REPORT OF INDEPENDENT AUDITORS
AND FINANCIAL STATEMENTS WITH
SUPPLEMENTAL SCHEDULE

HUMBOLDT STATE UNIVERSITY FOUNDATION
403(b) DC PLAN

December 31, 2019 and 2018

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Report of Independent Auditors

To the Audit Committee and Plan Administrator of
Humboldt State University Foundation 403(b) DC Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Humboldt State University Foundation 403(b) DC Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2019 and 2018, and the related statement of changes in net assets available for benefits for the year ended December 31, 2019, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL's) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by Teachers Insurance and Annuity Association of America (TIAA), College Retirement Equities Fund (CREF), and Delaware Charter Guarantee and Trust Company dba Principal Trust Company (Principal), the custodians of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodians hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained certifications from the custodians as of December 31, 2019 and 2018, and for the year ended December 31, 2019, that the information provided to the plan administrator by the custodians are complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The schedule H, line 4(i) – schedule of assets (held at end of year) as of December 31, 2019, is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodians, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Moss Adams LLP

Medford, Oregon
June 30, 2020

Humboldt State University Foundation 403(b) DC Plan
Statements of Net Assets Available for Benefits

	December 31, 2019	December 31, 2018
ASSETS		
Investments, at fair value		
Registered investment companies	$ 1,074,256	$ 298,396
Variable annuities	5,566,671	4,790,937
Group retirement annuities	869,175	838,299
	7,510,102	5,927,632
Group supplemental retirement annuity, at contract value	555,170	501,291
Total investments	8,065,272	6,428,923
Receivables		
Employer contributions	5,442	15,470
NET ASSETS AVAILABLE FOR BENEFITS	$ 8,070,714	$ 6,444,393

See accompanying notes.

Humboldt State University Foundation 403(b) DC Plan
Statement of Changes in Net Assets Available for Benefits

	Year Ended December 31, 2019
ADDITIONS TO NET ASSETS ATTRIBUTED TO	
Investment income	
Net appreciation in fair value of investments	$ 1,071,735
Dividends and interest	23,212
Total investment income	1,094,947
Contributions	
Participant	143,627
Employer	504,747
Total contributions	648,374
Total additions	1,743,321
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO	
Benefits paid to participants	111,100
Administrative expenses	5,900
Total deductions	117,000
CHANGE IN NET ASSETS	1,626,321
NET ASSETS AVAILABLE FOR BENEFITS	
Beginning of year	6,444,393
End of year	$ 8,070,714

See accompanying notes.

Note 1 – Description of Plan

The following description of the Humboldt State University Foundation 403(b) DC Plan (the Plan) provides only general information. Participants should refer to the Plan Agreement, as amended, for a more complete description of Plan provisions.

General – The Plan is a 403(b) plan covering substantially all employees of Humboldt State University Sponsored Programs Foundation, and is subject to provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Humboldt State University Sponsored Programs Foundation (the Sponsor) is the Plan's sponsor and serves as plan administrator. The plan was amended, effective October 1, 2018 to allow for employee deferral contributions, at which time the Plan opened a new account with Principal Trust Company (Principal) to accept the employee deferral contributions. The Plan was also amended effective October 1, 2018 to merge in the Humboldt State University Foundation 403(b) TDA Plan (TDA Plan), another plan sponsored by Humboldt State University Sponsored Programs Foundation. The TDA Plan's custodians are Teachers Insurance and Annuity Association of America (TIAA) and College Retirement Equities Fund (CREF). TIAA and CREF hold the assets and execute investment transactions for the TDA Plan.

Eligibility – Employees of the Sponsor are eligible to participate in the Plan immediately, with no age requirements. Participants must reach age 21 and complete one year of service in which at least 1,000 hours are worked to be eligible to receive non-elective contributions.

Contributions

Participant contributions – The Plan allows participants to contribute between 1% and 100% of pretax annual compensation. Participants may also elect to make Roth contributions utilizing after-tax contributions. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

Employer non-elective contributions – The Sponsor makes non-elective contributions equal to 10% of the participant's eligible compensation. The non-elective contributions for the year ended December 31, 2019 were $504,747.

Contributions are subject to regulatory limitations.

Note 1 – Description of Plan (continued)

Participant accounts – Each participant's account is credited with the participant's contributions, non-elective employer contributions and Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants direct the investment of their account into various investment options offered by the Plan.

Vesting – Participants are vested immediately in their contributions and employer contributions plus actual earnings thereon.

Loan collateral – Participants may borrow funds directly from TIAA, the custodian of the Plan. Loans between the participant and TIAA are not included on the statement of net assets available for benefits. The participant is required to transfer funds equal to the amount of the loan plus interest into the fixed account as collateral on the loan. The loan collateral is included in the investments balance on the statement of net assets available for benefits. These funds are restricted with respect to withdrawals and transfers while the loan is outstanding. Amounts restricted for loans are $91,906 and $107,894 at December 31, 2019 and 2018, respectively.

Payment of benefits – On termination of service due to death, disability, retirement, or termination of service, a participant may elect to receive either a full or partial lump-sum amount equal to the value of the participant's vested interest in his or her account, or annual installments. The Plan permits hardship and in-service distributions from that portion of a participant's account originating from participant deferrals or rollover contributions and earnings therein only.

Forfeitures – Forfeitures are the nonvested portion of a participant's account that is lost upon termination of employment. As all contributions are immediately vested, there were no forfeitures within this Plan.

Note 2 – Summary of Significant Accounting Policies

Basis of accounting – The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), using the accrual method of accounting.

Use of estimates – The preparation of financial statements in conformity with U.S. GAAP requires the use of estimates and assumptions that may affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

Investment valuation – The investments are reported at fair value and contract value. TIAA, certifies the contract value of the group supplemental retirement annuity. TIAA, CREF and Principal, certify the fair value of all other investments. If available, quoted market prices are used to value investments.

Note 2 – Summary of Significant Accounting Policies (continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability (the "exit price") in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Contract value is the relevant measurement for assets invested in fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

Income recognition – Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded on the accrual basis. The net appreciation in fair value of investments consists of both the realized gains and losses and unrealized appreciation and depreciation of those investments.

Payment of benefits – Benefits are recorded when paid.

Expenses – Certain expenses of maintaining the Plan are paid directly by the Sponsor and are excluded from these financial statements. Administrative expenses paid by the Plan may include notes receivable and distribution fees charged to participants' accounts and administrative Plan fees. Investment related expenses are included in net appreciation in fair value of investments.

Subsequent events – Subsequent events are events or transactions that occur after the statement of net assets available for benefits date but before the financial statements are available to be issued. The Plan recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of net assets available for benefits, including the estimates inherent in the process of preparing the financial statements. The Plan's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of net assets available for benefits but arose after the statement of net assets available for benefits date and before the financial statements are available to be issued. See Note 10.

The Plan has evaluated subsequent events through June 30, 2020, which is the date the financial statements were available to be issued.

Accounting Standards Updates (ASUs) – In August 2018, the Financial Accounting Standards Board (FASB) issued ASU 2018-13, *Fair Value Measurement – Disclosure Framework* (Topic 820). The amendments remove, modify, and add certain fair value disclosure requirements. The updated guidance is effective for fiscal years beginning after December 15, 2019. Early adoption is permitted for any removed or modified disclosures. The Plan sponsor is currently evaluating the timing and impact of adopting the updated provisions on its financial statements.

Note 3 – Fair Value Measurements

The framework for measuring fair value provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities the plan has the ability to access.

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation techniques used for assets measured at fair value. There have been no changes in the techniques used at December 31, 2019 and 2018.

Registered investment companies (mutual funds) – Valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The funds held by the Plan are deemed to be actively traded. Mutual funds held by the Plan are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission.

CREF Variable Annuities – Participant holdings in the CREF variable annuities are reported at NAV as reported by TIAA. NAV is used by the plan to estimate those accounts fair values. Participants have the ability to redeem their interests with one day's notice.

Group retirement annuities (nonbenefit-responsive) – The TIAA Group Retirement Annuity and Principal Group Annuity Contracts are nonbenefit-responsive and measured at fair value, which approximates contract value. The annuity contracts are valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer. Under the TIAA Group Retirement Annuity contracts, the minimum guaranteed interest rate during the accumulation phase is generally 3%, but between 1% and 3% for some contracts, and is 2.5% during the payout phase.

Note 3 – Fair Value Measurements (continued)

The following tables disclose the fair value hierarchy of the Plan's assets by level as of December 31, 2019 and 2018:

	Fair Value Measurement at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Registered investment companies	$ 1,074,256	$ -	$ -	$ 1,074,256
CREF variable annuities	5,566,671	-	-	5,566,671
Group retirement annuities	-	-	869,175	869,175
Total investments at fair value	$ 6,640,927	$ -	$ 869,175	$ 7,510,102

	Fair Value Measurement at December 31, 2018			
	Level 1	Level 2	Level 3	Total
Registered investment companies	$ 298,396	$ -	$ -	$ 298,396
CREF variable annuities	4,790,937	-	-	4,790,937
Group retirement annuities	-	-	838,299	838,299
Total assets in the fair value hierarchy	$ 5,089,333	$ -	$ 838,299	$ 5,927,632

The following table discloses the summary of changes in the fair value of the Plan's Level 3 investment assets:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)	
	TIAA Group Retirement Annuity	Principal Group Annuity Contract
Balance, beginning of year	$ 838,197	$ 102
Realized gains	4,017	-
Unrealized gains for the period relating to assets still held at the reporting date	21,373	-
Purchases	54,578	355
Sales	(49,447)	-
Balance, end of year	$ 868,718	$ 457

Gains and losses (realized and unrealized) included in changes in net assets for the period above are reported in net appreciation (depreciation) in fair value of investments in the statement of changes in net assets available for benefits.

Note 4 – Group Supplemental Retirement Annuity with TIAA

The Plan entered into a fully benefit-responsive investment contract (FBRIC) with TIAA. TIAA maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting rate is based on a formula established by the contract issuer but may not be less than 3%. The crediting rate is reviewed on a quarterly basis for resetting. The FBRIC does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

The contract meets the FBRIC criteria under U.S. GAAP and is therefore reported at contract value. Contract value is the relevant measure for FBRICs because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value, as reported to the Plan by TIAA represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. A portion of the contracts are non-fully benefit-responsive, which allows participants to transact at fair value, but may be assessed a penalty for early withdrawal to transact out of the fund. Contract value approximates fair value.

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations, which may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA, or (5) premature termination of the contract. No events are probable of occurring that might limit the Plan's ability to transact at contract value with the contract issuer and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Examples of such events include the following: (1) An uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation, or (4) a material amendment to the agreements without the consent of the issuer.

Note 5 – Tax Status

The Plan has been designed to qualify under Section 403(b) of the Internal Revenue Code (IRC). The terms of the Plan have been prepared to conform with the sample language provided by the IRS. The Plan is required to operate in conformity with the IRC to maintain the tax exempt status for participants under Section 403(b).

In accordance with guidance on accounting for uncertainty in income taxes, the Plan administrator has evaluated the Plan's tax positions and does not believe the Plan has any uncertain tax positions that require disclosure or adjustment to the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 6 – Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market volatility, and credit risks. It is reasonably possible, given the level of risk associated with investment securities, that changes in the values of the investments in the near term could materially affect a participant's account balance and the amounts reported in the statement of net assets available for benefits.

Note 7 – Information Certified by the Custodians

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, TIAA, CREF, and Principal, custodians of the investments of the Plan, have certified to the completeness and accuracy of the following:

- Investments reflected on the accompanying statement of net assets available for benefits as of December 31, 2019 and 2018.

- Net appreciation in fair value of investments, dividends, and interest as reflected on the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2019.

- Investments reflected on the schedule of assets (held at end of year).

Note 8 – Party-In-Interest Transactions

Plan investments are managed by TIAA, CREF and Principal. TIAA, CREF and Principal are the custodians of the Plan and, therefore, transactions with these entities qualify as exempt party-in-interest transactions. Fees paid by the Plan for administrative services to TIAA, CREF and Principal were $5,900 for the year ended December 31, 2019.

Note 9 – Plan Termination

Although it has not expressed any intent to do so, the Sponsor has the right to terminate the Plan and discontinue its contributions at any time, subject to the provisions of ERISA.

Note 10 – Subsequent Event

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency stemming from a new strain of coronavirus that was spreading globally (the COVID-19 outbreak). On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, triggering volatility in financial markets and a significant negative impact on the global economy. As a result, the Plan's investment portfolio has incurred a significant decline in fair value since December 31, 2019. However, because the values of the Plan's individual investments have and will fluctuate in response to changing market conditions, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report.

Supplemental Schedule
Required by the Department of Labor

Humboldt State University Foundation 403(b) DC Plan
EIN: 94-6050071, Plan #: 001
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
December 31, 2019

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
*	CREF Stock	CREF Variable Annuities	**	$ 1,287,321
*	CREF Money Market	CREF Variable Annuities	**	996,965
*	CREF Growth	CREF Variable Annuities	**	861,999
*	CREF Global Equities	CREF Variable Annuities	**	618,473
*	CREF Social Choice	CREF Variable Annuities	**	618,215
*	CREF Equity Index	CREF Variable Annuities	**	567,557
*	CREF Bond Market	CREF Variable Annuities	**	463,180
*	CREF Inflation-Linked Bond	CREF Variable Annuities	**	152,961
	Vanguard Target Retirement 2040 Inv Fund	Registered Investment Company	**	261,339
	Vanguard Target Retirement 2050 Inv Fund	Registered Investment Company	**	201,985
	Vanguard Target Retirement 2055 Inv Fund	Registered Investment Company	**	154,386
	Vanguard Target Retirement 2035 Inv Fund	Registered Investment Company	**	137,720
	Vanguard Target Retirement 2025 Inv Fund	Registered Investment Company	**	71,093
	Vanguard Target Retirement 2045 Inv Fund	Registered Investment Company	**	63,711
	Vanguard Target Retirement 2030 Inv Fund	Registered Investment Company	**	46,269
	Vanguard Target Retirement 2060 Inv Fund	Registered Investment Company	**	40,900
	Vanguard Target Retirement 2020 Inv Fund	Registered Investment Company	**	31,889
	Parnassus Core Equity Fund	Registered Investment Company	**	17,985
	Vanguard Total Stock Market Index Adm Fund	Registered Investment Company	**	15,652
	Vanguard Target Retirement 2015 Inv Fund	Registered Investment Company	**	7,233
	Vanguard Target Retirement Income Fund	Registered Investment Company	**	6,720
	Victory Integrity Small-Cap Value Fund	Registered Investment Company	**	6,004
	ISHARES MSCI EAFE International Index Fund	Registered Investment Company	**	4,564
	Vanguard Total Bond Market Index Adm Fund	Registered Investment Company	**	2,741
	Invesco Oppenheimer International Growth Fund	Registered Investment Company	**	2,301
	Federated MDT Small Cap Growth Inst Fund	Registered Investment Company	**	1,464
	American Beacon Bridgeway Lg Cap Value Fund	Registered Investment Company	**	300
*	TIAA Group Retirement Annuity - Non Benefit Responsive	Insurance Contract	**	868,718
*	TIAA Group Supplemental Retirement Annuity - Fully Benefit Responsive	Insurance Contract	***	555,170
*	Principal Group Annuity Contract	Insurance Contract	**	457
				$ 8,065,272

* Indicates party-in-interest.

** Information is not required as investments are participant-directed.

*** Reported at contract value

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