 124,606,820</u>

The Foundation's Board of Directors periodically reviews and updates, as necessary, the Foundation's investment policies. These policies establish investment guidelines, asset allocation targets, and allowable investments for endowment funds, current funds, and charitable remainder unitrust funds.

The Foundation applies the provisions of GASB Statement No. 40, *Deposit and Investment Risk Disclosures – an Amendment to GASB Statement No. 3*, which requires governmental entities to provide proper disclosures on common deposit and investment risks related to interest rate risk, credit risk, custodial credit risk, and concentration of credit risk.

Interest Rate Risk

Interest rate risk is the risk of loss due to the fair value of an investment falling as a result of rising interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Foundation's investment policy for current funds limits its investment portfolio for fixed income securities to an average maturity of between one and one half to three years. Generally, endowment funds invested in fixed income securities are limited to between 15% and 35% of total endowment funds invested; charitable remainder unitrust funds invested in fixed income securities are limited to between 15% and 35% of total charitable remainder unitrust funds; and current funds are limited entirely to either fixed income securities or cash equivalents. There is no interest rate risk for money market accounts as they are available on demand. Refer to the tables on page 18 for the interest rate risk disclosures as of June 30, 2025 and 2024.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
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JUNE 30, 2025 AND 2024**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to a debt instrument will not fulfill its obligations. Credit risk is measured by the assignment of ratings by nationally recognized statistical rating organizations. Investments in commercial paper should be rated A-1 by Standard & Poor's and P-1 by Moody's Investors Service, and the senior long-term debt of the issuer must be rated above investment grade. Refer to the tables on page 19 for the credit risk disclosures as of June 30, 2025 and 2024.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Foundation's deposits may not be returned. The *California Government Code* requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. The Foundation does not have a policy regarding custodial credit risk for deposits.

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Foundation will not be able to recover the value of its investments that are in the possession of the counterparty. The Foundation does not have an investment policy for custodial credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. The Foundation's investment policy limits investments in any single fixed income issuer to no more than 10% at cost of the total portfolio, with the exception of U.S. Treasury and Federal Government Agency securities. No more than 15% of the portfolio may be invested with a single active fund family, and no more than 30% of the endowment or charitable remainder unitrust portfolios may be invested in a single industry. The policy prohibits investments in certain vehicles without prior Board approval, including short sales, derivatives, margin purchases, private placements, futures, commodities, currency hedges, tobacco stocks, and any future direct fossil fuel investments (excluding broadly diversified funds). There were six investments that were each individually greater than 5% of the total investment portfolio that makes up 51% of the total of the Foundation's total investment portfolio at June 30, 2025. At June 30, 2024, there were none.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

The following indicates the credit and interest rate risk of investments as of June 30, 2025 and 2024. The credit ratings listed are for Standard & Poor's and Moody's Investors Services, whichever rating is lower.

	Fair Value	Net Asset Value	Less Than One Year	One to Five Years	Five to Ten Years	More Than Ten Years	Weighted Average Maturity
<u>June 30, 2025</u>							
LAIF	\$ -	\$ 32,583	\$ -	\$ -	\$ -	\$ -	248 Days
Mutual Funds:							
Fixed Income	\$ 20,296,106	\$ -	\$ 2,003,088	\$ 12,094,580	\$ 2,708,420	\$ 3,490,018	
Exchange Traded Funds:							
Fixed Income	\$ 39,699,554	\$ -	\$ 4,149,820	\$ 30,047,076	\$ 4,265,071	\$ 1,237,587	
<u>June 30, 2024</u>							
LAIF	\$ -	\$ 30,981	\$ -	\$ -	\$ -	\$ -	217 Days
Mutual Funds:							
Fixed Income	\$ 13,173,567	\$ -	\$ 1,056,117	\$ 5,107,970	\$ 4,404,480	\$ 2,605,000	
Exchange Traded Funds:							
Fixed Income	\$ 13,563,247	\$ -	\$ 1,264,959	\$ 4,620,614	\$ 4,133,619	\$ 3,544,055	

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

<u>June 30, 2025</u>	<u>Fair Value</u>	<u>AAA</u>	<u>AA</u>	<u>AA-</u>	<u>A+</u>	<u>A</u>	<u>A-</u>	<u>BBB</u>	<u>BB</u>	<u>B</u>	<u>Below B</u>	<u>Not Rated</u>
LAIF	\$ 32,583	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,583
Mutual Funds:												
Fixed Income	\$ 20,296,106	\$ 1,041	\$ 2,232,248	\$ 9,946,645	\$ 4,886,741	\$ 9	\$ -	\$ 943	\$ 8,550	\$ 4,862	\$ 1,840,670	\$ 1,374,397
Exchange Traded Funds:												
Fixed Income	\$ 39,699,554	\$ 1,842,225	\$ 15,292,949	\$ 14,467,707	\$ 1,954,668	\$ 33,270	\$ 6,005,907	\$ 38,855	\$ 33,164	\$ 21,369	\$ 9,300	\$ 140
<u>June 30, 2024</u>	<u>Fair Value</u>	<u>AAA</u>	<u>AA</u>	<u>AA-</u>		<u>A</u>	<u>A-</u>	<u>BBB</u>	<u>BB</u>	<u>B</u>	<u>Below B</u>	<u>Not Rated</u>
LAIF	\$ 30,981	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,981
Mutual Funds:												
Fixed Income	\$ 13,173,567	\$ 1,534	\$ 4,667,455	\$ -	\$ 6,132,553	\$ 36	\$ -	\$ 813	\$ 2,364,296	\$ 4,080	\$ 1,915	\$ 885
Exchange Traded Funds:												
Fixed Income	\$ 13,563,247	\$ 3,774,620	\$ 237,724	\$ 8,237,256	\$ 1,171,336	\$ 54,071	\$ -	\$ 60,644	\$ 13,249	\$ 9,854	\$ 4,347	\$ 146

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Investment Income

The rate of return on investments varies with the rate of return of the underlying portfolios. For the years ended June 30, 2025 and 2024, the rate of return earned on investments governed under the Foundation's investment policy approximated 11.4% and 15.6%, respectively.

Investment income for the years ended June 30, 2025 and 2024, were comprised of interest, dividends, realized gains and losses, and unrealized gains and losses due to changes in the fair value of investments held at year-end.

NOTE 3 RELATED PARTY TRANSACTIONS

Other than those disclosed elsewhere in these financial statements, transactions between the Foundation and related organizations during the years ended June 30, 2025 and 2024, included the payments by the Foundation to the University of \$260,000 for each year, for accounting, tax, and administrative services. The Foundation made reimbursements to the University for salaries of University personnel working on contracts, grants, and other programs that amounted to \$622,138 and \$624,227, respectively, as well as for expenses other than salaries of University personnel that amounted to \$2,596,589 and \$1,337,675 for the years ended June 30, 2025 and 2024, respectively. Amounts due to the University totaled \$823,727 and \$797,534 at June 30, 2025 and 2024, respectively. Amounts due from the University totaled \$0 and \$53,319 at June 30, 2025 and 2024, respectively. During the years ended June 30, 2025 and 2024, the Foundation paid on behalf of the University, from expendable resources, \$377,124 and \$260,720, respectively, for capital improvements and equipment owned by the University. These amounts are presented as part of University projects expense on the statements of revenues, expenses, and changes in net position. Payments received from the University for services, space, and programs amounted to \$0 and \$9,300, respectively, for the years ended June 30, 2025 and 2024.

NOTE 4 ENDOWMENTS

The Foundation's endowments consist of multiple individual donor restricted funds for a variety of purposes. The amounts of net appreciation on investments of donor restricted endowments that are available for authorization for expenditure as of June 30, 2025 and 2024, were \$3,089,987 and \$2,946,237, respectively, and are included in the balance of restricted expendable net position as reported in the statements of net position.

The Uniform Prudent Management of Institutional Funds Act (UPMIFA) has been adopted by the state of California and is codified in the *Uniform Probate Code* in Sections 18501 – 18510. UPMIFA applies to institutional funds existing or established after January 1, 2009, and governs decisions made after that date.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 4 ENDOWMENTS (CONTINUED)

In its *Investment Policy and Administrative Guidelines*, the Foundation's Board of Directors has set forth the following investing goals and objectives for endowment funds:

1. The primary goal is to preserve the real value of the endowment corpus by achieving a growth rate on the principal amount of the endowment over a market cycle (three to five years) of 300 basis points over the rate of inflation as measured by the Consumer Price Index.
2. The secondary goal is to provide spendable income equivalent to the spending rate as defined in the disbursement guidelines.
3. To the extent compatible with objectives 1 and 2, investment strategy should maximize long term total return while assuming a prudent level of investment risk.

The Foundation's endowment fund spending policy allows for the allocation of income equivalent to 4% of the moving average market value of the endowment portfolio. This average market value is computed using the previous 12 quarters of portfolio activity. Income earned in excess of the spending rate may be reinvested in endowment principal. The spending policy allows for permanent endowment funds to be spent down to 80% of their historical contribution value. An endowment fund balance may decline below its historical contribution value either by the spending policy or by investment losses. The endowment fund balance will be restored to the historical contribution value in years when income earned exceeds the spending rate. There were no endowment accounts with balances below the historical value as of June 30, 2025. There were 23 endowment accounts with balances below the historical value as of June 30, 2024, which amounted to \$106,886.

The Foundation's Board of Directors has allowed spending within the above Investment Policy and Administrative Guidelines during the years ended June 30, 2025 and 2024, in the amount of 4.0%.

NOTE 5 UNRESTRICTED NET POSITION DESIGNATED BY BOARD OF DIRECTORS

The Foundation's Board of Directors has established designations of its unrestricted net position for certain University programs and activities. As of June 30, 2025 and 2024, designated unrestricted net position totaled \$71,417 and \$67,710, respectively.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 6 UNRECOGNIZED PLEDGES

The Foundation has received certain pledges from donors that are conditional in nature or otherwise do not meet the criteria for revenue recognition at June 30, 2025. Such pledges are not recorded in the accompanying financial statements until the conditions on which they depend are substantially met or until they otherwise satisfy the requirements for recognition under applicable accounting standards. As of June 30, 2025, the Foundation had approximately \$3,739,571 in conditional or otherwise non-recognizable pledges. These pledges are expected to be fulfilled over future periods; however, the timing and collectability of such amounts cannot be reasonably estimated at this time.

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**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
SCHEDULE OF NET POSITION
JUNE 30, 2025
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)**

Assets:

Current assets:

Cash and cash equivalents	8,645,875
Short-term investments	3,726,630
Accounts receivable, net	26,848
Lease receivable, current portion	—
P3 receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net	—
Prepaid expenses and other current assets	—
Total current assets	12,399,353

Noncurrent assets:

Restricted cash and cash equivalents	—
Accounts receivable, net	—
Lease receivable, net of current portion	—
P3 receivable, net of current portion	—
Notes receivable, net of current portion	—
Student loans receivable, net	—
Pledges receivable, net	—
Endowment investments	92,573,273
Other long-term investments	40,994,873
Capital assets, net	—
Other assets	283,838
Total noncurrent assets	133,851,984
Total assets	146,251,337

Deferred outflows of resources:

Unamortized loss on debt refunding	—
Net pension liability	—
Net OPEB liability	—
Leases	—
P3	—
Others	—
Total deferred outflows of resources	—

Liabilities:

Current liabilities:

Accounts payable	881,117
Accrued salaries and benefits	—
Accrued compensated absences, current portion	—
Unearned revenues	—
Lease liabilities, current portion	—
SBITA liabilities - current portion	—
P3 liabilities - current portion	—
Long-term debt obligations, current portion	—
Claims liability for losses and loss adjustment expenses, current	—
Depository accounts	—
Other liabilities	—
Total current liabilities	881,117

See accompanying Note to Supplementary Schedules.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
SCHEDULE OF NET POSITION (CONTINUED)
JUNE 30, 2025
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)**

Noncurrent liabilities:	
Accrued compensated absences, net of current portion	—
Unearned revenues	—
Grants refundable	—
Lease liabilities, net of current portion	—
SBITA liabilities, net of current portion	—
P3 liabilities, net of current portion	—
Long-term debt obligations, net of current portion	—
Claims liability for losses and loss adjustment expenses, net of	—
Depository accounts	—
Net other postemployment benefits liability	—
Net pension liability	—
Other liabilities	—
Total noncurrent liabilities	<u>—</u>
Total liabilities	<u>881,117</u>
Deferred inflows of resources:	
P3 service concession arrangements	—
Net pension liability	—
Net OPEB liability	—
Unamortized gain on debt refunding	—
Nonexchange transactions	—
Lease	—
P3	—
Others	—
Total deferred inflows of resources	<u>—</u>
Net position:	
Net investment in capital assets	—
Restricted for:	
Nonexpendable – endowments	83,818,960
Expendable:	
Scholarships and fellowships	17,447,342
Research	—
Loans	—
Capital projects	—
Debt service	—
Others	41,194,504
Unrestricted	2,909,414
Total net position	<u><u>145,370,220</u></u>

See accompanying Note to Supplementary Schedules.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2025
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)**

Revenues:

Operating revenues:

Student tuition and fees, gross	—
Scholarship allowances (enter as negative)	—

Grants and contracts, noncapital:

Federal	—
State	—
Local	—
Nongovernmental	—
Sales and services of educational activities	—
Sales and services of auxiliary enterprises, gross	37,951
Scholarship allowances (enter as negative)	—
Other operating revenues	—

Total operating revenues	37,951
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Expenses:

Operating expenses:

Instruction	—
Research	—
Public service	—
Academic support	2,461,665
Student services	1,186,246
Institutional support	1,776,200
Operation and maintenance of plant	—
Student grants and scholarships	3,753,210
Auxiliary enterprise expenses	—
Depreciation and amortization	—

Total operating expenses	9,177,321
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Operating income (loss)	(9,139,370)
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Nonoperating revenues (expenses):

State appropriations, noncapital	—
Federal financial aid grants, noncapital	—
State financial aid grants, noncapital	—
Local financial aid grants, noncapital	—
Nongovernmental and other financial aid grants, noncapital	—
Other federal nonoperating grants, noncapital	—
Gifts, noncapital	12,388,592
Investment income (loss), net	7,162,740
Endowment income (loss), net	5,754,140
Interest expense	—
Other nonoperating revenues (expenses)	—

Net nonoperating revenues (expenses)	25,305,472
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Income (loss) before other revenues (expenses)	16,166,102
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State appropriations, capital	—
Grants and gifts, capital	2,359,784
Additions (reductions) to permanent endowments	—

Increase (decrease) in net position	18,525,886
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Net position:

Net position at beginning of year, as previously reported	126,844,334
Restatements	—

Net position at beginning of year, as restated	126,844,334
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Net position at end of year	145,370,220
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See accompanying Note to Supplementary Schedules.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
OTHER INFORMATION
JUNE 30, 2025
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)**

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments

All other restricted cash and cash equivalents

Noncurrent restricted cash and cash equivalents

Current cash and cash equivalents

Total

-
8,645,875
\$ 8,645,875

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds	\$ 3,694,047	\$ 97,390	\$ 3,791,437
Repurchase agreements			-
Certificates of deposit			-
U.S. agency securities			-
U.S. treasury securities			-
Municipal bonds			-
Corporate bonds			-
Asset backed securities			-
Mortgage backed securities			-
Commercial paper			-
Supranational			-
Mutual funds		26,174,525	26,174,525
Exchange traded funds		106,928,593	106,928,593
Equity securities		367,638	367,638
Alternative investments:			
Private equity (including limited partnerships)			-
Hedge funds			-
Managed futures			-
Real estate investments (including REITs)			-
Commodities			-
Derivatives			-
Other alternative investment types			-
Other external investment pools			-
CSU Consolidated Investment Pool (formerly SWIFT)			-
State of California Local Agency Investment Fund (LAIF)	32,583		32,583
State of California Surplus Money Investment Fund (SMIF)			-
Other investments:			-
			-
			-
			-
			-
			-
Total Other investments	-	-	-
Total investments	3,726,630	133,568,146	137,294,776
Less endowment investments (enter as negative number)	-	(92,573,273)	(92,573,273)
Total investments, net of endowments	\$ 3,726,630	40,994,873	44,721,503

See accompanying Note to Supplementary Schedules.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
OTHER INFORMATION (CONTINUED)
JUNE 30, 2025
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)**

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	\$ 3,791,437		\$ 3,791,437		
Repurchase agreements	-				
Certificates of deposit	-				
U.S. agency securities	-				
U.S. treasury securities	-				
Municipal bonds	-				
Corporate bonds	-				
Asset backed securities	-				
Mortgage backed securities	-				
Commercial paper	-				
Supranational	-				
Mutual funds	26,174,525	26,174,525			
Exchange traded funds	106,928,593	106,928,593			
Equity securities	367,638	367,638			
Alternative investments:					
Private equity (including limited partnerships)	-				
Hedge funds	-				
Managed futures	-				
Real estate investments (including REITs)	-				
Commodities	-				
Derivatives	-				
Other alternative investment types	-				
Other external investment pools	-				
CSU Consolidated Investment Pool (formerly SWIFT)	-	-	-	-	
State of California Local Agency Investment Fund (LAIF)	32,583	-	-	-	32,583
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	
Other investments:	-				
	-				
	-				
	-				
	-				
Total other investments:	-	-	-	-	-
Total investments	\$ 137,294,776	133,470,756	3,791,437	—	32,583

2.3 Investments held by the University under contractual agreements:

Investments held by the University under contractual agreements
e.g. - CSU Consolidated Investment Pool (formerly SWIFT):

Current	Noncurrent	Total
	\$	-

See accompanying Note to Supplementary Schedules.

(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)

Composition of capital assets, excluding ROU assets:

DRAFT

(28)

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
OTHER INFORMATION (CONTINUED)
JUNE 30, 2025
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)**

Capital Assets, Right of Use

	Balance June 30, 2024	Prior Period Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2024 (Restated)	Additions	Remeasurements	Reductions	
Composition of capital assets - Lease ROU, net:									
Non-depreciable/Non-amortizable lease assets:									
Land and land improvements	—				—				
Total non-depreciable/non-amortizable lease assets	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	
Depreciable/Amortizable lease assets:									
Land and land improvements	—				—				
Buildings and building improvements	—				—				
Improvements, other than buildings	—				—				
Infrastructure	—				—				
Personal property:									
Equipment	—				—				
Total depreciable/amortizable lease assets	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	
Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)									
Land and land improvements	—				—				
Buildings and building improvements	—				—				
Improvements, other than buildings	—				—				
Infrastructure	—				—				
Personal property:									
Equipment	—				—				
Total accumulated depreciation/amortization	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	
Total capital assets - lease ROU, net	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	
Composition of capital assets - SBITA ROU, net									
Depreciable/Amortizable SBITA assets:									
Software	—				—				
Total depreciable/amortizable SBITA assets	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	
Less accumulated depreciation/amortization:									
Software	—				—				
Total accumulated depreciation/amortization	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	
Total capital assets - SBITA ROU, net	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	

See accompanying Note to Supplementary Schedules.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
OTHER INFORMATION (CONTINUED)
JUNE 30, 2025
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)**

	Balance June 30, 2024	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2024 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2025
Composition of capital assets - P3 ROU, net:									
Non-depreciable/Non-amortizable P3 assets:									
Land and land improvements	—				—				—
Total non-depreciable/non-amortizable P3 assets	<u>—</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Depreciable/Amortizable P3 assets:									
Land and land improvements	—				—				—
Buildings and building improvements	—				—				—
Improvements, other than buildings	—				—				—
Infrastructure	—				—				—
Personal property:									
Equipment	—				—				—
Total depreciable/amortizable P3 assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Less accumulated depreciation/amortization:									
Land and land improvements	—				—				—
Buildings and building improvements	—				—				—
Improvements, other than buildings	—				—				—
Infrastructure	—				—				—
Personal property:									
Equipment	—				—				—
Total accumulated depreciation/amortization	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets - P3 ROU, net	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total capital assets, net including ROU assets									<u>—</u>
3.2 Detail of depreciation and amortization expense:									
Depreciation and amortization expense related to capital assets	\$ -								
Amortization expense - Leases ROU	-								
Amortization expense - SBITA ROU	-								
Amortization expense - P3 ROU	-								
Depreciation and Amortization expense - Others									
Total depreciation and amortization	<u>\$ -</u>								

Provide explanation
for others:

See accompanying Note to Supplementary Schedules.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
OTHER INFORMATION (CONTINUED)
JUNE 30, 2025
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)**

4 Long-term liabilities:

	Balance June 30, 2024	Prior Period Adjustments/Recla ssifications	Balance June 30, 2024 (Restated)	Additions	Reductions	Balance June 30, 2025	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ -		-			-		-
2. Claims liability for losses and loss adjustment expenses	-		-			-		-
3. Capital lease obligations (pre-ASC 842):								
Gross balance	-		-			-		-
Unamortized net premium/(discount)	-		-			-	-	-
Total capital lease obligations (pre ASC 842)	-	-	-	-	-	-	-	-
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	-		-			-	-	-
4.2 Commercial paper	-		-			-		-
4.3 Notes payable (SRB related)	-		-			-		-
4.4 Finance purchase of capital assets	-		-			-		-
4.5 Others:	-		-			-		-
-	-		-			-		-
-	-		-			-		-
-	-		-			-		-
-	-		-			-		-
-	-		-			-		-
Total others	-		-	-	-	-	-	-
Sub-total long-term debt	-	-	-	-	-	-	-	-
4.6 Unamortized net bond premium/(discount)	-		-			-	-	-
Total long-term debt obligations	-	-	-	-	-	-	-	-

	Balance June 30, 2024	Prior Period Adjustments/Recla ssifications	Additions	Remeasurements	Reductions	Balance June 30, 2025	Current Portion	Noncurrent Portion
5. Lease, SBITA, P3 liabilities:								
Lease liabilities	-					-		-
SBITA liabilities	-					-		-
P3 liabilities - SCA	-					-		-
P3 liabilities - non-SCA	-					-		-
Sub-total P3 liabilities	-	-	-	-	-	-	-	-
Total Lease, SBITA, P3 liabilities	\$ -	-	-	-	-	-	-	-
Total long-term liabilities						\$ -	\$ -	\$ -

See accompanying Note to Supplementary Schedules.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
OTHER INFORMATION (CONTINUED)
JUNE 30, 2025
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)**

5 Future minimum payments schedule - leases, SBITA, P3:

Year ending June 30:

Lease Liabilities			SBITA liabilities			Public-Private or Public-Public Partnerships (P3)			Total Leases, SBITA, P3 liabilities		
Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
2026		-			-			-	-	-	-
2027		-			-			-	-	-	-
2028		-			-			-	-	-	-
2029		-			-			-	-	-	-
2030		-			-			-	-	-	-
2031 - 2035		-			-			-	-	-	-
2036 - 2040		-			-			-	-	-	-
2041 - 2045		-			-			-	-	-	-
2046 - 2050		-			-			-	-	-	-
2051 - 2055		-			-			-	-	-	-
Thereafter		-			-			-	-	-	-
Total minimum lease payments											
\$ -											
Less: amounts representing interest											-
Present value of future minimum lease payments											-
Total Leases, SBITA, P3 liabilities											-
Less: current portion											-
Leases, SBITA, P3 liabilities, net of current portion											\$ -

6 Future minimum payments schedule - Long-term debt obligations:

Year ending June 30:

Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
2026		-			-	-	-	-
2027		-			-	-	-	-
2028		-			-	-	-	-
2029		-			-	-	-	-
2030		-			-	-	-	-
2031 - 2035		-			-	-	-	-
2036 - 2040		-			-	-	-	-
2041 - 2045		-			-	-	-	-
2046 - 2050		-			-	-	-	-
2051 - 2055		-			-	-	-	-
Thereafter		-			-	-	-	-
Total minimum payments								
\$ -								
Less: amounts representing interest								-
Present value of future minimum payments								-
Unamortized net premium/(discount)								-
Total long-term debt obligations								-
Less: current portion								-
Long-term debt obligations, net of current portion								\$ -

See accompanying Note to Supplementary Schedules.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
OTHER INFORMATION (CONTINUED)
JUNE 30, 2025
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)**

7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	622,138
Payments to University for other than salaries of University personnel	2,596,589
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	377,124
Accounts (payable to) University (enter as negative number)	(823,727)
Other amounts (payable to) University (enter as negative number)	
Accounts receivable from University (enter as positive number)	
Other amounts receivable from University (enter as positive number)	

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

Restatement #1

Enter transaction description

Debit/(Credit)

Restatement #2

Enter transaction description

9 Natural classifications of operating expenses:

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and	Total operating expenses
Instruction	-	-	-	-	-	-	-	-
Research	-	-	-	-	-	-	-	-
Public service	-	-	-	-	-	-	-	-
Academic support	-	-	-	-	-	2,461,665.00	-	2,461,665
Student services	-	-	-	-	-	1,186,246.00	-	1,186,246
Institutional support	-	-	-	-	-	1,776,200.00	-	1,776,200
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	3,753,210.00	-	-	3,753,210
Auxiliary enterprise expenses	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-
Total operating expenses	5	-	-	-	3,753,210	5,424,111	-	9,177,321

No pension plan reported

N/A

-True-

Explanation for check error:

See accompanying Note to Supplementary Schedules.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
OTHER INFORMATION (CONTINUED)
JUNE 30, 2025
(FOR INCLUSION IN THE CALIFORNIA STATE UNIVERSITY)**

10 Deferred outflows/inflows of resources:

1. Deferred Outflows of Resources

Deferred outflows - unamortized loss on refunding(s)
Deferred outflows - net pension liability
Deferred outflows - net OPEB liability
Deferred outflows - leases
Deferred outflows - P3
Deferred outflows - others:
Sales/intra-entity transfers of future revenues
Gain/loss on sale leaseback
Loan origination fees and costs
Change in fair value of hedging derivative instrument
Irrevocable split-interest agreements

Total deferred outflows - others
Total deferred outflows of resources

2. Deferred Inflows of Resources

Deferred inflows - service concession arrangements
Deferred inflows - net pension liability
Deferred inflows - net OPEB liability
Deferred inflows - unamortized gain on debt refunding(s)
Deferred inflows - nonexchange transactions
Deferred inflows - leases
Deferred inflows - P3
Deferred inflows - others:
Sales/intra-entity transfers of future revenues
Gain/loss on sale leaseback
Loan origination fees and costs
Change in fair value of hedging derivative instrument
Irrevocable split-interest agreements

Total deferred inflows - others
Total deferred inflows of resources

11 Other nonoperating revenues (expenses)

Other nonoperating revenues
Other nonoperating (expenses)
Total other nonoperating revenues (expenses)

See accompanying Note to Supplementary Schedules.

**THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE,
A COMPONENT UNIT OF CALIFORNIA STATE UNIVERSITY, SACRAMENTO
NOTE TO THE SUPPLEMENTARY SCHEDULES
JUNE 30, 2025**

NOTE 1 ADMINISTRATIVE DIRECTIVE

These schedules are prepared in accordance with the instructions listed in an Administrative Directive dated June 24, 2003: *Financial Reporting Requirements for Auxiliary Organizations*, from the California State University Office of the Chancellor. As a result, these schedules do not purport to represent financial statements prepared fully in accordance with accounting standards generally in the United States of America applicable to governmental nonprofit organizations.

DRAFT

**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
The University Foundation at Sacramento State
Sacramento, 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 University Foundation at Sacramento State (the Foundation), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements, and have issued our report thereon date REPORT DATE.

Report on Internal Control Over Financial Reporting

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

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

CliftonLarsonAllen LLP

Sacramento, California
REPORT DATE

The University Foundation at Sacramento State
Statement of Net Position
June 30, 2025 and 2024

	FY 2024-2025 as of 6/30/25	FY 2023-2024 as of 6/30/24	Change
Assets			
Current Assets			
Cash	8,126,439	2,450,638	\$ 5,675,802
Restricted Cash	519,436	448,697	70,739
Restricted Short-Term Investments	3,726,630	3,866,799	(140,170)
Total Cash and Cash Equivalents	12,372,505	6,766,134	\$ 5,606,371 ¹
Receivables			
Unrestricted Receivables	25,299	17,171	\$ 8,129
Restricted Receivables	1,549	52,862	(51,314)
Restricted Pledges Receivable	-	-	-
Total Current Assets	12,399,353	6,836,167	\$ 5,563,186
Non Current Assets:			
Cash Surrender Value of Life Insurance Policies	283,838	241,690	\$ 42,148
Restricted Long-Term Investments	133,568,146	120,740,021	12,828,125 ²
Total Non Current Assets	133,851,984	120,981,711	12,870,273
Total Assets	146,251,337	127,817,878	\$ 18,433,459
Liabilities			
Current Liabilities			
Accounts Payable and Accrued Expenses	881,117	973,544	\$ (92,427)
Accounts Payable and Accrued Expenses-Restricted Accounts	-	-	-
Total Current Liabilities	881,117	973,544	(92,427) ³
Non Current Liabilities:			
Funds Held in Trust for Others	-	-	-
Total Non Current Liabilities	-	-	-
Total Liabilities	881,117	973,544	(92,427)
Net Position:			
Restricted:			
Expendable	58,641,846	44,371,870	14,269,976
Non Expendable	83,818,960	80,240,736	3,578,224
Unrestricted	2,909,414	2,231,728	677,686
Total Net Position	145,370,220	126,844,334	18,525,886 ⁴
Total Liabilities and Net Position	146,251,337	127,817,878	\$ 18,433,459
Check	(0)	(0)	\$ 0

The University Foundation at Sacramento State
Statement of Revenues, Expenses and Changes in Net Position
For the Months Ended June 30, 2025 and 2024

	FY 2024-2025 as of 6/30/25	FY 2023-2024 as of 6/30/24	Change	
Operating Revenues:				
Contributions and gifts, Non Capital	12,388,592	\$ 6,927,711	5,460,881	5
Fees and others	37,951	469,866	(431,915)	6
Investment Income	12,916,880	15,298,643	(2,381,763)	7
Total Operating Revenues	<u>25,343,423</u>	<u>22,696,220</u>	<u>2,647,203</u>	
Operating Expenses:				
University Projects	8,165,874	6,592,184	1,573,690	8
General and Administrative	1,011,447	1,004,509	6,938	9
Total Operating Expenses	<u>9,177,322</u>	<u>7,596,694</u>	<u>1,580,628</u>	
Net Operating Income / Loss	<u>16,166,102</u>	<u>15,099,527</u>	<u>1,066,575</u>	
Non Operating Revenues (Expenses):				
Additions to Permanent Endowments	2,359,784	2,787,308	(427,523)	10
Total Non Operating Revenue	<u>2,359,784</u>	<u>2,787,308</u>	<u>(427,523)</u>	
Change in Net Position	18,525,886	17,886,834	639,051	
Total Net Position - Beginning	<u>126,844,334</u>	<u>108,957,500</u>	<u>17,886,834</u>	
Total Net Position - Ending	<u><u>145,370,220</u></u>	<u><u>\$ 126,844,334</u></u>	<u><u>18,525,886</u></u>	
Check	\$ -	\$ -	\$ (0)	

The University Foundation at Sacramento State
Executive Summary of Financial Results
For the Periods Ending June 30, 2025 and 2024

Statement of Net Position

- 1 **Cash and cash equivalents** consist of the more liquid investments owned by the Foundation and include cash in Wells Fargo Bank and Sand Hill (Fidelity money market mutual funds). The overall increase of approx. \$5.6M is due to settling a \$5M gift commitment.
- 2 **Restricted Long-Term investments** increased from prior year by approx. \$12.9M due to realized gains, unrealized gains, dividend reinvestment and transfers in.
- 3 **Current Liabilities** decreased by \$92k due to an decrease in accounts payable.
- 4 **Net position** as a whole increased by \$18.5M from the prior year, mainly due to the increase in restricted long-term investments and an increase in cash.

Statement of Revenues, Expenses and Changes in Net Position

- 5 **Contributions and gifts, non capital** increased by \$5.5M primarily due to the \$5M gift settlement and increased contributions overall.
- 6 **Fees and other** decreased by approximately \$432K due to halting the receipt of non philanthropic funds.
- 7 **Investment income** overall decreased by \$2.4 M over prior year primarily due to a decrease in realized gains of \$4.4M offset by an increase of dividends and interest of approx. \$340k and an increase in unrealized gains of \$1.7M.
- 8 **University Projects expense** increased by \$1.6M due to various factors. The largest factor was an increase of 1.2M in scholarships issued and a \$409K transfer to the University for a library shelving project.
- 9 **General and administrative expense** had a minimal increase of approx. \$7k over prior year.
- 10 **Additions to permanent endowments** decreased approx. \$428k over prior year. This decrease is mainly due to a \$345k transfer from an endowment fund to an expenditure fund per donor request.

The University Foundation at Sacramento State
2024/2025 Budget to Actuals Comparison as of 6/30/25

	Budget 2024/25	Actuals as of 6/30/25	Variance	% of budget remaining	Notes
Beginning Fund Balance 7/1/24	1,838,851	1,838,851	-		
Revenue					
Service Fees	1,419,480	1,518,857	99,376	-7%	
Investment Earnings		113,892	113,892		
Other	-	5,959	5,959		
Total Revenue	1,419,480	1,638,708	219,228	-15%	
Expenses					
Consultant Services	15,000	1,599	(13,401)	89%	
Professional fee	1,000		(1,000)	100%	
Audits/Tax Returns	40,845	45,494	4,649	-11%	
Legal services	15,000	1,458	(13,543)	90%	
Dues and Subscriptions	3,500	3,741	241	-7%	
Insurance	11,592	9,280	(2,312)	20%	
Supplies	500		(500)	100%	
Postage	400	89	(311)	78%	
Board of Directors expense	20,000	46,362	26,362	-132%	
Parking Permits	1,500	280	(1,220)	81%	
Travel	5,000	4,894	(106)	2%	
Promotions	10,000	4,533	(5,467)	55%	
Accounting Services	260,000	260,000	-	0%	
Software Maintenance Fee	3,960	3,955	(5)	0%	
Credit Card Service Fee	45,500	46,092	592	-1%	
Bank Fee	2,000		(2,000)	100%	
Membership Fee	3,800	3,680	(120)	3%	
Board Professional Development	3,000		(3,000)	100%	
Advancement Initiatives	1,250,690	579,989	(670,701)	54%	
University-wide Initiatives	100,000		(100,000)	100%	
Transfer to Scholarships	1,500		(1,500)	100%	
Total Expenses	1,794,787	1,011,447	(783,340)	44%	-
Revenue/Expenses	(375,307)	627,261	1,002,568		
Ending Fund Balance	1,463,544	2,466,112	1,002,568		

We are under budget in most areas and above budget in revenue.



Portfolio Review

Presenting to:

University Foundation at Sacramento State

Finance Committee Meeting
September 17, 2025

UFSS Finance Committee

Agenda

- Economic and Market Commentary
- UFSS Investment Dashboard
- Portfolio Review
- Appendix



Investment Outlook

An Overview of Our Current Forecast 3rd Quarter 2025

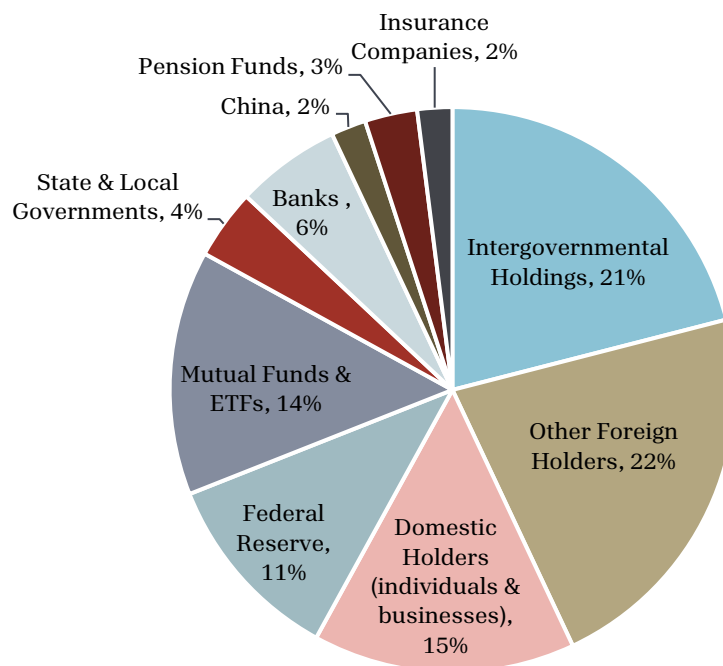
As of July 2, 2025

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U.S. Treasury Debt Holders as of 3/31/2025

- The U.S. Treasury market is the world's largest sovereign debt market, supported by a diverse investor base. As of the end of March, approximately 76% is held by domestic investors and China owns only 2% of all U.S. Treasury debt.
- Recent headlines have focused on central banks adding to their gold reserves. However, we expect U.S. Treasuries to remain an important source of ballast, and income, to investors and do not expect significant sales to occur.

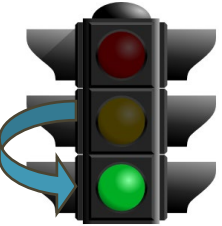
Current Holders of U.S. Treasury Debt



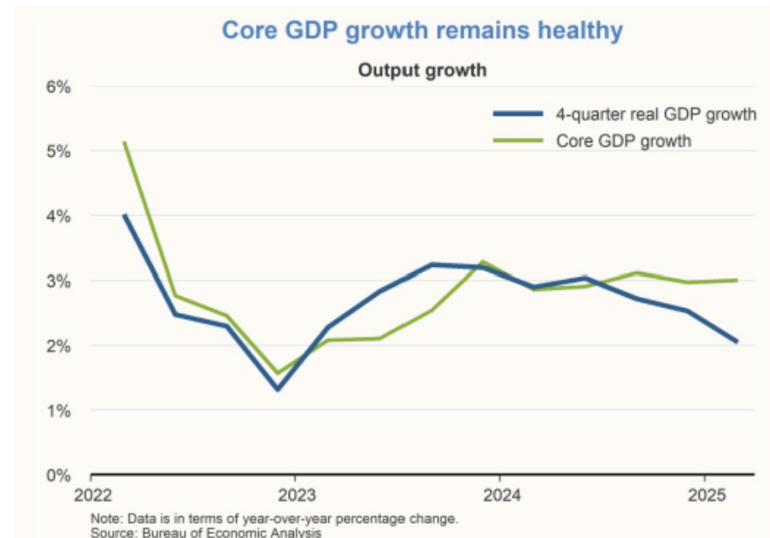
Source: BlackRock, Federal Reserve, US Treasury, SIFMA as of 3/31/2025.



Economic Growth



- Despite unusually high economic uncertainty in the first half of this year, both economic and corporate earnings growth remained surprisingly resilient, supported by steady consumer spending and ongoing private investment. Although consumption remained strong, GDP declined in the first quarter, largely due to a surge in imports ahead of anticipated tariffs. This drag appears to have reversed in the second quarter as import levels normalized.
- In our view, market and economic uncertainty peaked in early April. Since then, several positive developments – ongoing trade negotiations, a strong labor market, first quarter corporate earnings that exceeded expectations, and inflation trending toward the Federal Reserve’s target – have brought greater clarity and supported a recovery in the stock market.
- While uncertainty remains around global trade, tax policy, and government funding, we expect greater clarity on these issues by year-end. At the same time, continued investment in and adoption of artificial intelligence is likely to support both economic and corporate earnings growth. The IPO market is also showing early signs of a revival, and a sustained pickup in activity could further enhance economic activity.

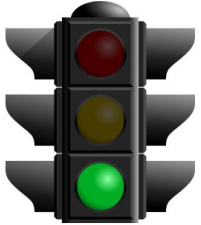


During the first half of this year, imports contributed to significant volatility in GDP. The core measure of GDP excludes this impact and shows that underlying growth was around 3%.

Source: Federal Reserve of San Francisco, Bureau of Economic Analysis As of 6/5/2025



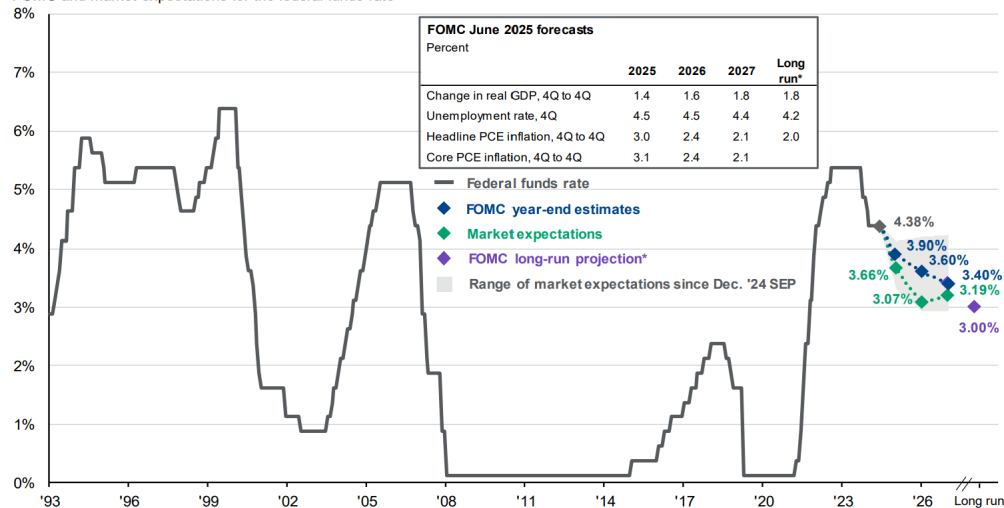
Interest Rates



- After implementing three rate cuts last year, the Federal Reserve kept interest rates unchanged throughout the first half of this year. Given the continued strength of the economy, a resilient job market, and ongoing progress on inflation, the Fed hasn't been forced to make further rate adjustments. Instead, the FOMC has adopted a wait-and-see approach, monitoring how recently imposed tariffs may affect inflation before lowering rates further.
- The most recent Federal Open Market Committee (FOMC) interest rate projection shows two rate cuts in 2025, with one more in 2026. Over the long-term, they anticipate rates will be lowered to 3%, a level considered neutral for economic activity – neither stimulating nor restraining growth. Current market expectations assume that the Fed will cut rates at a faster pace and will reach the neutral rate by the end of 2026.
- Forward interest rate expectations have been highly volatile over the past year, and uncertainty remains about the pace at which rates will decline. Nonetheless, the current environment is much more supportive for bonds, as significant rate increases from current levels are unlikely.

Federal funds rate expectations

FOMC and market expectations for the federal funds rate



As of June, the Federal Reserve was projecting just two additional rate cuts in 2025 and one more in 2026.

Source: Bloomberg, FactSet, Federal Reserve, JPM

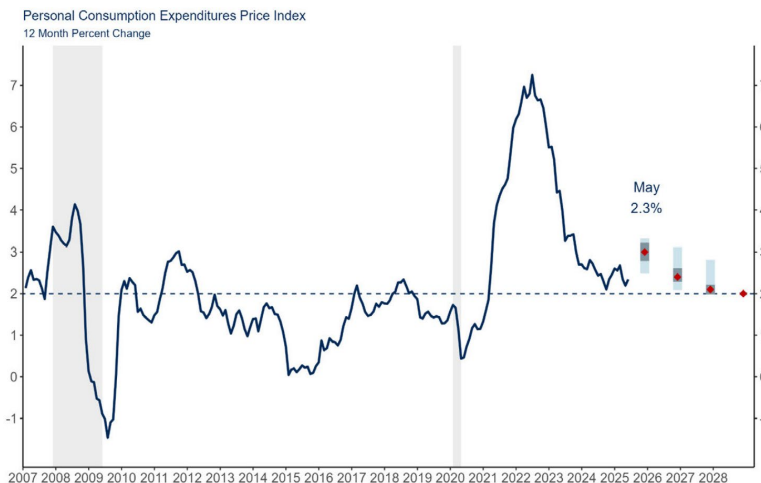
As of 6/27/25



Inflation Outlook



- Inflation improvement paused during the first quarter of this year but has since resumed its decline. Key metrics such as the Consumer Price Index (CPI) and Personal Consumption Expenditures (PCE) price index are now quite close to the Federal Reserve's 2% target. However, inflation measures are backward looking and the impact from recently implemented tariffs is still a big source of ongoing uncertainty.
- Given the relationship between tariffs and other economic variables – like labor market conditions, energy prices, and consumer spending – it is very hard to predict what the ultimate outcome will be. Tariffs could cause a one-time step up in prices, they could be more limited in scope, or they could lead to more significant inflationary pressures.
- Given how unpopular inflation proved to be over the last several years, we expect that trade deals will ultimately take this into consideration, even though initial discussions may have suggested a much higher tariffs level. If the economy remains strong, a slightly higher-than-target inflation rate may be acceptable. Over the long term, technological advancements are likely to have a deflationary influence.



The Personal Consumption Expenditure Price Index (PCE) is below 2.5%. The FOMC is projecting a one-time- tariff-driven increase to 3%.

Source: Bureau of Economic Analysis & Board of Governors via Haver Analytics. As of 6/30/25

Notes: The FOMC projection is the median, range, and central tendency for Q4/Q4 percent changes from the March 2025 meeting. Red dots indicate median projections.



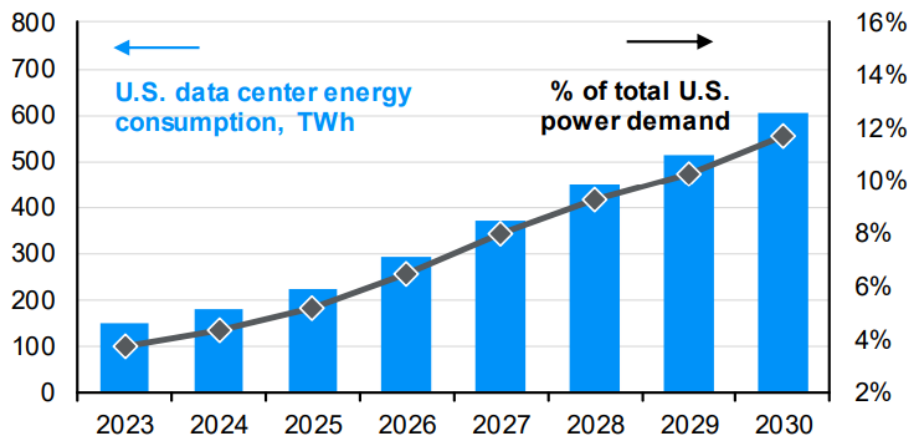
Commodity Markets



- While the global transition to renewable energy is underway and continues to be relevant, demand for electricity in advanced economies is expected to grow for the first time in 15 years, driven by the growth of electric vehicles, data centers, air conditioners, and heat pumps.
- Historically, energy and commodity demand has correlated with GDP growth, as stronger economies boost industrial activity, manufacturing, and services. However, this relationship has shifted in recent years, particularly in China, where electricity demand remains strong despite slower economic growth.
- In our view, the case for owning commodities extends beyond inflation, driven by factors like the renewable energy transition, rising data generation and energy consumption, supply chain reshoring, geopolitical tensions in the Middle East, emerging economies building precious metal reserves, and China's potential economic recovery.

Data center expected growth in electricity demand

U.S. data center energy consumption, projections through 2030

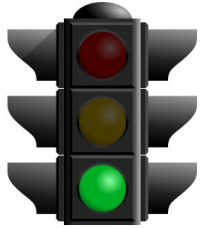


Power demand for data centers in the U.S. is expected to double over the next five years.

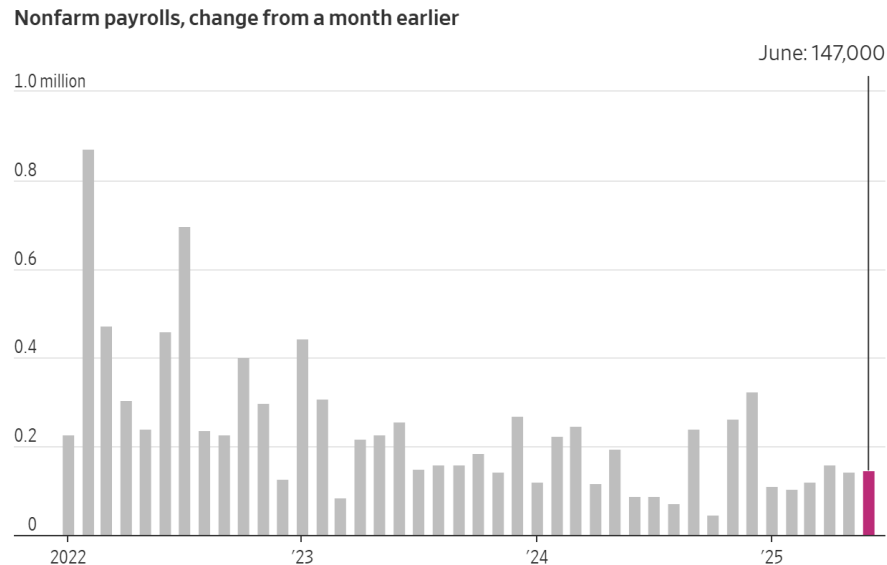
Source: JPM, International Energy Agency (IEA) March 2025 Monthly Energy Review Report



Employment Market



- The employment market has continued to be a source of economic strength, with the unemployment rate hovering near historic lows. Although wage growth has moderated from its peak, it continues to outpace inflation, and this is contributing to ongoing consumption trends.
- In June, job strength was driven by state and local government jobs while manufacturing and private sector jobs were weaker. Some are pointing to tariff uncertainty as well as job weakness in industries that are dominated by immigrant labor as being the primary reason for this softness.
- The labor force participation rate among individuals in their prime working years (ages 25–54) is near its highest level this millennium. The rise in remote work opportunities has likely played a role in increasing workforce flexibility, further sustaining the strong consumption trends that have lasted longer than many predicted.

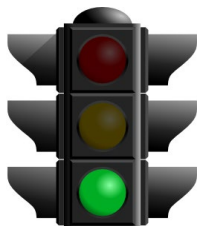


Despite fears of a slowdown, job growth has continued at a healthy pace. This should continue to support consumption.

Source: Wall Street Journal, Labor Department as of 7/3/2025



Corporate Earnings



- Corporate earnings growth is expected to be more widespread this year, with year-over-year gains anticipated across companies of all sizes. This growth is being driven by a rebound in business sentiment and spending following several years of economic uncertainty, continued strength in the U.S. economy, and the possibility of a more business-friendly policy environment once the current administration's agenda is fully implemented.
- However, growing uncertainty around supply chains and input costs has made it difficult for many companies to provide clear earnings guidance. As a result, analysts have scaled back their growth forecasts. If visibility improves and sentiment strengthens, these revised expectations could ultimately prove too conservative.
- While technology and communication services are expected to lead in earnings growth, other areas such as utilities, REITs, and industrials are also projected to post solid gains—potentially leading to broader market participation in the rally.

S&P 500 sector pro forma EPS growth

Year-over-year

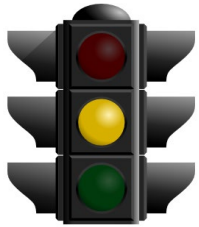
		2022				2023				2024				2025			
Weight*		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1QF	2QF	3QF	4QF
Tech.	33%	14%	1%	-1%	-9%	-8%	4%	14%	23%	25%	20%	19%	20%	17%	17%	16%	14%
Financials	14%	-19%	-21%	-18%	-13%	-5%	-2%	12%	-21%	9%	17%	7%	58%	5%	0%	6%	2%
Health Care	11%	-29%	-16%	7%	-19%	38%	48%	38%	27%	21%	10%	8%	25%	6%	-7%	-4%	-4%
Cons. Disc.	10%	-1%	-21%	-23%	-26%	-14%	20%	44%	44%	42%	8%	26%	31%	31%	30%	2%	4%
Comm. Services	9%	15%	8%	0%	-4%	-15%	-27%	-18%	-15%	-25%	19%	14%	15%	46%	4%	8%	9%
Industrials	9%	38%	33%	20%	40%	24%	12%	9%	4%	2%	-3%	-11%	4%	10%	-1%	19%	5%
Cons. Staples	6%	8%	2%	1%	1%	3%	8%	7%	6%	6%	4%	4%	2%	-5%	-3%	1%	5%
Energy	3%	282%	301%	140%	58%	19%	-49%	-34%	-23%	-24%	0%	-28%	-30%	-19%	-27%	-9%	1%
Utilities	2%	27%	-4%	-8%	10%	-23%	-3%	10%	32%	28%	21%	-2%	2%	13%	2%	15%	6%
Materials	2%	19%	6%	11%	8%	-1%	5%	-1%	3%	6%	0%	3%	4%	0%	-1%	2%	2%
Real Estate	2%	47%	17%	-12%	-18%	-20%	-24%	-16%	-21%	-21%	-8%	-11%	5%	-4%	-5%	16%	11%
S&P 500		10%	7%	3%	-3%	-1%	-4%	6%	4%	6%	11%	7%	18%	13%	4%	7%	6%

First quarter earnings grew 13% vs. projections of just 6% growth. Growth estimates are modest for the remainder of the year which suggests that projections may be too low.

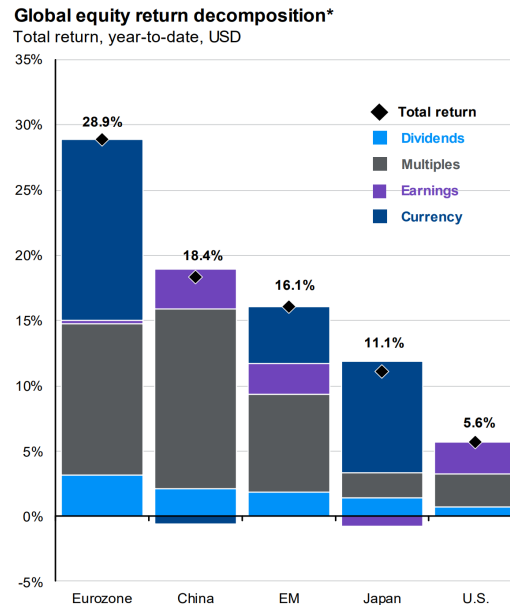
Source: FactSet, JPM As of 6/27/25



International Developed Markets



- In response to concern over evolving national security challenges, Germany has taken steps to amend its constitution to exempt defense spending from existing fiscal constraints, freeing up billions of euros to modernize its military. Additionally, incoming Chancellor Merz has proposed increased investment on infrastructure and other growth-oriented areas. While higher U.S. tariffs on exports could offset some of the economic benefits, these changes represent a positive shift that may help revitalize long-stalled economic growth.
- Meanwhile, the Bank of Japan raised interest rates by another 0.25% to 0.50%, the highest rate since 2008. After battling deflation for more than 25 years, economic normalization is being supported by inflation. Yet, potential U.S. tariffs could cause economic harm to the country. The U.S. is Japan's largest export destination with autos representing 28% of that.
- Follow such a meaningful move higher, valuation relative to the U.S. isn't as attractive as it was when the year began. However, fundamentals have the potential to improve, and equity markets have clearly taken note.

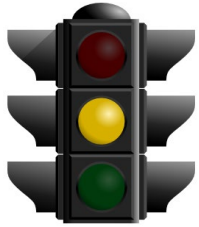


Year-to-date returns for Europe and Japan have been driven in large part by currency appreciation relative to the U.S. dollar, as well as multiple expansion. Earnings have had little to no impact and, in the case of Japan, have come down.

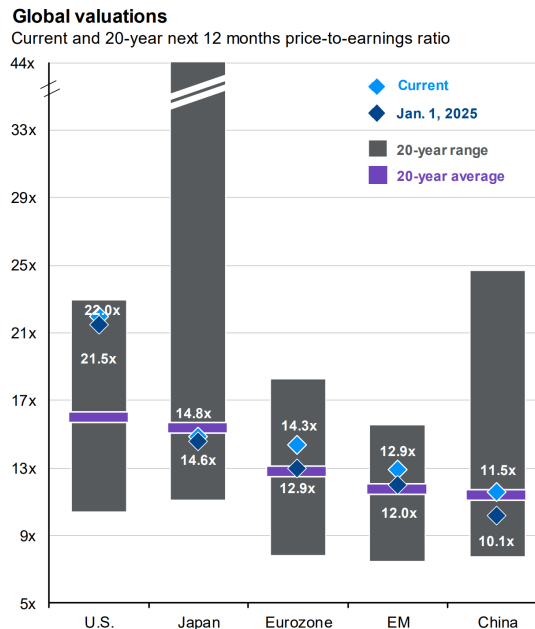
Source: FactSet, JPM. All return values are MSCI Gross Index data, except the U.S., which is the S&P 500. As of 6/27/25



Emerging Markets



- Over the last several years China has suffered from several self-inflicted economic wounds, including an overvaluation of the country's property market, that have weighed on economic growth. Following a period of stimulus that failed to meaningfully improve the economy, China's central bank recently announced plans to adjust the pace and intensity of policy implementation in order to further stimulate the economy. However, most of the developed world is attempting to limit China's access to important technology and this could weigh on growth and sentiment.
- Meanwhile, other emerging market countries such as India are enjoying a period of above-trend growth and aren't facing the same demographic challenges that China will be over the next decade. However, valuation in some of these areas fully reflects this more favorable growth dynamic.
- Lastly, emerging markets are driven by global demand and Europe is a large trading partner, which could limit a financial market recovery in the near term. Additionally, tariffs, onshoring trends, and geopolitical policies could be headwinds over the immediate and intermediate horizons.

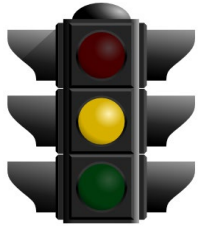


Following a market rally in Chinese and European stocks, valuation is now at, or above, historical averages. Relative to the U.S., valuation continues to be attractive but the case for further multiple expansion may be limited if an improved growth outlook doesn't materialize.

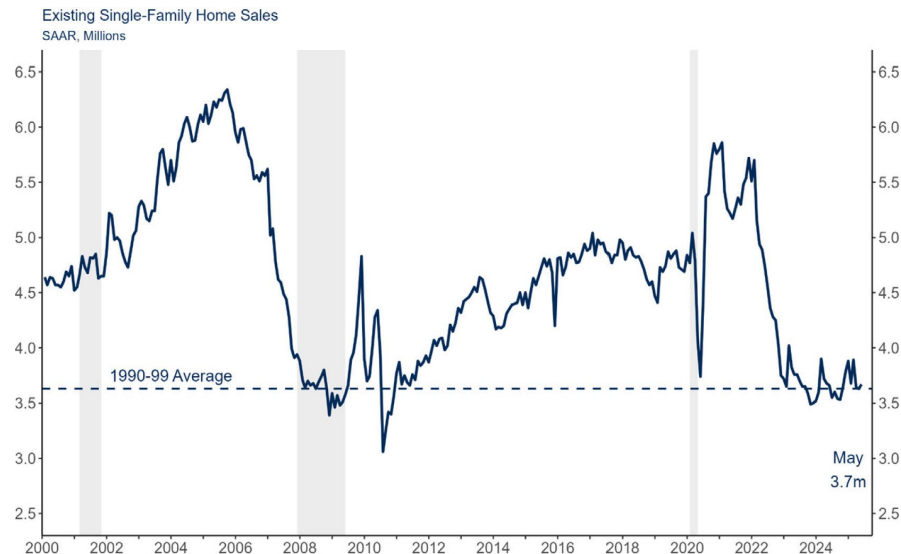
Source: FactSet, MSCI, Standard & Poor's, JPM As of 6/27/2025



Housing Market



- Home prices have remained very stable even though mortgage rates have risen substantially over the last two years. However, activity in the housing market has slowed substantially as homeowners with low-cost mortgages have had a big financial incentive to stay put.
- The housing market is a significant source of overall net worth for most Americans, and the stable environment is likely contributing to financial comfort that is helping fuel consumption. Relative to history, borrowing against home equity lines of credit is currently very low which suggests that most homeowners are not feeling an impact from higher interest rates.
- If long-term interest rates come down, we expect that more inventory will become available for sale, and this may pressure prices in some areas of the country. However, the U.S. is still experiencing a housing shortage that Realtor.com estimates is over 7 million homes, and this should serve to support prices.



As of May, sales of existing homes were right at historical averages. If mortgage rates remain historically high, trends may weaken.

Source: Census Bureau via Haver Analytics, Federal Reserve Bank of Richmond As of 6/30/25

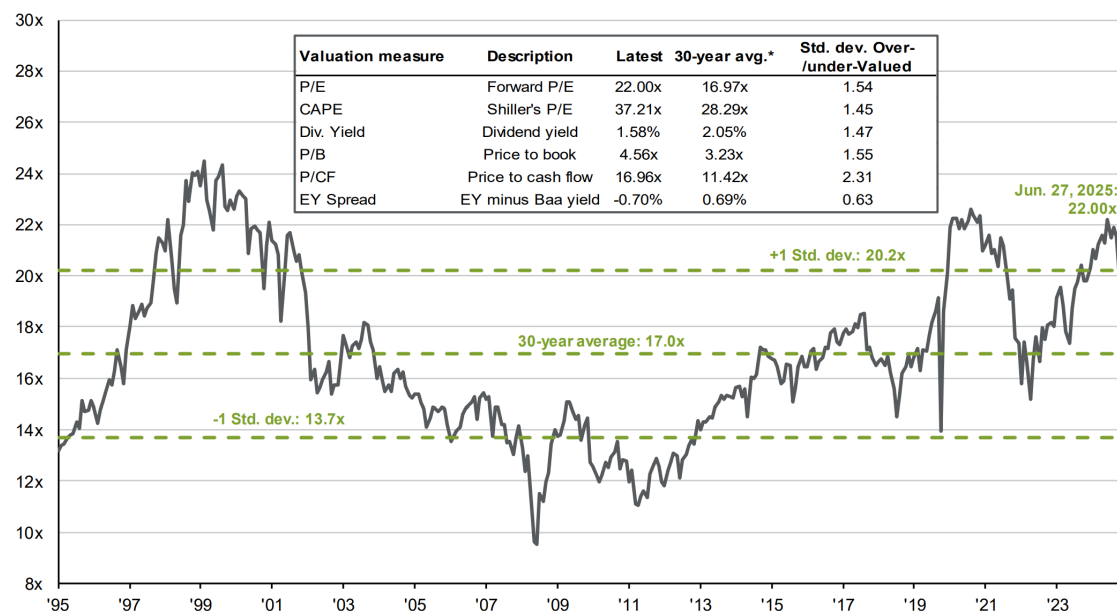


Valuation



- During the first half of this year, the market experienced one of the fastest corrections in history with large cap technology stocks experiencing the steepest pullback. However, within a few weeks time, a recovery unfolded as first quarter earnings grew twice as fast as expected and the outlook for global trade became less cloudy.
- The U.S. dollar has declined as investors have been fearing a tariff-driven economic slowdown in the U.S. For years the strong US dollar has been a drag to earnings of large multi-national companies and this should change. Furthermore, even though first quarter earnings were meaningfully better than expected, analysts lowered earnings growth projections for the full year as a result of trade and policy uncertainty.
- Even though the valuation multiple of the S&P 500 has recovered, earnings estimates for 2025 may prove to be too conservative which suggests that the actual forward P/E should be lower than 22x.

S&P 500 Index: Forward P/E ratio



Valuation has recovered following a pullback during the first half of the year. However, earnings growth estimates could prove to be too conservative for 2025.

Source: FactSet, FRB, Refinitive Datastream, RobertShiller, Standard & Poor's, JPM As of 6/27/25



SHGA Economic and Market Overview

References

- All GDP references are from the Bureau of Economic Analysis, U.S. Department of Commerce. Quarterly GDP estimates are revised three times before they are considered to be final.
- All references to yields, the yield curve and the size of the Federal Reserve's balance sheet are from the U.S. Federal Reserve.
- All wage growth and employment references are from the monthly nonfarm payroll figures reported by the Bureau of Labor Statistics.
- Historical corporate earnings figures and future projections are from Yardeni and FactSet.
- The Personal Consumption Expenditures Price Index (PCE) is a measure of the prices the people living in the United States pay for goods and services. The change in the PCE price index is known for capturing inflation (or deflation) across a wider range of consumer expenses and reflecting changes in consumer behavior.
- The Consumer Price Index (CPI) is a measure of the average change over time in the price paid by urban consumers for a market basket of consumer goods and services. The CPI is the most widely used measure of inflation and is sometimes viewed as an indicator of the effectiveness of government economic policy.

The information and opinions stated are as of the date shown on the front of this presentation, and, unless otherwise indicated, do not represent a complete analysis of every material fact concerning any industry, security or investment. Statements of fact have been obtained from sources deemed reliable, but no representation is made as to their completeness or accuracy. The opinions expressed are not intended as individual investment advice or as a recommendation of any particular security, strategy or investment product.





Dashboard

University Foundation at Sacramento State

Investment Dashboard

As of June 30, 2025

Current Outlook:

Economic Environment: Despite unusually high economic uncertainty in the first half of this year, both economic and corporate earnings growth remained surprisingly resilient, supported by steady consumer spending and ongoing private investment. Although consumption remained strong, GDP declined in the first quarter, largely due to a surge in imports ahead of anticipated tariffs. This drag appears to have reversed in the second quarter as import levels normalized. In our view, market and economic uncertainty peaked in early April. Since then, several positive developments – ongoing trade negotiations, a strong labor market, first quarter corporate earnings that exceeded expectations, and inflation trending toward the Federal Reserve’s target – have brought greater clarity and supported a recovery in the stock market. While uncertainty remains around global trade, tax policy, and government funding, we expect greater clarity on these issues by year-end. At the same time, continued investment in and adoption of artificial intelligence is likely to support both economic and corporate earnings growth. The IPO market is also showing early signs of a revival, and a sustained pickup in activity could further enhance economic activity.

Market Environment: The second quarter of 2025 saw increased volatility with the S&P 500 falling almost 20%, then recovering and ending up almost 11% for the quarter. Volatility was driven by tariff and global trade uncertainty and subsided in response to trade negotiations and signs that the economy and corporate earnings had remained healthy during the first half of the year. Small and mid-cap stocks as well as international stocks also generated healthy returns of +8% and +12% respectively. Bonds were also volatile yet ended the quarter with a positive return. Commodities pulled back following a very strong return during the first quarter and REITs were down 1%.

Portfolio Response: Following an almost 20% decline for the S&P 500 in early April, we added to large cap stocks and reduced bonds. By late May, the stock market had recovered and we reduced equity and added to short duration bonds. During this process we reduced overall exposure to growth assets to the same level portfolios were at when the year began.

Endowment Performance	Portfolio	Benchmark	+ / -
Q2 2025	8.02%	7.41%	0.61%
Q1 2025	-1.38%	-1.16%	-0.22%
Q4 2024	-1.07%	-1.05%	-0.02%
Q3 2024	6.21%	6.56%	-0.35%
2025 YTD	6.53%	6.16%	0.37%
Calendar Year 2024	13.36%	12.82%	0.54%
Calendar Year 2023	16.57%	16.76%	-0.19%
Calendar Year 2022	-14.35%	-14.45%	0.10%
Calendar Year 2021	15.44%	14.96%	0.48%

Asset Allocation	Endowment	30-Jun-25	31-Mar-25	Strategic	+ / -
Large Cap Equity	\$40,556,125	43%	44%	40%	3%
SMID Cap Equity	\$11,574,112	12%	12%	11%	1%
International\EM Equity	\$14,401,677	15%	15%	15%	0%
Fixed Income	\$19,708,944	21%	21%	21%	0%
Real Assets	\$2,733,608	3%	3%	4%	-1%
Absolute Return	\$3,598,807	4%	4%	7%	-3%
Cash	\$770,387	1%	1%	2%	-1%
Total	\$93,343,660	100%	100%	100%	

Balances	Endowment	Current Use Funds	Liquidity
Q2 2025	\$93,343,660	\$40,035,161	\$2,840,381
Q1 2025	\$86,467,933	\$38,957,853	\$2,810,874
Q4 2024	\$91,581,096	\$35,555,406	\$2,781,645
Q3 2024	\$92,501,047	\$35,928,497	\$2,749,749

Portfolio Action	Increased	Decreased	Growth/Capital Preservation
Q2 2025	Managed Through Extreme Volatility		74/26
	Large Cap Stocks	Bonds	
	Short Duration Bonds		
Q1 2025	Took Advantage Of Market Volatility		75/25
	Large Cap Growth Stocks	Bonds	
Q4 2024	Added to Domestic Equity		74/26
	Equal Weight S&P 500	S&P 500	
		Emerging Market Stocks	
Q3 2024	Maintained Positioning		74/26

Governance Checklist	OK
Asset allocation within target ranges.	✓
No single direct equity holding > 5% of portfolio value	✓
No single active funds family will represent > 15% of portfolio value	✓
No single sector will represent > 30% of portfolio value	✓
No below investment grade allocation > 10% of portfolio value	✓
No direct investments in tobacco companies.	✓
No direct investments in fossil fuel.	✓
Annual values alignment review	✓



Portfolio Review



Quarter End Report

University Foundation at Sacramento State (UFSS)
(Endowment Portfolio)

4/1/2025 to 6/30/2025

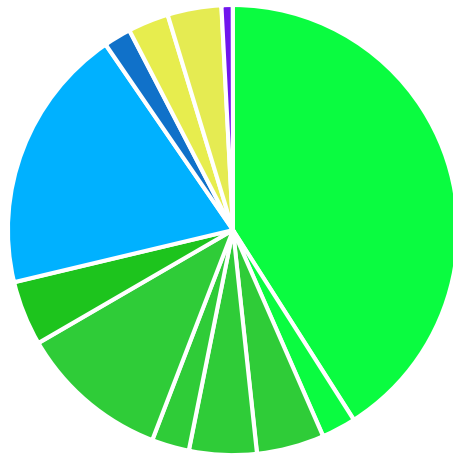
Accounts Included in SHGA 70/30 Analysis

Account Name	Account Type	Management Style	Account Value
The University Foundation at Sacramento State - Endowment	Non-Profit	SHGA 70/30	\$93,343,660.07
Total:			\$93,343,660.07

Performance Net of Fees

	Q2	YTD	1 Year	3 Year	5 Year	10 Year	Inception 6/30/2013
■ Your Portfolio	8.02 %	6.53 %	11.93 %	12.45 %	10.57 %	7.77 %	7.62 %
■ UFSS Endowment Benchmark (UFSS)	7.41 %	6.16 %	11.97 %	12.13 %	9.99 %	7.82 %	7.83 %
■ Inst. Equity Index	10.82 %	7.67 %	14.78 %	16.80 %	14.05 %	10.76 %	11.22 %
■ Inst. Fixed Income Index	1.21 %	4.02 %	6.08 %	2.55 %	-0.73 %	1.76 %	1.98 %
■ Inst. Alternative Index	-0.36 %	3.37 %	6.99 %	3.16 %	6.02 %	3.43 %	2.93 %

SHGA 70/30 Asset Allocation and Activity Overview



Asset Category/Class	Allocation		4/1/2025 - 6/30/2025	1/1/2025 - 6/30/2025
Equity	71.28 %	Beginning Market Value	\$86,467,933.10	\$91,581,095.80
Large Cap Blend	40.97 %	Contributions	\$0.00	\$0.00
Large Cap Growth	2.48 %	Distributions	\$0.00	\$0.00
Mid Cap Blend	4.86 %	Journals	\$0.00	-\$3,901,037.38
Small Cap Growth	2.69 %	Advisory Fees Paid	-\$36,780.53	-\$75,517.92
Small Cap Blend	4.85 %	Custodian Fees	-\$338.29	-\$1,066.01
International Equity	10.78 %	Div/Int/Cap Gains	\$515,504.45	\$926,276.70
International Emerging	4.65 %	Bond Accrual	\$0.00	\$0.00
Fixed Income	21.11 %	Market Value Increase/Decrease	\$6,397,341.34	\$4,813,908.88
Investment Grade	19.14 %	Ending Market Value	\$93,343,660.07	\$93,343,660.07
International Emerging Market Bonds	1.97 %			
Alternatives	6.78 %			
Real Estate	2.93 %			
Absolute Return Funds	3.86 %			
Cash	0.83 %			
Money Market	0.83 %			
Total:	100.00 %			

SHGA 70/30 Portfolio Appraisal

<i>Equity</i>		Quantity	Price	Market Value	Percent of Assets	Cost	Unrealized Gain/Loss	Gain/Loss Percent	Estimated Annual Income	Trailing 12-Month Yield
Large Cap Blend										
7/6/2022	iShares Core S&P 500	5,362.00	\$620.90	\$3,329,265.80	3.57 %	\$2,079,248.10	\$1,250,017.70	60.12 %	\$42,702.38	1.28 %
11/21/2023	SPDR Portfolio S&P 500 ETF	246,769.00	\$72.69	\$17,937,638.61	19.22 %	\$13,233,293.51	\$4,704,345.10	35.55 %	\$218,486.80	1.22 %
11/15/2018	Vanguard S&P 500	29,889.00	\$568.03	\$16,977,848.67	18.19 %	\$8,606,436.91	\$8,371,411.76	97.27 %	\$207,247.34	1.22 %
Large Cap Blend Totals				\$38,244,753.08	40.97 %	\$23,918,978.52	\$14,325,774.56	59.89 %	\$468,436.53	1.22 %
Large Cap Growth										
3/19/2025	Invesco QQQ Trust Series 1	4,190.00	\$551.64	\$2,311,371.60	2.48 %	\$2,002,109.38	\$309,262.22	15.45 %	\$11,808.84	0.51 %
Large Cap Growth Totals				\$2,311,371.60	2.48 %	\$2,002,109.38	\$309,262.22	15.45 %	\$11,808.84	0.51 %
Mid Cap Blend										
4/29/2020	iShares Core S&P Mid-Cap ETF	73,099.00	\$62.02	\$4,533,599.98	4.86 %	\$2,733,081.53	\$1,800,518.45	65.88 %	\$62,763.90	1.38 %
Mid Cap Blend Totals				\$4,533,599.98	4.86 %	\$2,733,081.53	\$1,800,518.45	65.88 %	\$62,763.90	1.38 %
Small Cap Blend										
9/22/2017	iShares Russell 2000 ETF	20,998.00	\$215.79	\$4,531,158.42	4.85 %	\$3,467,182.73	\$1,063,975.69	30.69 %	\$52,110.21	1.15 %
Small Cap Blend Totals				\$4,531,158.42	4.85 %	\$3,467,182.73	\$1,063,975.69	30.69 %	\$52,110.21	1.15 %
Small Cap Growth										
6/4/2025	Vanguard Small-Cap Growth ETF	9,061.00	\$276.94	\$2,509,353.34	2.69 %	\$2,448,455.27	\$60,898.07	2.49 %	\$13,656.74	0.54 %
Small Cap Growth Totals				\$2,509,353.34	2.69 %	\$2,448,455.27	\$60,898.07	2.49 %	\$13,656.74	0.54 %
International Equity										
7/1/2013	iShares MSCI EAFE ETF	87,747.00	\$89.39	\$7,843,704.33	8.40 %	\$5,641,890.63	\$2,201,813.70	39.03 %	\$226,088.22	2.88 %
6/13/2024	MFS International Equity Fund Class	56,041.50	\$39.63	\$2,220,924.49	2.38 %	\$1,957,072.94	\$263,851.55	13.48 %	\$26,638.76	1.20 %
International Equity Totals				\$10,064,628.82	10.78 %	\$7,598,963.57	\$2,465,665.25	32.45 %	\$252,726.98	2.51 %
International Emerging										
6/24/2016	Vanguard FTSE Emerging Markets	87,688.00	\$49.46	\$4,337,048.48	4.65 %	\$3,385,923.96	\$951,124.52	28.09 %	\$121,474.19	2.80 %
International Emerging Totals				\$4,337,048.48	4.65 %	\$3,385,923.96	\$951,124.52	28.09 %	\$121,474.19	2.80 %
Equity Totals				\$66,531,913.72	71.28 %	\$45,554,694.96	\$20,977,218.76	46.05 %	\$982,977.39	2.01 1.48 %

<i>Fixed Income</i>		Quantity	Price	Market Value	Percent of Assets	Cost	Unrealized Gain/Loss	Gain/Loss Percent	Estimated Annual Income	Trailing 12-Month Yield
Investment Grade										
5/8/2025	Cliffwater Corp Lending Fd I	126,942.94	\$10.82	\$1,373,522.57	1.47 %	\$1,353,850.00	\$19,672.57	1.45 %	\$148,485.15	10.81 %
5/18/2020	iShares Core US Aggregate Bond ETF	41,898.00	\$99.20	\$4,156,281.60	4.45 %	\$4,204,183.28	-\$47,901.68	-1.14 %	\$157,446.48	3.79 %
5/28/2025	iShares Ultra Short Term Bond Active ETF	22,878.00	\$50.71	\$1,160,143.38	1.24 %	\$1,158,835.60	\$1,307.78	0.11 %	\$56,808.96	4.90 %
3/26/2019	JP Morgan Core Plus Bond Select	675,897.85	\$7.23	\$4,886,741.45	5.24 %	\$5,465,714.45	-\$578,973.00	-10.59 %	\$239,511.16	4.90 %
2/2/2024	PIMCO Total Return Active ETF	24,435.00	\$92.18	\$2,252,418.30	2.41 %	\$2,240,289.90	\$12,128.40	0.54 %	\$113,867.10	5.06 %
2/26/2025	Vanguard Intermediate Term Treasury ETF	30,254.00	\$59.81	\$1,809,491.74	1.94 %	\$1,786,044.24	\$23,447.50	1.31 %	\$67,354.48	3.72 %
9/24/2014	Vanguard Total Bond Market Index Adm	230,579.24	\$9.68	\$2,232,007.03	2.39 %	\$2,387,291.53	-\$155,284.50	-6.50 %	\$84,126.42	3.77 %
Investment Grade Totals				\$17,870,606.07	19.14 %	\$18,596,209.00	-\$725,602.93	-3.90 %	\$867,599.75	4.85 %
International Emerging Market Bonds										
1/27/2021	Eaton Vance Emerging Markets Dbt Opps I	226,117.85	\$8.13	\$1,838,338.14	1.97 %	\$1,879,993.35	-\$41,655.21	-2.22 %	\$152,765.22	8.31 %
International Emerging Market Bonds Totals				\$1,838,338.14	1.97 %	\$1,879,993.35	-\$41,655.21	-2.22 %	\$152,765.22	8.31 %
Fixed Income Totals				\$19,708,944.21	21.11 %	\$20,476,202.35	-\$767,258.14	-3.75 %	\$1,020,364.98	5.17 %
<i>Alternatives</i>		Quantity	Price	Market Value	Percent of Assets	Cost	Unrealized Gain/Loss	Gain/Loss Percent	Estimated Annual Income	Trailing 12-Month Yield
Real Estate										
11/14/2013	Vanguard Real Estate	30,694.00	\$89.06	\$2,733,607.64	2.93 %	\$2,371,292.10	\$362,315.54	15.28 %	\$106,446.79	3.89 %
Real Estate Totals				\$2,733,607.64	2.93 %	\$2,371,292.10	\$362,315.54	15.28 %	\$106,446.79	3.89 %
Absolute Return Funds										
4/5/2019	Absolute Convertible Arbitrage Instl Fund	171,405.92	\$11.58	\$1,984,880.59	2.13 %	\$1,860,375.79	\$124,504.80	6.69 %	\$73,944.52	3.73 %
8/30/2023	Prudential Absolute Return Bd Z	176,385.45	\$9.15	\$1,613,926.83	1.73 %	\$1,578,352.60	\$35,574.23	2.25 %	\$90,927.93	5.63 %
Absolute Return Funds Totals				\$3,598,807.42	3.86 %	\$3,438,728.39	\$160,079.03	4.66 %	\$164,872.45	4.58 %
Alternatives Totals				\$6,332,415.06	6.78 %	\$5,810,020.49	\$522,394.57	8.99 %	\$271,319.24	4.28 %

<i>Cash</i>		Quantity	Price	Market Value	Percent of Assets	Cost	Unrealized Gain/Loss	Gain/Loss Percent	Estimated Annual Income	Trailing 12-Month Yield
Money Market										
6/30/2025	Fidelity Cash Fund	113,545.94	\$1.00	\$113,545.94	0.12 %	\$113,545.94	\$0.00	0.00 %	\$2,634.27	2.32 %
6/30/2025	Fidelity Cash Fund**	27,049.12	\$1.00	\$27,049.12	0.03 %	\$27,049.12	\$0.00	0.00 %	\$83.40	0.31 %
6/30/2025	Fidelity Govt Mmkt Premium	629,792.02	\$1.00	\$629,792.02	0.67 %	\$629,792.02	\$0.00	0.00 %	\$30,382.17	4.82 %
Money Market Totals				\$770,387.08	0.83 %	\$770,387.08	\$0.00	0.00 %	\$33,099.84	4.30 %
Cash Totals				\$770,387.08	0.83 %	\$770,387.08	\$0.00	0.00 %	\$33,099.84	4.30 %
Portfolio Totals				\$93,343,660	100.00 %	\$72,611,305	\$20,732,355	28.55 %	\$2,307,761	2.47 %

Disclosures

Performance returns are calculated using time-weighted return (TWR), net of fees, and includes bond accrual. The one year returns are not annualized. Bond accrual is included in market values.

If there have been any changes to your financial situation or investment objectives, or if you wish to impose any new (or modify any existing) restrictions on the management of your account, please contact us.

We recommend that you carefully review this statement for accuracy and compare quarter-end statements to those from your custodian. To provide a holistic overview, Sand Hill Global Advisors reports a consolidated view of your household accounts. Custodial statements may be provided individually. If you need assistance in reviewing your statements, please contact Sand Hill Global Advisors.

Sand Hill Global Advisors, LLC does not assure the accuracy of capital gain and loss data on those securities purchased outside the firm's supervision. Please check these figures against your records. Other assets held outside of your primary custodial accounts will be priced as of the most recent statement available.

Performance Definitions

The Inflation Index is the Consumer Price Index.

The Institutional Equity Index as of January 1, 2013 is comprised of the S&P 500 (58%), MSCI ACWI Ex USA (25%), and Russell 2000 (17%) indices. For the period January 1, 2006 through December 31, 2012 the Institutional Equity Index was comprised of S&P 500 (58%), MSCI EAFE (25%), and Russell 2000 (17%) indices. Prior to January 1, 2006, the Equity Index was the S&P 500 index (100%).

The Institutional Fixed Income Index is the Bloomberg Barclays US Aggregate Bond index (100%). Prior to January 1, 2006, the Institutional Fixed Income Index was the Bloomberg Barclays Intermediate US Govt/Credit Bond Index (100%).

The Institutional Alternative Index is comprised of the Bloomberg Barclays US Aggregate Bond 1-3 Yrs (50%), Bloomberg Commodity (25%), and FTSE NAREIT (25%) indices.

Blended Benchmark Composition*

UFSS Endowment Current Benchmark Indices: S&P 500 (40%), MSCI ACWI Ex USA (15%), Russell 2000 (11%), Bloomberg Barclays US Aggregate Bond (21%), Bloomberg Barclays US Aggregate Bond 1-3 Yrs (7%), FTSE NAREIT (4%), FTSE 1-Month US Treasury Bill (2%)

*Blended benchmarks incorporate investment strategy changes made in your portfolio, if any.



Quarter End Report

University Foundation at Sacramento State (UFSS)
(Current Use Funds Portfolio)

4/1/2025 to 6/30/2025

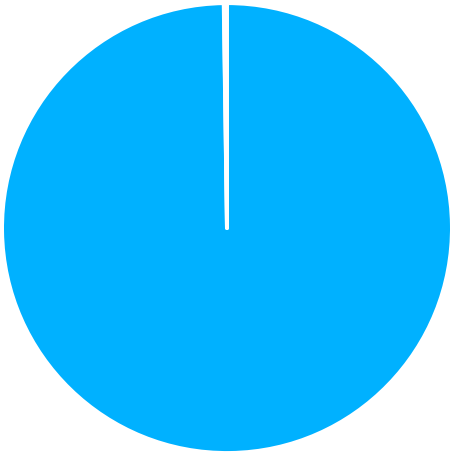
Accounts Included in Custom Analysis

Account Name	Account Type	Management Style	Account Value
The University Foundation at Sacramento State - Current Use Funds Portfolio	Non-Profit	Custom	\$40,035,160.89
Total:			\$40,035,160.89

Performance Net of Fees

	Q2	YTD	1 Year	3 Year	5 Year	Inception 4/7/2020
■ Your Portfolio	2.76 %	1.43 %	6.54 %	10.66 %	9.46 %	11.99 %
■ UFSS Current Use Funds Portfolio Benchmark	1.97 %	0.79 %	6.30 %	10.20 %	8.85 %	10.97 %
■ Inst. Equity Index	10.82 %	7.67 %	14.78 %	16.80 %	14.05 %	17.14 %
■ Inst. Fixed Income Index	1.21 %	4.02 %	6.08 %	2.55 %	-0.73 %	-0.17 %
■ Inst. Alternative Index	-0.36 %	3.37 %	6.99 %	3.16 %	6.02 %	6.75 %

Custom Asset Allocation and Activity Overview



Asset Category/Class	Allocation		4/1/2025 - 6/30/2025	1/1/2025 - 6/30/2025
■ Fixed Income	99.79 %	Beginning Market Value	\$38,957,853.14	\$35,555,406.17
■ Investment Grade	99.79 %	Contributions	\$0.00	\$0.00
■ Cash	0.21 %	Distributions	\$0.00	\$0.00
■ Money Market	0.21 %	Journals	\$0.00	\$3,901,037.38
Total:	100.00 %	Advisory Fees Paid	-\$16,571.36	-\$31,610.76
		Custodian Fees	-\$6,024.79	-\$6,067.36
		Div/Int/Cap Gains	\$221,424.14	\$391,653.91
		Bond Accrual	\$0.00	\$0.00
		Market Value Increase/Decrease	\$878,479.76	\$224,741.55
		Ending Market Value	\$40,035,160.89	\$40,035,160.89

Custom Portfolio Appraisal

<i>Fixed Income</i>		Quantity	Price	Market Value	Percent of Assets	Cost	Unrealized Gain/Loss	Gain/Loss Percent	Estimated Annual Income	12 Month Trailing Yield
Investment Grade										
5/8/2025	Fidelity Short Term Bond	1,167,446.58	\$8.52	\$9,946,644.86	24.84 %	\$9,899,947.00	\$46,697.86	0.47 %	\$445,665.84	4.48 %
5/8/2025	iShares Short Maturity Bond	134,385.00	\$51.10	\$6,867,073.50	17.15 %	\$6,820,027.35	\$47,046.15	0.69 %	\$333,879.94	4.86 %
8/30/2023	iShares Ultra Short Term Bond Active ETF	15,668.00	\$50.71	\$794,524.28	1.98 %	\$790,853.86	\$3,670.42	0.46 %	\$38,905.62	4.90 %
5/8/2025	PIMCO Enhanced Low Duration Active ETF	12,438.00	\$95.83	\$1,191,933.54	2.98 %	\$1,184,131.33	\$7,802.21	0.66 %	\$56,219.76	4.72 %
5/8/2025	Schwab Short-Term US Treasury	195,739.00	\$24.38	\$4,772,116.82	11.92 %	\$4,752,442.92	\$19,673.90	0.41 %	\$199,976.75	4.19 %
5/8/2025	Vanguard Short Term Corp Bond	75,546.00	\$79.50	\$6,005,907.00	15.00 %	\$5,939,785.07	\$66,121.93	1.11 %	\$247,889.09	4.13 %
5/8/2025	Vanguard Short-Term Bond Index ETF	131,813.00	\$78.70	\$10,373,683.10	25.91 %	\$10,291,893.52	\$81,789.58	0.79 %	\$371,213.35	3.58 %
Investment Grade Totals				\$39,951,883.10	99.79 %	\$39,679,081.05	\$272,802.05	0.69 %	\$1,693,750.35	4.24 %
Fixed Income Totals				\$39,951,883.10	99.79 %	\$39,679,081.05	\$272,802.05	0.69 %	\$1,693,750.35	4.24 %
<i>Cash</i>		Quantity	Price	Market Value	Percent of Assets	Cost	Unrealized Gain/Loss	Gain/Loss Percent	Estimated Annual Income	12 Month Trailing Yield
Money Market										
6/30/2025	Fidelity Cash Fund	35,277.79	\$1.00	\$35,277.79	0.09 %	\$35,277.79	\$0.00	0.00 %	\$818.44	2.32 %
6/30/2025	Fidelity Govt Money Market	48,000.00	\$1.00	\$48,000.00	0.12 %	\$48,000.00	\$0.00	0.00 %	\$2,263.14	4.71 %
Money Market Totals				\$83,277.79	0.21 %	\$83,277.79	\$0.00	0.00 %	\$3,081.59	3.70 %
Cash Totals				\$83,277.79	0.21 %	\$83,277.79	\$0.00	0.00 %	\$3,081.59	3.70 %
Portfolio Totals				\$40,035,161	100.00 %	\$39,762,359	\$272,802	0.69 %	\$1,696,832	4.24 %

Disclosures

Performance returns are calculated using time-weighted return (TWR), net of fees, and includes bond accrual. The one year returns are not annualized. Bond accrual is included in market values.

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Sand Hill Global Advisors, LLC does not assure the accuracy of capital gain and loss data on those securities purchased outside the firm's supervision. Please check these figures against your records. Other assets held outside of your primary custodial accounts will be priced as of the most recent statement available.

Performance Definitions

The Inflation Index is the Consumer Price Index.

The Institutional Equity Index as of January 1, 2013 is comprised of the S&P 500 (58%), MSCI ACWI Ex USA (25%), and Russell 2000 (17%) indices. For the period January 1, 2006 through December 31, 2012 the Institutional Equity Index was comprised of S&P 500 (58%), MSCI EAFE (25%), and Russell 2000 (17%) indices. Prior to January 1, 2006, the Equity Index was the S&P 500 index (100%).

The Institutional Fixed Income Index is the Bloomberg Barclays US Aggregate Bond index (100%). Prior to January 1, 2006, the Institutional Fixed Income Index was the Bloomberg Barclays Intermediate US Govt/Credit Bond Index (100%).

The Institutional Alternative Index is comprised of the Bloomberg Barclays US Aggregate Bond 1-3 Yrs (50%), Bloomberg Commodity (25%), and FTSE NAREIT (25%) indices.

Blended Benchmark Composition*

UFSS Current Use Funds Portfolio Current Benchmark Index: Bloomberg Barclays US Aggregate Bond 1-3 Yrs (100%)

*Blended benchmarks incorporate investment strategy changes made in your portfolio, if any.

Endowment Portfolio Q2 2025 Attribution Summary

UFSS Endowment	Allocation	Selection	Attribution
Equity	0.34	-0.33	0.01
Domestic Large Cap	0.24	0.00	0.24
Domestic Small & Mid Cap	0.02	0.00	0.02
International	0.09	-0.33	-0.25
Fixed Income	0.10	0.05	0.15
Alternative	0.27	0.02	0.29
Real Estate	0.09	0.01	0.10
Absolute Return	0.18	0.01	0.19
Cash	0.16	0.00	0.16

Portfolio Return	Benchmark Return	Total Allocation	Total Selection	Total Attribution
8.02	7.41	0.88	-0.27	0.61

- The Endowment Portfolio returned 8.02% during the quarter, net of fees, compared to the UFSS Endowment Benchmark return of 7.41%. This resulted in 0.61% of outperformance.
- Top contributors to quarterly performance:
 - Allocation to equity
 - The overweight to this category contributed to relative performance.
 - Allocation to alternatives
 - The underweight to this category contributed to relative performance.
- Top detractor to quarterly performance:
 - Selection within international equity
 - International emerging markets lagged developed markets.





Quarter End Report

University Foundation at Sacramento State (UFSS) (Short-Term Portfolio)

4/1/2025 to 6/30/2025

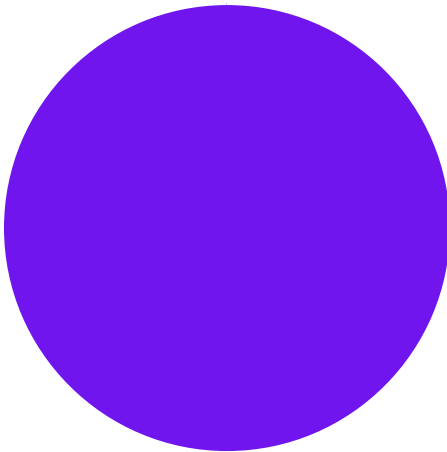
Accounts Included in Custom Analysis

Account Name	Account Type	Management Style	Account Value
The University Foundation at Sacramento State - Short-Term	Non-Profit	Custom	\$2,840,381.01
Total:			\$2,840,381.01

Performance Net of Fees

	Q2	YTD	1 Year	Inception 10/1/2023
■ Your Portfolio	1.05 %	2.11 %	4.64 %	4.98 %
■ ICE BofAML US 3-Month Treasury Bill Index	1.04 %	2.07 %	4.68 %	5.00 %

Custom Asset Allocation and Activity Overview



Asset Category/Class	Allocation		4/1/2025 - 6/30/2025	1/1/2025 - 6/30/2025
<div><div></div>Cash</div>	100.00 %	Beginning Market Value	\$2,810,874.49	\$2,781,645.26
<div><div></div>Money Market</div>	100.00 %	Contributions	\$0.00	\$0.00
Total:	100.00 %	Distributions	\$0.00	\$0.00
		Journals	\$0.00	\$0.00
		Advisory Fees Paid	\$0.00	\$0.00
		Custodian Fees	\$0.00	\$0.00
		Div/Int/Cap Gains	\$29,484.93	\$58,711.09
		Bond Accrual	\$0.00	\$0.00
		Market Value Increase/ Decrease	\$21.59	\$24.66
		Ending Market Value	\$2,840,381.01	\$2,840,381.01

Custom Portfolio Appraisal

<i>Cash</i>		Quantity	Price	Market Value	Percent of Assets	Cost	Unrealized Gain/Loss	Gain/Loss Percent	Estimated Annual Income	Trailing 12-Month Yield
Money Market										
6/30/2025	Fidelity Cash Fund	10,129.17	\$1.00	\$10,129.17	0.36 %	\$10,129.17	\$0.00	0.00 %	\$235.00	2.32 %
6/30/2025	Fidelity Govt I	2,830,251.84	\$1.00	\$2,830,251.84	99.64 %	\$2,830,251.84	\$0.00	0.00 %	\$140,863.05	4.98 %
Money Market Totals				\$2,840,381.01	100.00 %	\$2,840,381.01	\$0.00	0.00 %	\$141,098.05	4.97 %
Cash Totals				\$2,840,381.01	100.00 %	\$2,840,381.01	\$0.00	0.00 %	\$141,098.05	4.97 %
Portfolio Totals				\$2,840,381	100.00 %	\$2,840,381	\$0	0.00 %	\$141,098	4.97 %

Disclosures

Performance returns are calculated using time-weighted return (TWR), net of fees, and includes bond accrual. The one year returns are not annualized. Bond accrual is included in market values.

If there have been any changes to your financial situation or investment objectives, or if you wish to impose any new (or modify any existing) restrictions on the management of your account, please contact us.

We recommend that you carefully review this statement for accuracy and compare quarter-end statements to those from your custodian. To provide a holistic overview, Sand Hill Global Advisors reports a consolidated view of your household accounts. Custodial statements may be provided individually. If you need assistance in reviewing your statements, please contact Sand Hill Global Advisors.

Sand Hill Global Advisors, LLC does not assure the accuracy of capital gain and loss data on those securities purchased outside the firm's supervision. Please check these figures against your records. Other assets held outside of your primary custodial accounts will be priced as of the most recent statement available.



Appendix

UFSS Endowment Portfolio | Performance Data of Underlying Funds

Date as of 6/30/2025

Date as of 6/30/2025				Total Return (%)					
Allocation/Fund Name	Ticker	Market Value (\$)	Market Value (%)	3 Mo	YTD	1 Yr	3 Yr	5 yr	10 yr
Domestic Large Cap Equity									
Index				10.94	6.20	15.14	19.67	16.61	13.62
Passive Managers									
SPDR Portfolio S&P 500 ETF	SPLG	\$17,937,638.61	19.22%	10.86	6.10	15.05	19.64	16.63	13.51
Vanguard S&P 500 ETF	VOO	\$16,977,848.67	18.19%	10.87	6.11	15.04	19.62	16.62	13.59
Invesco QQQ Trust Series 1	QQQ	\$2,311,371.60	2.48%	17.77	8.18	15.78	26.11	18.09	18.71
iShares Core S&P 500 ETF	IVV	\$3,329,265.80	3.57%	10.84	6.13	15.02	19.64	16.63	13.59
Domestic Small/Mid Cap Equity									
Index				8.50	-1.79	7.66	9.96	10.00	7.09
Passive Managers									
iShares Russell 2000 ETF	IWM	\$4,531,158.42	4.85%	8.47	-1.85	7.58	9.91	9.91	7.06
iShares Core S&P Mid-Cap ETF	IJH	\$4,533,599.98	4.86%	6.62	0.12	7.46	12.78	13.38	9.18
Vanguard Small-Cap Growth ETF	VBK	\$2,509,353.34	2.69%	10.16	-0.81	11.33	12.77	7.37	8.30
International Equity									
Index				12.03	17.90	17.72	13.98	10.12	6.12
Passive Managers									
iShares MSCI EAFE ETF	EFA	\$7,843,704.33	8.40%	11.26	20.27	17.67	15.82	11.23	6.53
Vanguard FTSE Emerging Markets	VWO	\$4,337,048.48	4.65%	9.60	12.75	16.54	9.50	7.78	4.90
Active Managers									
MFS Institutional Trust-MFS Instl	MIEKX	\$2,220,924.49	2.38%	10.05	17.32	16.58	-	-	-
Fixed Income									
Index				1.21	4.02	6.08	2.55	-0.73	1.76
Passive Managers									
iShares Core U.S. Aggregate Bond	AGG	\$4,156,281.60	4.45%	1.28	4.05	6.16	2.54	-0.77	1.73
Vanguard Total Bond Market Index	VBTLX	\$2,232,007.03	2.39%	1.29	4.11	6.04	2.59	-0.74	1.75
Vanguard Intermediate-Term Treasury	VGIT	\$1,809,491.74	1.94%	1.67	4.78	6.66	2.33	-0.75	1.48
Active Managers									
JPMorgan Core Plus Bond Fund	HLIPX	\$4,886,741.45	5.24%	1.29	4.21	6.80	3.50	0.42	2.32
Cliffwater Corporate Lending Fund	CCLFX	\$1,373,522.57	1.47%	2.28	4.50	10.26	11.25	10.62	-
PIMCO Active Bond ETF	BOND	\$2,252,418.30	2.41%	0.98	4.14	6.46	3.38	-0.13	2.04
Eaton Vance Emerging Markets Debt	EIDOX	\$1,838,338.14	1.97%	3.39	6.89	13.42	13.70	7.39	-
iShares Ultra Short Duration Bond	ICSH	\$1,160,143.38	1.24%	1.18	2.49	5.41	5.00	2.99	2.44
Alternatives									
Absolute Return									
Index				1.27	2.92	5.95	3.77	1.57	1.83
Active Managers									
Absolute Convertible Arbitrage	ARBIX	\$1,984,880.59	2.13%	1.98	4.07	8.05	6.72	5.23	-
PGIM Absolute Return Bond Fund	PADZX	\$1,613,926.83	1.73%	1.03	2.15	5.67	6.57	5.09	3.74
Real Estate									
Index				-0.96	1.91	9.15	3.37	6.67	6.44
Passive Managers									
Vanguard Real Estate ETF	VNQ	\$2,733,607.64	2.93%	-0.67	2.01	10.45	3.52	6.52	5.94
Cash/Money Market									
Fidelity Money Market/Cash	FZCXX	\$770,387.08	0.83%	1.01	2.04	4.50	4.47	2.68	1.79
Total		\$93,343,660.07	100.00%						

Purchase and Sale

Household: University Foundation at Sacramento State (UFSS) (Endowment Portfolio)

Period: 4/1/2025 to 6/30/2025

Purchase and Sale

Trade Date	Units	Security	Unit Price	Amount
Buy Exchange				
6/25/2025	5,644.17	Eaton Vance Emerging Markets Dbt Opps I	\$8.15	\$46,000.00
6/25/2025	4,255.32	Cliffwater Corp Lending Fd I	\$10.81	\$46,000.00
6/5/2025	929.00	iShares Core US Aggregate Bond ETF	\$97.81	\$90,865.03
6/5/2025	1,802.00	iShares Ultra Short Term Bond Active ETF	\$50.51	\$91,010.01
6/5/2025	12,729.23	JP Morgan Core Plus Bond Select	\$7.15	\$91,014.00
6/5/2025	8,622.85	Absolute Convertible Arbitrage Instl Fund	\$11.60	\$100,025.00
6/4/2025	9,061.00	Vanguard Small-Cap Growth ETF	\$270.22	\$2,448,455.27
5/28/2025	10,265.00	iShares Core US Aggregate Bond ETF	\$97.52	\$1,001,042.80
5/28/2025	2,419.00	iShares MSCI EAFE ETF	\$88.44	\$213,932.49
5/28/2025	2,038.00	Vanguard Real Estate	\$88.49	\$180,342.62
5/28/2025	21,076.00	iShares Ultra Short Term Bond Active ETF	\$50.66	\$1,067,710.16
5/28/2025	21,097.05	JP Morgan Core Plus Bond Select	\$7.11	\$150,000.00
5/28/2025	6,165.23	Eaton Vance Emerging Markets Dbt Opps I	\$8.11	\$50,000.00
5/28/2025	1,106.00	PIMCO Total Return Active ETF	\$90.52	\$100,115.12
5/28/2025	848.00	Vanguard Intermediate Term Treasury ETF	\$58.97	\$50,006.56
5/8/2025	122,687.62	Cliffwater Corp Lending Fd I	\$10.66	\$1,307,850.00
4/8/2025	13,556.60	SPDR Portfolio S&P 500 ETF	\$59.24	\$803,122.82
4/8/2025	5,188.00	Invesco S&P 500 Equal Weight	\$155.06	\$804,454.39
			Sub Total:	\$8,641,946.27

Trade Date	Units	Security	Unit Price	Amount
Sell Exchange				
6/4/2025	-180,530.10	Harbor Small Cap Growth Instl	\$13.63	(\$2,460,625.26)
5/28/2025	-17,772.56	Invesco S&P 500 Equal Weight	\$176.96	(\$3,145,037.68)
5/8/2025	-371.00	iShares Russell 2000 ETF	\$202.28	(\$75,043.23)
5/8/2025	-19,678.00	iShares Ultra Short Term Bond Active ETF	\$50.51	(\$993,931.75)
5/8/2025	-2,362.00	Vanguard Intermediate Term Treasury ETF	\$59.08	(\$139,531.27)
5/8/2025	-12,945.99	DoubleLine Low Duration Bond I	\$9.61	(\$124,411.00)
4/8/2025	-9,456.00	iShares Core US Aggregate Bond ETF	\$98.16	(\$928,175.15)
			Sub Total:	(\$7,866,755.34)
			Total:	\$775,190.93

Asset Class	Overweight/ Underweight	12 Month Return Projection			Notes
		Price Return	Yield	Total Return	
Equity	Overweight				
Domestic Large Cap Equity	Overweight	-7% to +10%	2%	-5% to +12%	Based on 2026 earnings projections.
Domestic Small & Mid Cap Equity	Overweight	+5% to +23%	1%	+6% to +24%	Based on 2026 earnings projections.
International Developed Equity	Overweight	-8% to +13%	3%	-5% to +16%	Based on 2026 earnings projections.
Emerging Market Equity	Neutral	-5% to +10%	3%	-2% to +13%	Based on 2026 earnings projections.
Fixed Income	Overweight				For domestic bonds, the low-end assumes a 25bp increase, and the high-end assumes a 50bp decrease.
Investment Grade Fixed Income	Overweight	-1% to +3%	4%	+3% to +7%	Represented by the Barclay's Aggregate Bond Benchmark.
Long Duration Fixed Income	Underweight	-4% to +8%	4%	0% to +12%	Represented by a Long Duration Investment Grade U.S. Bonds.
Alternative Investments	Underweight				
Absolute Return Vehicles	Underweight	+1% to +2%	4%	+5% to +6%	Assumption is based on yield and price return of UFSS's holdings.
Real Estate	Underweight	+4% to +12%	4%	+8% to +16%	Based on 2026 FFO projections.
Cash	Neutral	0%	4%	4%	

Thank You

For more information visit:

sandhillglobaladvisors.com

The bottom of the slide features two large, overlapping geometric shapes. On the left is a dark blue triangle pointing downwards. On the right is a larger, medium-blue triangle pointing upwards, which overlaps with the dark blue triangle.

THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE

DASHBOARD

OCTOBER 2025



FY 2025-26 Fundraising Goal

- Total Gift Commitments: \$31,234,553
 - Philanthropic Goal: \$24,929,700
 - Year to Date: 126% of goal
- Results as of June 30, 2025

Investments

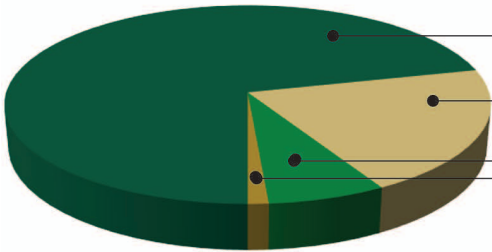
Results through June 30, 2025

Endowment Performance	Portfolio	Benchmark	Performance (+/-)
Q2 2025	8.02%	7.41%	.61%
Q1 2025	-1.38%	-1.16%	-0.22%
Q4 2024	-1.07%	-1.05%	-0.02%
Q3 2024	6.21%	6.56%	-0.35%

Balances	Endowment	Non-Endowment	Liquidity
Q2 2025	\$93,343,660	\$40,035,161	\$2,840,381
Q1 2025	\$86,467,933	\$38,957,853	\$2,810,874
Q4 2024	\$91,581,096	\$35,555,406	\$2,781,645
Q3 2024	\$92,501,047	\$35,928,497	\$2,749,749

Endowment Asset Allocation and Activity

Results through June 30, 2025



	4/1/2025 -6/30/2025	1/1/2025 -6/30/2025
Beginning Market Value	\$86,467,933.10	\$91,581,095.80
Contributions	\$0.00	\$0.00
Distributions	\$0.00	\$0.00
Journals	\$0.00	-\$3,901,037.38
Advisory Fees Paid	-\$36,780.53	-\$75,517.92
Custodian Fees	-\$338.29	-\$1,066.01
Div/Int/Cap Gains	\$515,504.45	\$926,276.70
Bond Accrual	\$0.00	\$0.00
Market Value Increase/Decrease	\$6,397,341.34	\$4,813,908.88
Ending Market Value	\$93,343,660.07	\$93,343,660.07

Asset Category/Class	Allocation
Equity	71.28%
Large Cap Blend	40.97%
Large Cap Growth	2.48%
Mid Cap Blend	4.86%
Small Cap Growth	2.69%
Small Cap Blend	4.85%
International Equity	10.78%
International Emerging	4.65%
Fixed Income	21.11%
Investment Grade	19.14%
International Emerging Market Bonds	1.97%
Alternatives	6.78%
Real Estate	2.93%
Absolute Return Funds	3.86%
Cash	0.83%
Money Market	0.83%

Philanthropic Giving | FY 25-26

No. of Board Members	22
Board Members in the President's Circle	10
Personal Support	\$118,277.98

Meeting Attendance

Board	2024	2025
No. of Board Members	25	23
Spring Meeting	21	17
Summer Meeting	22	17
Fall Meeting	19	—

UFSS Board Action Items & Activities

Attend, Get, Go, Introduce

Homecoming - Football vs. Northern Colorado
Oct. 18

Football vs. Montana
Oct. 24

Distinguished Alumni Awards
Oct. 30

Kings Night vs. Warriors
Nov. 5

Football vs. Idaho
Nov. 15

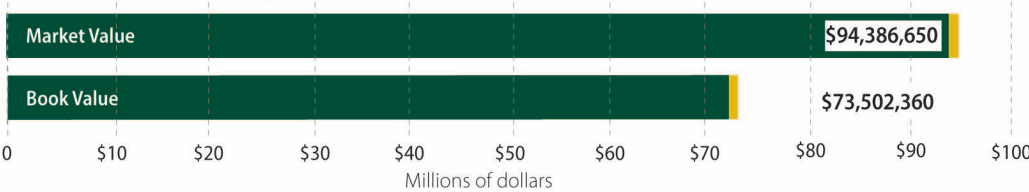
Causeway Classic - Football vs. UC Davis
Nov. 22

President's Circle Impact Event
Nov. 25

President's Holiday Celebration
Dec. 4

Endowment

Results as of June 30, 2025



ACCOUNT	Market Value	Book Value
Sand Hill-1780	\$93,343,660	\$72,611,305
WFB-Marda West	\$1,042,990	\$891,055
TOTAL	\$94,386,650	\$73,502,360



SACRAMENTO STATE

THE UNIVERSITY FOUNDATION AT SACRAMENTO STATE DASHBOARD

SIDE TWO

OCTOBER 2025

Giving by College/Unit/Program*

As of June 30, 2025

Alumni Relations	\$136,289.01
Arts & Letters	\$1,254,800.89
Athletics	\$6,459,386.26
Business	\$858,836.03
CapRadio	\$10,463,205.32
Continuing Education	\$139,402.87
Education	\$37,887.38
Engineering & Computer Science	\$1,332,262.24
Health & Human Services	\$626,078.78
Library	\$45,639.24
Natural Sciences & Math	\$1,012,235.40
Social Science & Interdisciplinary Studies	\$635,612.36
Student Affairs	\$737,591.83
University Enterprises, Inc. (UEI)	\$57,550.04
University Wide (Includes Uncleared—pending)	\$7,437,775.13
Grand Total	\$31,234,553
Planned Giving	\$10,502,436

* Cash, matching gifts, pledges, and realized bequests (not pledge payments)

2023-2028 Strategic Plan University Advancement Goals

Philanthropy and Fiscal Resources:

- 4.3** Align and increase philanthropic resources to build stability and support for student success and make transformational investment in the University possible.
- 4.4** Raise Sac State's profile with local, state, and federal leaders and diversify additional funding to expand and leverage university partnerships, and student opportunities.
- 4.5** Build strong alumni and community engagement that supports our students and our philanthropic mission.

Dedicated Community Involvement

- 5.3** Cultivate and expand purposeful, long-term, and mutually beneficial community partnerships that support the Anchor mission and our philanthropic efforts.

Mission Statement:

The University Foundation promotes philanthropy to provide a level of excellence at the University beyond what is possible through state funds.



SACRAMENTO STATE



UFSS Board Retreat Agenda

Friday, October 10 – Saturday, October 11

Location: Coachman Hotel, South Lake Tahoe

Friday, October 10

11:30 AM – Lunch Available (Heavenly Room)

12:00 PM – Retreat Opening Session

Lori Redfearn

- Welcome and Introductions
- Icebreaker Activity
- Overview of Retreat Agenda and Objectives

1:00 – 2:45 PM – University Leadership Update

President Wood and Provost Cameron

- Strategic Imperatives and Roadmap
- Q&A and Discussion

2:45 PM – Break

3:00 PM – Advancement Update

Michael Reza

- Alignment with University Priorities
- Discussion

4:00 PM – Day One Wrap-Up

Alice Perez/Lori Redfearn

- Reflections and Key Takeaways
- Preview of Saturday's Sessions

4:30 PM – Adjourn

6:00 PM – Dinner

Sapori Italian Kitchen (Harrah's Lake Tahoe)

Saturday, October 11

7:30 – 8:30 AM – Breakfast Available (Heavenly Room)

8:30 AM – Opening Session

Lori Redfearn

- *Unprecedented Opportunity: Sacramento State as an Economic Driver*
- Facilitated Discussion

9:30 AM – Break

9:45 – 11:00 AM – Committee Breakouts
(Audit, Finance, Governance)

Current Committees:

- Focus: Alignment with University Priorities
- Discussion

Emerging Committees:

- Focus: Alignment with University Priorities
- Discussion

11:00 AM – Board Recruitment

Lori Redfearn

12:00 PM – Lunch

1:00 PM – Storytelling Workshop

What's My Why?

Facilitated by *Lori Redfearn*

2:00 PM – Board Meeting

3:00 PM – Adjourn

Facilitator: *Lori Redfearn (see attached bio)*



UFSS Board Meeting

California State University, Sacramento

Agenda

I. Call the Meeting to Order

II. Public Comments

Members of the public may speak for up to one minute

III. Review and Adoption of October 11, 2025 Board Meeting Agenda

IV. Consent Agenda

- A. Approval of June 6, 2025 Board Meeting Minutes**
- B. Ratify the board vote to approve the audit**
- C. Remove Bud Travers from the Board due to inactivity**

V. Committee Reports

- A. Finance Committee**
 - 1. Vote to accept the Financial Statements**
- B. Executive Committee**
 - UFSS Dashboard**
- C. Audit Committee**
- D. Governance Committee**

VI. Student Update

VII. SSAA Update

VIII. Other Business

IX. Adjournment