

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**June 30, 2011 and 2010**

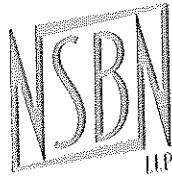
**(With Independent Auditors' Report Thereon)**

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**June 30, 2011 and 2010**

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CERTIFIED PUBLIC ACCOUNTANTS  
&  
BUSINESS CONSULTANTS

September 21, 2011

## INDEPENDENT AUDITORS' REPORT

To The Board of Directors  
North Campus - University Park  
Development Corporation  
Northridge, California

We have audited the accompanying statements of financial position of the North Campus - University Park Development Corporation (the Corporation) as of June 30, 2011, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Corporation's 2010 financial statements. The financial statements of the North Campus - University Park Development Corporation as of June 30, 2010, were audited by other auditors whose report dated September 9, 2010, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of North Campus - University Park Development Corporation as of June 30, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included on pages 11-19 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This supplementary information is the responsibility of the Corporation's management. Such supplementary information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the Corporation's financial statements taken as a whole.

*NSBN LLP*

NSBN LLP

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**STATEMENT OF FINANCIAL POSITION  
June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 187,001	\$ 185,035
Short-term investments (Note 3)	423,772	351,984
Total current assets	<u>610,773</u>	<u>537,019</u>
Noncurrent Assets		
Deferred rent receivable (Note 5)	718,131	661,565
Construction in progress (Note 4)	-	3,357,633
Total noncurrent assets	<u>718,131</u>	<u>4,019,198</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,328,904</u>	<u>\$ 4,556,217</u>
 <b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable	\$ 18,666	\$ 7,862
Total current liabilities	<u>18,666</u>	<u>7,862</u>
Noncurrent liabilities		
Loan payable (Note 6)	325,000	625,000
Total noncurrent liabilities	<u>325,000</u>	<u>625,000</u>
<b>TOTAL LIABILITIES</b>	<u>343,666</u>	<u>632,862</u>
 <b>NET ASSETS</b>		
Unrestricted	<u>985,238</u>	<u>3,923,355</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,328,904</u>	<u>\$ 4,556,217</u>

See accompanying auditors' report.  
The notes are an integral part of these financial statements.

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**STATEMENT OF ACTIVITIES  
For the Fiscal Years Ended June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>REVENUES</b>		
Lease revenue (Note 5)	\$ 453,390	\$ 432,586
Other operating revenue	29,122	26,115
Investment gain, net (Note 3)	<u>75,649</u>	<u>48,098</u>
Total revenue	<u>558,161</u>	<u>506,799</u>
<b>EXPENSES</b>		
Program services:		
Operating expenses	<u>131,989</u>	<u>124,053</u>
Total program services	<u>131,989</u>	<u>124,053</u>
Supporting services:		
General and administrative	<u>6,656</u>	<u>5,505</u>
Total expenses	<u>138,645</u>	<u>129,558</u>
<b>OTHER EXPENSES</b>		
Impairment of Construction in Progress	<u>(3,357,633)</u>	<u>-</u>
Total other expenses	<u>(3,357,633)</u>	<u>-</u>
<b>CHANGE IN NET ASSETS</b>	(2,938,117)	377,241
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>3,923,355</u>	<u>3,546,114</u>
<b>NET ASSETS AT END OF YEAR</b>	<u>\$ 985,238</u>	<u>\$ 3,923,355</u>

See accompanying auditors' report.  
The notes are an integral part of these financial statements.

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**STATEMENT OF CASH FLOWS  
For the Fiscal Years Ended June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in unrestricted net assets	\$ (2,938,117)	\$ 377,241
Adjustments to reconcile change in unrestricted net assets to net cash provided by operating activities:		
Realized and unrealized (gain) on investments	(67,179)	(38,340)
Loss on impairment of construction in progress	3,357,633	-
Changes in operating assets and liabilities:		
Deferred rent receivable	(56,566)	(97,432)
Accounts payable	10,804	(41,746)
Net cash provided by operating activities	<u>306,575</u>	<u>199,723</u>
<b>CASH FLOWS FROM CAPITAL AND INVESTING ACTIVITIES</b>		
Additions to construction in progress	-	(39,452)
Purchase of investments	(37,876)	(7,875)
Sale of investments	33,267	51,390
Net cash (used) provided in capital and investing activities	<u>(4,609)</u>	<u>4,063</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on long-term debt	<u>(300,000)</u>	<u>(175,000)</u>
<b>NET INCREASE IN CASH</b>	1,966	28,786
<b>CASH AT BEGINNING OF YEAR</b>	<u>185,035</u>	<u>156,249</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 187,001</u>	<u>\$ 185,035</u>
Supplemental disclosure of cash flow information:		
Interest paid during the year	<u>\$ 23,326</u>	<u>\$ 26,563</u>

See accompanying auditors' report.  
The notes are an integral part of these financial statements.

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2011 and 2010**

**Note 1 – Organization:**

In 1987, California State University, Northridge (the University) embarked on the North Campus - University Park Development Corporation (the Corporation). Capital totaling \$4.6 million to form and begin the Project was contributed by Watt Industries.

The 65 acres of University-owned land (North Campus) on which the Project is being developed are leased from the University. The Corporation has set goals in the development of North Campus, including establishing strong academic ties and academic facilities spanning a broad range of the University's colleges and departments, and ensuring a steady, predictable, and safe source of revenue with no financial risk to the University. During 1999, the Corporation entered into a 40-year ground sublease with Medtronic MiniMed, Inc. for the development of 19 acres for a corporate headquarters complex. In fiscal year 2003-2004, the ground sublease was amended effective October 31, 2003 to include an additional 5 acres for a total of 24 acres.

The second development is a faculty/staff housing project consisting of approximately 400 units. These units will be built in four phases on approximately 32 acres. The first phase will have 159 units and was scheduled to begin construction in the fall of 2010. As a result of current real estate market conditions, the board voted in January 2009 to suspend this project until such time as the project is financially viable.

The Corporation became an auxiliary organization of the California State University system in 1988.

**Note 2 – Summary of Significant Accounting Policies:**

**A. Basis of Presentation**

The Corporation's financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

**B. Cash and Cash Equivalents**

The Corporation considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

**C. Investments**

Investments in equity securities with readily determinable fair values and all investments in debt securities are stated at fair value. Fair value is determined based on quoted market prices. Realized and unrealized gains or losses on investments are included in the accompanying statements of activities as investment income.

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2011 and 2010**

**Note 2 – Summary of Significant Accounting Policies: (continued)**

**D. Net Assets**

Since the Corporation has not received any funds which have been restricted by donors or grants for specific operating purposes, all net assets are unrestricted and available for general operations. The only limits on unrestricted net assets are broad limits resulting from the nature of the Corporation and the purposes specified in its articles of incorporation or bylaws and, perhaps, limits resulting from contractual agreements.

**E. Lease Revenue**

Lease revenue is accounted for on a straight-line basis. Management believes that the method most reflective of the use of the land is the straight-line method.

**F. Other Operating Revenue**

While in the process of developing a plan for North Campus, a portion of the land which contains a paved parking lot is being rented to various vendors for trade shows and is included in other operating revenue. Expenses incurred by the Corporation to rent these facilities, as well as to maintain the lease facilities (see Note 5), include salaries for maintenance and safety personnel and cost of utilities and are included in operating expenses.

**G. Planning and Development Activities**

Planning and development activities include the cost of feasibility studies, attorney fees, and audit fees. These expenses are included in operating expenses.

**H. Salaries and Fringe Benefits**

The Corporation utilizes employees of The University Corporation and the University to perform its functions. These costs are billed to the Corporation by The University Corporation and the University. The Corporation subsequently reimburses both entities for the salary and related fringe benefits. The Corporation has no employees or benefit plans of its own. These expenses are included in operating expenses.

**I. Functional Allocation of Expenses**

Expenses that can be specifically identified with a specific program or supporting service are charged directly to the related program or supporting service. Expenses that are associated with more than one program or supporting service are allocated based on an evaluation by management.

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2011 and 2010**

**Note 2 – Summary of Significant Accounting Policies: (continued)**

**J. Use of Estimates**

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

**K. Income Taxes**

The Corporation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and California taxes under corresponding California provisions. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

The Corporation has evaluated its tax positions and the certainty as to whether those tax positions will be sustained in the event of an audit by taxing authorities at the federal and state levels. The primary tax positions evaluated are related to the Corporation's continued qualification as a tax-exempt organization and whether there is unrelated business income activities conducted that would be taxable. Management has determined that all income tax positions are more likely than not (>50%) of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required.

The Corporation files informational tax returns with the U.S. federal jurisdictions and the state of California. With few exceptions, the Corporation is no longer subject to U.S. federal and state examinations by tax authorities for years before 2005.

**L. Concentration of Credit Risk**

The Corporation maintains its cash accounts with numerous major commercial banks and financial institutions. Furthermore, the majority of the Corporation's investment portfolio at June 30, 2011 and 2010 were held by the Common Fund in various pooled investment funds. From time to time, balances in the Corporation's operating cash accounts exceeded amounts insured by the Federal Deposit Insurance Corporation.

**M. Subsequent Events**

The Corporation has evaluated subsequent events through September 21, 2011 which is the date these financial statements were available to be issued. There were no subsequent events requiring recognition or disclosure.

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2011 and 2010

**Note 3 - Investments:**

Investments are stated at fair value and consist of fixed income and equity funds as follows:

	2011	2010
Level 1:		
Debt equity securities	\$ 279,550	\$ 246,072
Fixed income securities	144,222	105,912
	\$ 423,772	\$ 351,984

Investment return is as follows:

Net realized and unrealized gain (loss)	\$ 67,179	\$ 38,340
Interest and dividend income	9,439	10,602
Investment fees	(969)	(844)
	\$ 75,649	\$ 48,098

The Corporation's investments are measured at fair value. The fair value level of measurement is determined as follows:

Level 1 – quoted prices in an active market for identical assets.

Level 2 – quoted prices for similar assets and market-corroborated inputs.

Level 3 – the corporation's own assumptions about market participation, including assumptions about risk, developed based on the best information available in the circumstances.

**Note 4 – Construction in Progress:**

The Corporation began incurring pre-construction expenses related to the faculty/staff housing project in June 2005. This project consists of approximately 400 units to be built in four phases. The first phase will have 159 units and was scheduled to begin construction in the fall of 2010. As a result of real estate market conditions, the board voted in January 2009 to suspend this project until such time as the project is financially viable. All expenses related to this project are recorded in this account and totaled \$3,357,633 as of June 30, 2010. These expenses were paid out of operating reserves and from an \$800,000 loan from The University Corporation. Management, with board notification, has determined that it would be best to expense these pre-construction expenses in the year ended June 30, 2011 due to the uncertainty of when real estate market conditions will improve enough to allow construction to begin and possible impairment concerns. The Corporation intends to repay the majority of the remaining \$325,000 loan balance to The University Corporation in the fiscal year ending June 30, 2012.

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2011 and 2010**

**Note 4 – Construction in Progress: (continued)**

This action does not affect the project. The North Campus Development Corporation still plans to move forward with the project when real estate market conditions make it financially viable. The California State University Northridge Associate Vice President for Facilities Development and Operations estimates that minimal revisions would be required to bring the documents into compliance with the 2010 California Building Code.

**Note 5 – Leases:**

During 1999, the Corporation entered into a 40-year ground sublease with Medtronic MiniMed, Inc. for the development of 19 acres of land owned by the California State University (CSU) and leased at no cost to the Corporation. The ground sublease was amended effective October 31, 2003 to include an additional 5 acres for a total of 24 acres. At June 30, 2011, future straight-line lease revenues recognized are as follows:

<b>Year ending June 30:</b>	
2012	\$ 454,383
2013	454,383
2014	454,383
2015	454,383
2016	454,383
Thereafter	<u>10,678,000</u>
Total	<u>\$ 12,949,915</u>

Revenues in excess of cash received of \$56,566 and \$97,431 were recorded for the years ended June 30, 2011 and 2010. \$718,131 and \$661,565 of deferred rent receivable is recorded at June 30, 2011 and 2010 respectively.

**Note 6 – Related Party Transactions:**

Reimbursements paid to the University for other expenses totaled \$54,439 for 2011 and \$34,838 for 2010. These amounts are primarily related to salaries, benefits, audit fees, police and physical plant management support. Amounts due to the University totaled \$3,508 at June 30, 2011 and \$3,142 at June 30, 2010.

The University Corporation salaries and benefits allocated to the operation of North Campus totaled \$17,351 for 2011 and \$36,749 for 2010. Amounts due to The University Corporation totaled \$1,564 at June 30, 2011 and \$0 at June 30, 2010.

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2011 and 2010**

**Note 6 – Related Party Transactions: (continued)**

On March 31, 2008, the Corporation entered into an agreement with The University Corporation to borrow up to \$2,000,000 at a variable rate of 1.0% above the Bank of America prime rate adjusted each anniversary date of the loan agreement. Any outstanding amounts borrowed are due March 31, 2015. The amount outstanding was \$325,000 and \$625,000 as of June 30, 2011 and June 30, 2010, respectively. The interest rate was 6.25% through March 31, 2009 and 4.25% thereafter through June 30, 2011.

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**SCHEDULE OF NET ASSETS  
June 30, 2011  
(for inclusion in the California State University)**

Assets:			
Current assets:			
	Cash and cash equivalents	\$	187,001
	Short-term investments		423,772
	Accounts receivable, net		—
	Leases receivable, current portion		—
	Notes receivable, current portion		—
	Pledges receivable, net		—
	Prepaid expenses and other assets		—
	Total current assets		<u>610,773</u>
Noncurrent assets:			
	Restricted cash and cash equivalents		—
	Accounts receivable, net		—
	Leases receivable, net of current portion		—
	Notes receivable, net of current portion		—
	Student loans receivable, net		—
	Pledges receivable, net		—
	Endowment investments		—
	Other long-term investments		—
	Capital assets, net		—
	Other assets		718,131
	Total noncurrent assets		<u>718,131</u>
	Total assets		<u>1,328,904</u>
Liabilities:			
Current liabilities:			
	Accounts payable		12,000
	Accrued salaries and benefits payable		5,072
	Accrued compensated absences- current portion		—
	Deferred revenue		—
	Capitalized lease obligations - current portion		—
	Long-term debt obligations - current portion		—
	Self-insurance claims liability - current portion		—
	Depository accounts		—
	Other liabilities		1,594
	Total current liabilities		<u>18,666</u>
Noncurrent liabilities:			
	Accrued compensated absences, net of current portion		—
	Deferred revenue		—
	Grants refundable		—
	Capitalized lease obligations, net of current portion		—
	Long-term debt obligations, net of current portion		325,000
	Self-insurance claims liabilities, net of current portion		—
	Depository accounts		—
	Other postemployment benefits obligation		—
	Other liabilities		—
	Total noncurrent liabilities		<u>325,000</u>
	Total liabilities		<u>343,666</u>
Net assets:			
	Invested in capital assets, net of related debt		(325,000)
Restricted for:			
	Nonexpendable - endowments		—
	Expendable:		
	Scholarships and fellowships		—
	Research		—
	Loans		—
	Capital projects		—
	Debt service		—
	Other		—
Unrestricted			1,310,238
	Total net assets	\$	<u>985,238</u>

See the accompanying independent auditors' report.

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**SCHEDULE OF REVENUES, EXPENSES, AND  
CHANGES IN NET ASSETS**

**For the Year Ended June 30, 2011  
(for inclusion in the California State University)**

Revenues:	
Operating revenues:	
Student tuition and fees (net of scholarship allowances of \$ _____)	\$ —
Grants and contracts, noncapital:	
Federal	—
State	—
Local	—
Nongovernmental	—
Sales and services of educational activities	—
Sales and services of auxiliary enterprises (net of scholarship allowances of \$ _____)	—
Other operating revenues	482,512
Total operating revenues	<u>482,512</u>
Expenses:	
Operating expenses:	
Instruction	—
Research	—
Public service	—
Academic support	—
Student services	—
Institutional support	—
Operation and maintenance of plant	37,200
Student grants and scholarships	—
Auxiliary enterprise expenses	101,446
Depreciation and amortization	—
Total operating expenses	<u>138,645</u>
Operating income (loss)	<u>343,867</u>
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	—
Investment income (loss), net	75,649
Endowment income (loss), net	—
Interest Expenses	—
Other nonoperating revenues (expenses)	(3,357,633)
Net nonoperating revenues (expenses)	<u>(3,281,984)</u>
Income (loss) before other additions	(2,938,117)
State appropriations, capital	—
Grants and gifts, capital	—
Additions (reductions) to permanent endowments	—
Increase (decrease) in net assets	<u>(2,938,117)</u>
Net assets:	
Net assets at beginning of year, as previously reported	3,923,355
Restatements	—
Net assets at beginning of year, as restated	<u>3,923,355</u>
Net assets at end of year	<u>\$ 985,238</u>

See the accompanying independent auditors' report.

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**OTHER INFORMATION**

June 30, 2011

(for inclusion in the California State University)

1 Restricted cash and cash equivalents at June 30, 2011:  
 Portion of restricted cash and cash equivalents related to endowments  
 All other restricted cash and cash equivalents  
 Total restricted cash and cash equivalents

\$	-	
\$	-	

2.1 Composition of investments at June 30, 2011:

	Current Unrestricted	Current Restricted	Total Current	Noncurrent Unrestricted	Noncurrent Restricted	Total Noncurrent	Total
\$	423,772	-	423,772	-	-	-	423,772
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-	-	-
Wisconsin Short Term Fund	-	-	-	-	-	-	-
Wisconsin Medium Term Fund	-	-	-	-	-	-	-
Wisconsin Equity Fund	-	-	-	-	-	-	-
US Bank SWIFT pool	-	-	-	-	-	-	-
Common Fund - Short Term Fund	-	-	-	-	-	-	-
Common Fund - Others	423,772	-	423,772	-	-	-	423,772
Debt securities	-	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-	-
Fixed income securities (Treasury notes, GNMA's)	-	-	-	-	-	-	-
Land and other real estate	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-
Mutual funds	-	-	-	-	-	-	-
Money Market funds	-	-	-	-	-	-	-
Collateralized mortgage obligations:	-	-	-	-	-	-	-
Inverse floaters	-	-	-	-	-	-	-
Interest-only strips	-	-	-	-	-	-	-
Agency pass-through	-	-	-	-	-	-	-
Private pass-through	-	-	-	-	-	-	-
Other major investments	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Total investments	423,772	-	423,772	-	-	-	423,772
Less endowment investments (enter as negative number)	-	-	-	-	-	-	-
Total investments	423,772	-	423,772	-	-	-	423,772

See the accompanying independent auditors' report.

NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION

OTHER INFORMATION

June 30, 2011

(for inclusion in the California State University)

2.2 Investments held by the University under contractual agreements at June 30, 2011:  
Portion of investments in note 2.1 held by the University under contractual  
agreements at June 30, 2011 :

2.3 Restricted current investments at June 30, 2011 related to:	Amount
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Total restricted current investments at June 30, 2011	\$ -

2.4 Restricted noncurrent investments at June 30, 2011 related to:	Amount
Endowment investment	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Total restricted noncurrent investments at June 30, 2011	\$ -

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**OTHER INFORMATION**

June 30, 2011  
(for inclusion in the California State University)

**3.1 Composition of capital assets at June 30, 2011:**

	Balance June 30, 2010	Prior period Adjustments	Reclassifications	Balance June 30, 2010 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2011
<b>Nondepreciable/nonamortizable capital assets:</b>								
Land and land improvements	-	-	-	-	-	-	-	-
Works of art and historical treasures	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	3,357,633	-	-	3,357,633	-	(3,357,633)	-	-
<b>Intangible assets:</b>								
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-
Internally generated intangible assets in progress	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	-	-	-	-	-	(3,357,633)	-	-
<b>Total nondepreciable/nonamortizable capital assets</b>	3,357,633	-	-	3,357,633	-	(3,357,633)	-	-
<b>Depreciable/amortizable capital assets:</b>								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-
Personal property:	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:	-	-	-	-	-	-	-	-
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	-	-	-	-	-	-	-	-
<b>Total depreciable/amortizable capital assets</b>	-	-	-	-	-	(3,357,633)	-	-
<b>Total capital assets</b>	3,357,633	-	-	3,357,633	-	(3,357,633)	-	-
<b>Less accumulated depreciation/amortization:</b>								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-
Personal property:	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:	-	-	-	-	-	-	-	-
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	-	-	-	-	-	-	-	-
<b>Total accumulated depreciation/amortization</b>	-	-	-	-	-	(3,357,633)	-	-
<b>Total capital assets, net</b>	3,357,633	-	-	3,357,633	-	(3,357,633)	-	-

**3.2 Detail of depreciation and amortization expense for the year ended June 30, 2011:**

Depreciation and amortization expense related to capital assets	\$ -
Amortization expense related to other assets	-
<b>Total depreciation and amortization</b>	<b>\$ -</b>

See the accompanying independent auditors' report.

**NORTH CAMPUS - UNIVERSITY PARK  
DEVELOPMENT CORPORATION**

**OTHER INFORMATION**

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**4 Long-term liabilities activity schedule:**

	Balance June 30, 2010	Prior period adjustments	Reclassifications	Balance June 30, 2010 (restated)	Additions	Reductions	Balance June 30, 2011	Current portion	Long-term portion
\$									
Accrued compensated absences									
Capitalized lease obligations:									
Gross balance									
Unamortized premium / (discount) on capitalized lease obligations									
Total capitalized lease obligations									
Long-term debt obligations:									
Revenue Bonds									
Other bonds (non-Revenue Bonds)									
Commercial Paper									
Other:									
Loan payable to The University Corporation	625,000			625,000		(500,000)	325,000		325,000
Add description									
Add description									
Add description									
Add description									
Add description									
Add description									
Total long-term debt obligations	625,000			625,000		(300,000)	325,000		325,000
Unamortized bond premiums / (discount)									
Unamortized loss on refunding									
Total long-term debt obligations, net	625,000			625,000		(300,000)	325,000		325,000
Total long-term liabilities	625,000			625,000		(300,000)	325,000		325,000

**5 Future minimum lease payments - capital lease obligations:**

Year ending June 30:	Principal	Interest	Principal and Interest
2012			
2013			
2014			
2015			
2016			
2017 - 2021			
2022 - 2026			
2027 - 2031			
2032 - 2036			
2037 - 2041			
2042 - 2046			
2047 - 2051			
2052 - 2056			
2057 - 2061			
Total minimum lease payments			
Less amounts representing interest			
Present value of future minimum lease payments			
Less: current portion			
Capitalized lease obligation, net of current portion			\$

See the accompanying independent auditors' report.

**NORTH CAMPUS - UNIVERSITY PARK  
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6 Long-term debt obligation schedule

Year ending June 30:	Revenue Bonds		All other long-term debt obligations		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	-	-	13,813	13,813	13,813	13,813
2013	-	-	13,813	13,813	13,813	13,813
2014	-	-	13,813	13,813	13,813	13,813
2015	-	-	6,963	331,963	325,000	6,963
2016	-	-	-	-	-	-
2017 - 2021	-	-	-	-	-	-
2022 - 2026	-	-	-	-	-	-
2027 - 2031	-	-	-	-	-	-
2032 - 2036	-	-	-	-	-	-
2037 - 2041	-	-	-	-	-	-
2042 - 2046	-	-	-	-	-	-
2047 - 2051	-	-	-	-	-	-
2052 - 2056	-	-	-	-	-	-
2057 - 2061	-	-	-	-	-	-
<b>Total</b>	-	-	325,000	48,402	325,000	48,402
	\$				\$	

7 Calculation of net assets

	Auxiliary Organizations		Total
	CASB	FASB	
7.1 Calculation of net assets - Invested in capital assets, net of related debt			
Capital assets, net of accumulated depreciation	-	-	-
Capitalized lease obligations - current portion	-	-	-
Capitalized lease obligations, net of current portion	-	-	-
Long-term debt obligations, net of current portion	-	(325,000)	(325,000)
Portion of outstanding debt that is unspent at year-end	-	-	-
Other adjustments: (please list)	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Net assets - invested in capital assets, net of related debt	-	(325,000)	(325,000)
7.2 Calculation of net assets - Restricted for nonexpendable - endowments			
Portion of restricted cash and cash equivalents related to endowments	-	-	-
Endowment investments	-	-	-
Other adjustments: (please list)	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Net assets - Restricted for nonexpendable - endowments per SNA	-	-	-

See the accompanying independent auditors' report.

NORTH CAMPUS - UNIVERSITY PARK  
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Amount	\$
41,939	
12,500	
---	
---	
(3,508)	
---	
---	

8 Transactions with Related Entities

Payments to University for salaries of University personnel working on contracts, grants, and other programs

Payments to University for other than salaries of University personnel

Payments received from University for services, space, and programs

Gifts-in-kind to the University from Auxiliary Organizations

Gifts (cash or assets) to the University from recognized Auxiliary Organizations

Accounts (payable to) University (enter as negative number)

Other amounts (payable to) University (enter as negative number)

Accounts receivable from University

Other amounts receivable from University

9 Other Postemployment Benefits Obligation (OPEB)

Annual required contribution (ARC) \$

Contributions during the year

Increase (decrease) in net OPEB obligation (NOO)

NOO - beginning of year \$

NOO - end of year \$

10 Pollution remediation liabilities under CASB Statement No. 49:

Description	Amount
Add description	---
Add description	---
Add description	---
Add description	---
Add description	---
Add description	---
Add description	---
Add description	---
Add description	---
Total pollution remediation liabilities	\$
Less: current portion	---
Pollution remediation liabilities, net of current portion	---

11 The nature and amount of the prior period adjustment(s) recorded to beginning net assets

Net Asset Class	Amount
	Dr. (Cr.)
	\$
	3,923,355

Net assets as of June 30, 2010, as previously reported

Prior period adjustments:

- 1 (list description of each adjustment)
- 2 (list description of each adjustment)
- 3 (list description of each adjustment)
- 4 (list description of each adjustment)
- 5 (list description of each adjustment)
- 6 (list description of each adjustment)
- 7 (list description of each adjustment)
- 8 (list description of each adjustment)
- 9 (list description of each adjustment)
- 10 (list description of each adjustment)

Net assets as of June 30, 2010, as restated \$ 3,923,355

NORTH CAMPUS - UNIVERSITY PARK  
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Provide a detailed breakdown of the journal entries (at the financial statement line item level) booked to record each prior period adjustment:

	Debit	Credit
Net asset class: 1 (breakdown of adjusting journal entry)	-	-
Net asset class: 2 (breakdown of adjusting journal entry)	-	-
Net asset class: 3 (breakdown of adjusting journal entry)	-	-
Net asset class: 4 (breakdown of adjusting journal entry)	-	-
Net asset class: 5 (breakdown of adjusting journal entry)	-	-
Net asset class: 6 (breakdown of adjusting journal entry)	-	-
Net asset class: 7 (breakdown of adjusting journal entry)	-	-
Net asset class: 8 (breakdown of adjusting journal entry)	-	-
Net asset class: 9 (breakdown of adjusting journal entry)	-	-
Net asset class: 10 (breakdown of adjusting journal entry)	-	-
	\$	-