

**North Campus - University Park
Development Corporation**

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

June 30, 2017

North Campus - University Park Development Corporation

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Independent Auditor's Report

The Board of Directors
North Campus - University Park Development Corporation
(A California State University Auxiliary Organization)

We have audited the accompanying financial statements of North Campus - University Park Development Corporation, which comprise the statement of financial position as of June 30, 2017, and the related statements of activities and cash flows for the year then ended, 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 our audit. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the North Campus - University Park Development Corporation's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 15, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2017 financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the 2017 financial statements. Such information is the responsibility of management and was derived from and relates directly to underlying accounting and other records used to prepare the 2017 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2017 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 financial statements or to the 2017 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2017 financial statements as a whole.

CohnReznick LLP

Los Angeles, California
September 14, 2017

North Campus - University Park Development Corporation

**Statements of Financial Position
June 30, 2017
With Summarized Totals at June 30, 2016**

	<u>Assets</u>	
	<u>2017</u>	<u>2016</u>
Current assets		
Cash and cash equivalents	\$ 760,282	\$ 344,933
Short-term investments	1,835,260	1,671,438
Prepaid expenses	4,400	-
	<hr/>	<hr/>
Total current assets	2,599,942	2,016,371
Deferred rent receivable	567,147	592,311
	<hr/>	<hr/>
Total assets	<u>\$ 3,167,089</u>	<u>\$ 2,608,682</u>
	<u>Liabilities and Net Assets</u>	
Liabilities		
Accounts payable and accrued expenses	\$ 9,881	\$ 10,866
Deferred revenue	43,958	43,958
Security deposit	18,786	18,786
	<hr/>	<hr/>
Total liabilities	72,625	73,610
Net assets		
Unrestricted	3,094,464	2,535,072
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 3,167,089</u>	<u>\$ 2,608,682</u>

See Notes to Financial Statements.

North Campus - University Park Development Corporation

**Statements of Activities
Year Ended June 30, 2017
With Summarized Totals for the Year Ended June 30, 2016**

	<u>2017</u>	<u>2016</u>
Revenues		
Lease revenue	\$ 750,434	\$ 683,229
Other operating revenue	23,611	12,657
Investment income (loss), net	193,168	(29,100)
	<u>967,213</u>	<u>666,786</u>
Total revenues		
Expenses		
Program services		
Operating	152,651	144,190
University projects	250,000	250,000
	<u>402,651</u>	<u>394,190</u>
Total program services		
Supporting services		
General and administrative	5,170	5,943
	<u>407,821</u>	<u>400,133</u>
Total expenses		
Change in net assets	559,392	266,653
Net assets, beginning	<u>2,535,072</u>	<u>2,268,419</u>
Net assets, end	<u>\$ 3,094,464</u>	<u>\$ 2,535,072</u>

See Notes to Financial Statements.

North Campus - University Park Development Corporation

Statements of Cash Flows

Year Ended June 30, 2017

With Summarized Totals for the Year Ended June 30, 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities		
Change in net assets	\$ 559,392	\$ 266,653
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Realized and unrealized (gain) loss on investments	(155,243)	74,443
Changes in operating assets and liabilities		
Prepaid expenses	(4,400)	-
Deferred rent receivable	25,164	25,164
Accounts payable and accrued expenses	<u>(985)</u>	<u>(314)</u>
Net cash provided by operating activities	<u>423,928</u>	<u>365,946</u>
Cash flows from investing activities		
Proceeds from the sale of investments	-	381,366
Purchase of investments	<u>(8,579)</u>	<u>(593,421)</u>
Net cash used in investing activities	<u>(8,579)</u>	<u>(212,055)</u>
Net increase in cash and cash equivalents	415,349	153,891
Cash and cash equivalents, beginning	<u>344,933</u>	<u>191,042</u>
Cash and cash equivalents, end	<u><u>\$ 760,282</u></u>	<u><u>\$ 344,933</u></u>

See Notes to Financial Statements.

North Campus - University Park Development Corporation

Notes to Financial Statements June 30, 2017

Note 1 - Business activity and summary of significant accounting policies

Business activity

North Campus - University Park Development Corporation (the "Corporation") is a nonprofit auxiliary organization related to California State University, Northridge (the "University") and was formed in 1987.

The 65 acres of University-owned land ("North Campus") is 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.

The Corporation is currently in the process of analyzing and assessing the highest and best use of the property for future development. This analysis will be completed within one to two years.

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

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial statement presentation

To ensure the observance of certain constraints and restrictions placed on the use of resources, the accounts of the Corporation are maintained in accordance with the principles of net asset accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into net asset classes that are in accordance with specified activities or objectives. Accordingly, all financial transactions have been recorded and reported by net asset class as follows:

Unrestricted - These generally result from revenues generated by receiving unrestricted contributions, providing services, and receiving income from investments less expenses incurred in providing program related services, raising contributions and performing administrative functions.

Temporarily Restricted - The Corporation reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from purpose or time restrictions. At June 30, 2017, the Corporation does not have any temporarily restricted net assets.

Permanently Restricted - These net assets are from donors who stipulate that resources are to be maintained permanently, but permit the Corporation to expend all of the income (or other economic benefits) derived from the donated assets. At June 30, 2017, the Corporation does not have any permanently restricted net assets.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and all highly liquid investments with an initial maturity at date of purchase of three months or less.

North Campus - University Park Development Corporation

Notes to Financial Statements June 30, 2017

Investments

Investments are reported at their fair values in the statement of financial position. Realized and unrealized gains or losses are included in the statement of activities as investment income (loss).

Fair value measurements

The Corporation values certain of its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1: Quoted priced (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Lease revenue

The Corporation recognizes lease revenue on a straight-line basis over the term of the respective leases. Deferred rent receivable represents the amount by which straight-line lease revenue exceeds rent currently billed in accordance with the lease agreements. Deferred revenue represents tenant prepayments of rent.

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, include salaries for maintenance and safety personnel and cost of utilities and are included in operating expenses.

Salaries and fringe benefits

The Corporation utilizes employees of The University Corporation ("TUC"), a related party, and the University to perform its operations. These costs are billed to the Corporation by TUC and the University. The Corporation subsequently reimburses both entities for the salaries and related fringe benefits. The Corporation has no employees or benefit plans of its own. These expenses are included in operating expenses.

Functional allocation of expenses

The costs of providing programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services and supporting services benefited.

Income taxes

The Corporation is a non-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the Revenue Taxation Code of California. Accordingly, no provision for income taxes is included in the accompanying financial statements.

North Campus - University Park Development Corporation

Notes to Financial Statements June 30, 2017

The Corporation has no unrecognized tax benefits at June 30, 2017. The Corporation's federal income tax returns for fiscal years 2016, 2015 and 2014 remain open. The Corporation's state income tax returns for fiscal years 2016, 2015, 2014 and 2013 remain open. Management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

If applicable, the Corporation recognizes interest and penalties associated with tax matters as part of income tax expense and includes accrued interest and penalties with accrued expenses in the statement of financial position.

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, 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.

Comparative totals

The financial statements include certain prior-year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended June 30, 2016, from which the summarized information was derived.

New accounting pronouncements

In June 2014, the International Accounting Standards Board and Financial Accounting Standards Board ("FASB") jointly approved Accounting Standards Update ("ASU") 2014-09 to conform generally accepted accounting principles and International Financial Reporting Standards revenue recognition standards and improve both sets of standards. The guidance changes would affect any entity that enters into contracts with customers unless those contracts are in the scope of other standards (for example, insurance contracts or lease contracts). The core principle of the guidance is that an entity should recognize revenue representing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 will be effective for the Corporation for the year beginning after December 15, 2018. The Corporation has yet to determine the potential impact, if any.

In February 2016, the FASB issued ASU No. 2016-02, *Leases*. This ASU increases transparency and comparability by recognizing a lessee's rights and obligations resulting from leases by recording them on the balance sheet as lease assets and lease liabilities. The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease. This ASU will be effective for fiscal years beginning after December 15, 2019. The Corporation is currently evaluating the impact of this ASU, and has not determined the impact.

In August 2016, the FASB approved ASU 2016-14 to amend the requirement for financial statements and notes for Not-for-Profit Entities. This ASU will be effective for annual financial statements issued for fiscal years beginning after December 15, 2017. The Corporation is in the process of determining the impact and the date of adoption of the new standard.

North Campus - University Park Development Corporation

Notes to Financial Statements June 30, 2017

Subsequent events

The Corporation has evaluated subsequent events through September 14, 2017, which is the date these financial statements were available to be issued.

Note 2 - Concentrations

Financial instruments which potentially subject the Corporation to concentrations of credit risk consist primarily of cash and cash equivalents and investments. The Corporation maintains its cash and cash equivalents with high-credit quality financial institutions. At times, such amounts may exceed federally insured limits. The Corporation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

The Corporation's investments are subject to various risks, such as interest rate, credit and overall market volatility risks. Further, because of the significance of the investments to the Corporation's financial position and the level of risk inherent in most investments, it is reasonably possible that changes in the values of these investments could occur in the near term and such changes could materially affect the amounts reported in the financial statements. Management is of the opinion that the diversification of its invested assets among the various asset classes should mitigate the impact of changes in any one class.

For the year ended June 30, 2017, 100% of the Corporation's rental revenues were from two tenants.

Note 3 - Investments

At June 30, 2017, investments consist of the following:

Mutual funds		
Equities		
Large cap core	\$	785,800
Small cap core		200,750
International developed		110,363
International emerging markets		46,276
Fixed income		
Intermediate term bond		522,175
Real estate funds		88,643
Commodities		81,253
		<hr/>
Total	\$	<u>1,835,260</u>

Investment income (loss) for the year ended June 30, 2017 is as follows:

Unrealized gain	\$	155,243
Interest and dividend income		47,829
Investment fees		(9,904)
		<hr/>
Total	\$	<u>193,168</u>

North Campus - University Park Development Corporation

Notes to Financial Statements June 30, 2017

Note 4 - Fair value measurements

At June 30, 2017, investments are carried at fair value and are classified in the table below in one of the three categories as described in Note 1:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds				
Equities	\$ 1,143,189	\$ -	\$ -	\$ 1,143,189
Fixed income	522,175	-	-	522,175
Real estate funds	88,643	-	-	88,643
Commodities	<u>81,253</u>	<u>-</u>	<u>-</u>	<u>81,253</u>
Total	<u>\$ 1,835,260</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,835,260</u>

Valuations of mutual funds are obtained from real-time quotes for transactions in active exchange markets involving identical assets. For the year ended June 30, 2017, there have been no changes in the valuation methodologies.

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 University and leased at no cost to the Corporation. The ground sublease was amended effective October 31, 2003 to include an additional five acres for a total of 24 acres. Rental income for the year ended June 30, 2017 was \$502,334. The ground sublease contains provisions for future rent increases every five years based on changes in the Consumer Price Index with a maximum increase of 10% every five years. At June 30, 2017, deferred rent receivable is \$567,147.

On June 7, 2013, the Corporation entered into a three-year lease with Chevrolet Rydell for temporary storage of new vehicle inventory on 2.25 acres of North Campus commonly known as Parking Lot G-12. On June 17, 2014, the Corporation amended this lease to include another 65,000 square feet of North Campus commonly known as Parking Lot G-10. On March 25, 2015, the Corporation amended this lease to reduce the leased premises by 4,500 square feet of North Campus commonly known as Parking Lot G-10. On May 4, 2016, the Corporation extended this lease two years. The Corporation started leasing additional property adjacent to Lot G-12 on July 1, 2016 on a month-to-month basis. Rental income for the year ended June 30, 2017 was \$248,100.

North Campus - University Park Development Corporation

Notes to Financial Statements June 30, 2017

The estimated future minimum rental payments to be received under the operating leases are as follows:

	Medtronic MiniMed, Inc.	Chevrolet Rydell	Total
Year ending June 30,			
2018	\$ 527,498	\$ 185,856	\$ 713,354
2019	527,498	-	527,498
2020	527,498	-	527,498
2021	527,498	-	527,498
2022	527,498	-	527,498
Thereafter	9,231,224	-	9,231,224
Total	<u>\$ 11,868,714</u>	<u>\$ 185,856</u>	<u>\$ 12,054,570</u>

Note 6 - Related party transactions

During the year ended June 30, 2017, the Corporation incurred expenses of \$51,549 to the University relating to salaries, benefits, audit fees, police and physical plant management support. At June 30, 2017, \$4,354 is due to the University and is included in accounts payable and accrued expenses in the accompanying statement of financial position.

The Corporation entered into an agreement with the University to remit a portion of its annual surplus funds. This is to be reviewed each year by the Corporation and University. During the year ended June 30, 2017, the Corporation remitted \$250,000 to the University for its discretionary use.

TUC is an affiliate of the Corporation. During the year ended June 30, 2017, salaries and benefits of the Corporation of \$37,507 were allocated from TUC. At June 30, 2017, \$3,313 is due to TUC and is included in accounts payable and accrued expenses in the accompanying statement of financial position.

Supplementary Information

North Campus - University Park Development Corporation

Schedule of Net Position

June 30, 2017

(for inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	\$ 760,282
Short-term investments	1,835,260
Accounts receivable, net	—
Leases receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net	—
Prepaid expenses and other current assets	4,400
Total current assets	<u>2,599,942</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	567,147
Total noncurrent assets	<u>567,147</u>
Total assets	<u>3,167,089</u>
Deferred outflows of resources:	
Unamortized loss on debt refunding	—
Net pension liability	—
Others	—
Total deferred outflows of resources	<u>—</u>
Liabilities:	
Current liabilities:	
Accounts payable	2,214
Accrued salaries and benefits	7,667
Accrued compensated absences, current portion	—
Unearned revenue	43,958
Capitalized lease obligations, current portion	—
Long-term debt obligations, current portion	—
Claims liability for losses and loss adjustment expenses, current portion	—
Depository accounts	18,786
Other liabilities	—
Total current liabilities	<u>72,625</u>
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	—
Unearned revenue	—
Grants refundable	—
Capitalized lease obligations, net of current portion	—
Long-term debt obligations, net of current portion	—
Claims liability for losses and loss adjustment expenses, net of current portion	—
Depository accounts	—
Other postemployment benefits obligations	—
Net pension liability	—
Other liabilities	—
Total noncurrent liabilities	<u>—</u>
Total liabilities	<u>72,625</u>
Deferred inflows of resources:	
Service concession arrangements	—
Net pension liability	—
Unamortized gain on debt refunding	—
Nonexchange transactions	—
Others	—
Total deferred inflows of resources	<u>—</u>
Net Position:	
Net investment in capital assets	—
Restricted for:	
Nonexpendable – endowments	—
Expendable:	
Scholarships and fellowships	—
Research	—
Loans	—
Capital projects	—
Debt service	—
Others	—
Unrestricted	3,094,464
Total net position	<u>\$ 3,094,464</u>

See Independent Auditor's Report.

North Campus - University Park Development Corporation

**Schedule of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2017**

(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		774,045
		<hr/>
Total operating revenues		774,045
		<hr/>

Expenses:

Operating expenses:

Instruction		—
Research		—
Public service		—
Academic support		—
Student services		—
Institutional support		250,000
Operation and maintenance of plant		42,412
Student grants and scholarships		115,409
Auxiliary enterprise expenses		—
Depreciation and amortization		—
		<hr/>
Total operating expenses		407,821
		<hr/>
Operating income (loss)		366,224
		<hr/>

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		193,168
Endowment income (loss), net		—
Interest expense		—
Other nonoperating revenues (expenses)		—
		<hr/>
Net nonoperating revenues (expenses)		193,168
		<hr/>
Income (loss) before other revenues (expenses)		559,392
		<hr/>

State appropriations, capital		—
Grants and gifts, capital		—
Additions (reductions) to permanent endowments		—
		<hr/>
Increase (decrease) in net position		559,392
		<hr/>

Net position:

Net position at beginning of year, as previously reported		2,535,072
Restatements		—
		<hr/>
Net position at beginning of year, as restated		2,535,072
		<hr/>
Net position at end of year	\$	<u>3,094,464</u>

North Campus - University Park Development Corporation

**Other Information
June 30, 2017**

(for inclusion in the California State University)

2.5 Fair value hierarchy in investments at June 30, 2017:

	Total	Fair Value Measurements Using			Net Asset Value (NAV)
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
State of California Surplus Money Investment Fund (SMIF)	\$ —	—	—	—	—
State of California Local Agency Investment Fund (LAIF)	—	—	—	—	—
Corporate bonds	—	—	—	—	—
Certificates of deposit	—	—	—	—	—
Mutual funds	1,665,364	1,665,364	—	—	—
Money Market funds	—	—	—	—	—
Repurchase agreements	—	—	—	—	—
Commercial paper	—	—	—	—	—
Asset backed securities	—	—	—	—	—
Mortgage backed securities	—	—	—	—	—
Municipal bonds	—	—	—	—	—
U.S. agency securities	—	—	—	—	—
U.S. treasury securities	—	—	—	—	—
Equity securities	—	—	—	—	—
Exchange traded funds (ETFs)	—	—	—	—	—
Alternative investments:					
Private equity (including limited partnerships)	—	—	—	—	—
Hedge funds	—	—	—	—	—
Managed futures	—	—	—	—	—
Real estate investments (including REITs)	88,643	88,643	—	—	—
Commodities	81,253	81,253	—	—	—
Derivatives	—	—	—	—	—
Other alternative investment types	—	—	—	—	—
Other external investment pools (excluding SWIFT)					
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Other major investments:					
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Add description	—	—	—	—	—
Total investments	1,835,260	1,835,260	—	—	—

North Campus - University Park Development Corporation

Other Information

June 30, 2017

(for inclusion in the California State University)

3.1 Composition of capital assets at June 30, 2017:

	<u>Balance June 30, 2016</u>	<u>Prior period Adjustments</u>	<u>Reclassifications</u>	<u>Balance June 30, 2016 (restated)</u>	<u>Additions</u>	<u>Reductions</u>	<u>Transfers of Completed CWIP</u>	<u>Balance June 30, 2017</u>
Nondepreciable/nonamortizable capital assets:								
Land and land improvements	\$ —	—	—	—	—	—	—	—
Works of art and historical treasures	—	—	—	—	—	—	—	—
Construction work in progress (CWIP)	—	—	—	—	—	—	—	—
Intangible assets:								
Rights and easements	—	—	—	—	—	—	—	—
Patents, copyrights and trademarks	—	—	—	—	—	—	—	—
Internally generated intangible assets in progress	—	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Other intangible assets:								
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Total intangible assets	—	—	—	—	—	—	—	—
Total nondepreciable/nonamortizable capital assets	—	—	—	—	—	—	—	—
Depreciable/amortizable capital assets:								
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:								
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Total intangible assets	—	—	—	—	—	—	—	—
Total depreciable/amortizable capital assets	—	—	—	—	—	—	—	—
Total capital assets	—	—	—	—	—	—	—	—
Less accumulated depreciation/amortization:								
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:								
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Total intangible assets	—	—	—	—	—	—	—	—
Total accumulated depreciation/amortization	—	—	—	—	—	—	—	—
Total capital assets, net	\$ —	—	—	—	—	—	—	—

North Campus - University Park Development Corporation

**Other Information
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(for inclusion in the California State University)

3.2 Detail of depreciation and amortization expense for the year ended June 30, 2017:

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

4 Long-term liabilities activity schedule:

	Balance June 30, 2016	Prior period adjustments	Reclassifications	Balance June 30, 2016 (restated)	Additions	Reductions	Balance June 30, 2017	Current portion	Long-term portion
Accrued compensated absences	\$ —	—	—	—	—	—	—	—	—
Claims liability for losses and loss adjustment expenses	—	—	—	—	—	—	—	—	—
Capitalized lease obligations:									
Gross balance	—	—	—	—	—	—	—	—	—
Unamortized premium / (discount) on capitalized lease obligations	—	—	—	—	—	—	—	—	—
Total capitalized lease obligations	—	—	—	—	—	—	—	—	—
Long-term debt obligations:									
Auxiliary revenue bonds	—	—	—	—	—	—	—	—	—
Commercial paper	—	—	—	—	—	—	—	—	—
Notes payable related to SRB	—	—	—	—	—	—	—	—	—
Others: (list by type)									
Add description	—	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—	—
Total long-term debt obligations	—	—	—	—	—	—	—	—	—
Unamortized bond premium / (discount)	—	—	—	—	—	—	—	—	—
Total long-term debt obligations, net	—	—	—	—	—	—	—	—	—
Total long-term liabilities	\$ —	—	—	—	—	—	—	—	—

5 Future minimum lease payments - capitalized lease obligations:

	Capitalized lease obligations related to SRB			All other capitalized lease obligations			Total capitalized lease obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:									
2018	—	—	—	—	—	—	—	—	—
2019	—	—	—	—	—	—	—	—	—
2020	—	—	—	—	—	—	—	—	—
2021	—	—	—	—	—	—	—	—	—
2022	—	—	—	—	—	—	—	—	—
2023 - 2027	—	—	—	—	—	—	—	—	—
2028 - 2032	—	—	—	—	—	—	—	—	—
2033 - 2037	—	—	—	—	—	—	—	—	—
2038 - 2042	—	—	—	—	—	—	—	—	—
2043 - 2047	—	—	—	—	—	—	—	—	—
2048 - 2052	—	—	—	—	—	—	—	—	—
2053 - 2057	—	—	—	—	—	—	—	—	—
2058 - 2062	—	—	—	—	—	—	—	—	—
2063 - 2067	—	—	—	—	—	—	—	—	—
Total minimum lease payments	—	—	—	—	—	—	—	—	—
Less amounts representing interest									—
Present value of future minimum lease payments									—
Unamortized net premium (discount)									—
Total capitalized lease obligations									—
Less: current portion									—
Capitalized lease obligation, net of current portion									\$ <u>—</u>

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6 Long-term debt obligation schedule

	Auxiliary revenue bonds			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
	Year ending June 30:								
2018	\$ —	—	—	—	—	—	—	—	—
2019	—	—	—	—	—	—	—	—	—
2020	—	—	—	—	—	—	—	—	—
2021	—	—	—	—	—	—	—	—	—
2022	—	—	—	—	—	—	—	—	—
2023 - 2027	—	—	—	—	—	—	—	—	—
2028 - 2032	—	—	—	—	—	—	—	—	—
2033 - 2037	—	—	—	—	—	—	—	—	—
2038 - 2042	—	—	—	—	—	—	—	—	—
2043 - 2047	—	—	—	—	—	—	—	—	—
2048 - 2052	—	—	—	—	—	—	—	—	—
2053 - 2057	—	—	—	—	—	—	—	—	—
2058 - 2062	—	—	—	—	—	—	—	—	—
2063 - 2067	—	—	—	—	—	—	—	—	—
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									\$ —

7 Calculation of net position

7.1 Calculation of net position - net investment in capital assets

Capital assets, net of accumulated depreciation	\$ —
Capitalized lease obligations, current portion	—
Capitalized lease obligations, net of current portion	—
Long-term debt obligations, current portion	—
Long-term debt obligations, net of current portion	—
Portion of outstanding debt that is unspent at year-end	—
Other adjustments: (please list)	
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Net position - net investment in capital asset	\$ —

7.2 Calculation of net position - 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	—
Add description	—
Add description	—
Net position - Restricted for nonexpendable - endowments per SNP	\$ —

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8 Transactions with related entities

	<u>Amount</u>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 47,195
Payments to University for other than salaries of University personnel	250,000
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	—
Accounts (payable to) University (enter as negative number)	(4,354)
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	—
	<hr/>
Increase (decrease) in net OPEB obligation (NOO)	—
Other adjustments	—
	<hr/>
NOO - beginning of year	—
NOO - end of year	\$ <u>—</u>

10 Pollution remediation liabilities under GASB Statement No. 49:

<u>Description</u>	<u>Amount</u>
Add description	\$ —
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
	<hr/>
Total pollution remediation liabilities	\$ —
Less: current portion	—
	<hr/>
Pollution remediation liabilities, net of current portion	<u>—</u>

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

	<u>Net Position Class</u>	<u>Amount Dr. (Cr.)</u>
Net position as of June 30, 2016, as previously reported		\$ 2,535,072
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 position as of June 30, 2016, as restated		\$ <u>2,535,072</u>

Provide a detailed breakdown of the journal entries (at the financial statement line item level) booked to record each prior p

	<u>Debit</u>	<u>Credit</u>
Net position class: _____		
1 (breakdown of adjusting journal entry)	\$ —	—
Net position class: _____		
2 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
3 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
4 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
5 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
6 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
7 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
8 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
9 (breakdown of adjusting journal entry)	—	—
Net position class: _____		
10 (breakdown of adjusting journal entry)	—	—

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