

**North Campus - University Park  
Development Corporation**

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

**June 30, 2015**

# North Campus - University Park Development Corporation

## Index

	<u>Page</u>
Independent Auditor's Report	2
Financial Statements	
Statement of Financial Position	4
Statement of Activities	5
Statement of Cash Flows	6
Notes to Financial Statements	7
Supplementary Information	
Schedule of Net Position	14
Schedule of Revenues, Expenses and Changes in Net Position	15
Other Information	16

## 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, 2015, 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, 2015, 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*

The summarized comparative information of North Campus - University Park Development Corporation as of June 30, 2014 and for the year then ended were audited by other auditors whose report dated September 12, 2014 expressed an unmodified opinion on that information.

### *Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

A handwritten signature in cursive script that reads "Cohn Reznick LLP".

Los Angeles, California  
September 17, 2015

**North Campus - University Park Development Corporation**

**Statement of Financial Position  
June 30, 2015  
With Summarized Totals at June 30, 2014**

	<u>Assets</u>	
	<u>2015</u>	<u>2014</u>
Current assets		
Cash and cash equivalents	\$ 191,042	\$ 280,183
Short-term investments	1,533,826	1,138,971
Accounts receivable	-	2,100
	<hr/>	<hr/>
Total current assets	1,724,868	1,421,254
Deferred rent receivable	<hr/>	<hr/>
	617,475	642,639
	<hr/>	<hr/>
Total	<u>\$ 2,342,343</u>	<u>\$ 2,063,893</u>
	<u>Liabilities and Net Assets</u>	
Liabilities		
Accounts payable and accrued expenses	\$ 11,180	\$ 18,160
Deferred revenue	43,958	39,967
Security deposit	18,786	18,786
	<hr/>	<hr/>
Total liabilities	73,924	76,913
Net assets		
Unrestricted	<hr/>	<hr/>
	2,268,419	1,986,980
	<hr/>	<hr/>
Total	<u>\$ 2,342,343</u>	<u>\$ 2,063,893</u>

See Notes to Financial Statements.

North Campus - University Park Development Corporation

Statement of Activities  
Year Ended June 30, 2015  
With Summarized Totals for the Year Ended June 30, 2014

	<u>2015</u>	<u>2014</u>
Revenues		
Lease revenue	\$ 664,071	\$ 573,200
Other operating revenue	31,401	32,320
Investment income (loss), net	<u>(11,003)</u>	<u>143,701</u>
Total revenues	<u>684,469</u>	<u>749,221</u>
Expenses		
Program services		
Operating	147,691	116,544
University projects	<u>250,000</u>	<u>200,000</u>
Total program services	<u>397,691</u>	<u>316,544</u>
Supporting services		
General and administrative	<u>5,339</u>	<u>4,714</u>
Total supporting services	<u>5,339</u>	<u>4,714</u>
Total expenses	<u>403,030</u>	<u>321,258</u>
Change in net assets	281,439	427,963
Net assets, beginning of year	<u>1,986,980</u>	<u>1,559,017</u>
Net assets, end of year	<u><u>\$ 2,268,419</u></u>	<u><u>\$ 1,986,980</u></u>

See Notes to Financial Statements.

**North Campus - University Park Development Corporation**

**Statement of Cash Flow**  
**Year Ended June 30, 2015**  
**With Summarized Totals for the Year Ended June 30, 2014**

	<u>2015</u>	<u>2014</u>
Operating activities		
Change in net assets	\$ 281,439	\$ 427,963
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Realized and unrealized (gain) loss on investments	39,326	(123,289)
Changes in operating assets and liabilities		
Deferred rent receivable	25,164	25,164
Accounts receivable	2,100	(1,500)
Accounts payable and accrued expenses	(6,980)	10,310
Deferred revenue	3,991	-
	<u>345,040</u>	<u>338,648</u>
Net cash provided by operating activities		
Investing activities		
Proceeds from the sale of investments	-	1,995
Purchase of investments	(434,181)	(259,563)
	<u>(434,181)</u>	<u>(257,568)</u>
Net cash used in investing activities		
Net increase (decrease) in cash and cash equivalents	(89,141)	81,080
Cash and cash equivalents, beginning of year	<u>280,183</u>	<u>199,103</u>
Cash and cash equivalents, end of year	<u>\$ 191,042</u>	<u>\$ 280,183</u>

See Notes to Financial Statements.

# North Campus - University Park Development Corporation

## Notes to Financial Statements June 30, 2015

### 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") 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. Capital totaling \$4.6 million to form and begin the project was contributed by Watt Industries.

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 real estate market conditions, the Board of Directors 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.

#### **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, 2015, the Corporation does not have any temporarily restricted net assets.



## North Campus - University Park Development Corporation

### Notes to Financial Statements June 30, 2015

*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, 2015, 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.

#### **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 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.

## North Campus - University Park Development Corporation

### Notes to Financial Statements June 30, 2015

#### **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.

The Corporation has no unrecognized tax benefits at June 30, 2015. The Corporation's Federal income tax returns for fiscal years 2014, 2013 and 2012 remain open. The Corporation's state income tax returns for fiscal years 2014, 2013, 2012 and 2011 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 but not by net asset class. 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, 2014, from which the summarized information was derived.

#### **Subsequent events**

The Corporation has evaluated subsequent events through September 17, 2015, which is the date these financial statements were available to be issued.

## North Campus - University Park Development Corporation

### Notes to Financial Statements June 30, 2015

#### 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, 2015, 100% of the Organizations rental revenues were from two tenants.

#### Note 3 - Investments

At June 30, 2015, investments consist of the following:

Mutual funds	
Equities	
Large cap core	\$ 372,060
Small cap core	95,343
International developed	318,200
International emerging markets	134,960
Fixed income	
Intermediate term bond	400,253
High yield bond	65,770
Real estate funds	73,673
Commodities	73,567
	<hr/>
Total	\$ 1,533,826

Investment income (loss) for the year ended June 30, 2015 is as follows:

Realized gain	\$ 5,088
Unrealized loss	(44,414)
Interest and dividend income	35,731
Investment fees	(7,408)
	<hr/>
Total	\$ (11,003)

**North Campus - University Park Development Corporation**

**Notes to Financial Statements  
June 30, 2015**

**Note 4 - Fair value measurements**

At June 30, 2015, 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	\$ 920,563	\$ -	\$ -	\$ 920,563
Fixed income	466,023	-	-	466,023
Real estate funds	73,673	-	-	73,673
Commodities	<u>73,567</u>	<u>-</u>	<u>-</u>	<u>73,567</u>
Totals	<u>\$ 1,533,826</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,533,826</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, 2015, 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, 2015 was \$478,362, which includes a rent increase of 10% on January 1, 2015. 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, 2015, deferred rent receivable is \$617,475.

On June 7, 2013, the Corporation entered into a three-year lease with Rydell Chevrolet 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. Rental income for the year ended June 30, 2015 was \$185,709.

## North Campus - University Park Development Corporation

### Notes to Financial Statements June 30, 2015

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

Year ending June 30,	Medtronic MiniMed, Inc.	Rydell Chevrolet	Total
2016	\$ 527,498	\$ 165,407	\$ 692,905
2017	527,498	-	527,498
2018	527,498	-	527,498
2019	527,498	-	527,498
2020	527,498	-	527,498
Thereafter	10,286,219	-	10,286,219
Total	<u>\$ 12,923,709</u>	<u>\$ 165,407</u>	<u>\$ 13,089,116</u>

#### Note 6 - Related party transactions

During the year ended June 30, 2015, the Corporation incurred expenses of \$40,934 to the University relating to salaries, benefits, audit fees, police and physical plant management support. At June 30, 2015, \$8,217 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, 2015, 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, 2015, salaries and benefits of the Corporation of \$20,079 are allocated from TUC. At June 30, 2015, \$2,163 is due to TUC and is included in accounts payable and accrued expenses in the accompanying statement of financial position.

## **Supplementary Information**

North Campus Development Corporation

Schedule of Net Position

June 30, 2015

(for inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	\$ 191,042
Short-term investments	1,533,825
Accounts receivable, net	—
Leases receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net	—
Prepaid expenses and other assets	—
Total current assets	<u>1,724,867</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	617,476
Total noncurrent assets	<u>617,476</u>
Total assets	<u>2,342,343</u>
Deferred outflows of resources:	
Unamortized loss on debt refunding	—
Net pension obligation	—
Total deferred outflows of resources	<u>—</u>
Liabilities:	
Current liabilities:	
Accounts payable	1,570
Accrued salaries and benefits payable	9,610
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 LAE - current portion	—
Depository accounts	18,786
Other liabilities	—
Total current liabilities	<u>73,924</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 LAE, net of current portion	—
Depository accounts	—
Other postemployment benefits obligator	—
Pension obligation	—
Other liabilities	—
Total noncurrent liabilities	<u>—</u>
Total liabilities	<u>73,924</u>
Deferred inflows of resources:	
Unamortized gain on debt refunding	—
Non-exchange transactions	—
Service concession arrangements	—
Net pension obligation	—
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	—
Other	—
Unrestricted	2,268,419
Total net position	<u>\$ 2,268,419</u>

See Independent Auditor's Report.

**North Campus Development Corporation**

**Schedule of Revenues, Expenses, and Changes in Net Position  
Year Ended June 30, 2015**

(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		695,472
		695,472
Total operating revenues		695,472

Expenses:

Operating expenses:

Instruction		—
Research		—
Public service		—
Academic support		—
Student services		—
Institutional support		250,000
Operation and maintenance of plant		58,136
Student grants and scholarships		—
Auxiliary enterprise expenses		94,894
Depreciation and amortization		—
		403,030
Total operating expenses		403,030
Operating income (loss)		292,442

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		(11,003)
Endowment income (loss), net		—
Interest Expenses		—
Other nonoperating revenues (expenses)		—
		(11,003)
Net nonoperating revenues (expenses)		(11,003)
Income (loss) before other additions		281,439
State appropriations, capital		—
Grants and gifts, capital		—
Additions (reductions) to permanent endowments		—
		281,439
Increase (decrease) in net position		281,439
Net position:		
Net position at beginning of year, as previously reported		1,986,980
Restatements		—
Net position at beginning of year, as restated		1,986,980
Net position at end of year	\$	2,268,419

See Independent Auditor's Report.







**North Campus Development Corporation**  
Other Information  
June 30, 2015  
(for inclusion in the California State University)

**3.2 Detail of depreciation and amortization expense for the year ended June 30, 2015:**

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, 2014	Prior period adjustments	Reclassifications	Balance June 30, 2014 (restated)	Additions	Reductions	Balance June 30, 2015	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	—	—	—	—	—	—	—	—	—
Note Payable related to SRB	—	—	—	—	—	—	—	—	—
Other:									
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 - capital lease obligations:**

	Principal	Interest	Principal and Interest
Year ending June 30:			
2015	—	—	—
2016	—	—	—
2017	—	—	—
2018	—	—	—
2019	—	—	—
2020 - 2024	—	—	—
2025 - 2029	—	—	—
2030 - 2034	—	—	—
2035 - 2039	—	—	—
2040 - 2044	—	—	—
2045 - 2049	—	—	—
2050 - 2054	—	—	—
2055 - 2059	—	—	—
2060 - 2064	—	—	—
Total minimum lease payments			—
Less amounts representing interest			—
Present value of future minimum lease payments			—
Less: current portion			—
<b>Capitalized lease obligation, net of current portion</b>			<u>\$ —</u>

See Independent Auditor's Report.

**North Campus Development Corporation**  
 Other Information  
 June 30, 2015  
 (for inclusion in the California State University)

**6 Long-term debt obligation schedule**

	Revenue Bonds			All other long-term debt obligations			Total		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Year ending June 30:									
2015	\$ —	—	—	—	—	—	—	—	—
2016	—	—	—	—	—	—	—	—	—
2017	—	—	—	—	—	—	—	—	—
2018	—	—	—	—	—	—	—	—	—
2019	—	—	—	—	—	—	—	—	—
2020 - 2024	—	—	—	—	—	—	—	—	—
2025 - 2029	—	—	—	—	—	—	—	—	—
2030 - 2034	—	—	—	—	—	—	—	—	—
2035 - 2039	—	—	—	—	—	—	—	—	—
2040 - 2044	—	—	—	—	—	—	—	—	—
2045 - 2049	—	—	—	—	—	—	—	—	—
2050 - 2054	—	—	—	—	—	—	—	—	—
2055 - 2059	—	—	—	—	—	—	—	—	—
2060 - 2064	—	—	—	—	—	—	—	—	—
<b>Total</b>	<b>\$ —</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

OK

**7 Calculation of net position**

	Auxiliary Organizations		Total
	GASB	FASB	Auxiliaries
<b>7.1 Calculation of net position - Net investment in capital assets</b>			
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	—	—	—
<b>Net position - net investment in capital asset</b>	<b>\$ —</b>	<b>—</b>	<b>—</b>
<b>7.2 Calculation of net position - Restricted for nonexpendable - endowments</b>			
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	—	—	—
<b>Net position - Restricted for nonexpendable - endowments per SNP</b>	<b>\$ —</b>	<b>—</b>	<b>—</b>

See Independent Auditor's Report.

**North Campus Development Corporation**  
 Other Information  
 June 30, 2015  
 (for inclusion in the California State University)

**8 Transactions with Related Entities**

	<b>Amount</b>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 40,934
Payments to University for other than salaries of University personnel	257,986
Payments received from University for services, space, and programs	2,100
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)	(8,217)
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 GASB Statement No. 49:**

<b>Description</b>		<b>Amount</b>
Add description	\$	—
Add description		—
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		—

**North Campus Development Corporation**  
 Other Information  
 June 30, 2015  
 (for inclusion in the California State University)

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

	<u>Net Position Class</u>	<u>Amount</u> <u>Dr. (Cr.)</u>
Net position as of June 30, 2014, as previously reported		\$ 1,986,980
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, 2014, as restated		<u>\$ 1,986,980</u>

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

	<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)	—	—