The University Corporation

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

June 30, 2022

CohnReznick
ADVISORY • ASSURANCE • TAX

The University Corporation

Index

	Page
Independent Auditor's Report	2
Financial Statements	
Statement of Financial Position	5
Statement of Activities	6
Statement of Functional Expenses	7
Statement of Cash Flows	8
Notes to Financial Statements	10
Supplementary Information	
Schedule of Net Position	26
Schedule of Revenues, Expenses and Changes in Net Position	27
Other Information	28
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	34

Independent Auditor's Report

The Board of Directors
The University Corporation
(A California State University Auxiliary Organization)

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of The University Corporation, which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The University Corporation as of June 30, 2022, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The University Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The University Corporation's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The University Corporation's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The University Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited The University Corporation's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 16, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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 the 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2022 on our consideration of The University Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The University Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The University Corporation's internal control over financial reporting and compliance.

CohnReznick LLP

Los Angeles, California
September 14, 2022

The University Corporation

Statement of Financial Position
June 30, 2022
With Summarized Totals at June 30, 2021

Assets

	2022	2021
Current assets		
Cash and cash equivalents	$ 7,491,477	$ 8,328,119
Short-term investments	8,679,312	7,980,474
Grants and contracts receivable	8,078,886	6,166,905
Accounts receivable, net	275,066	504,691
Accounts receivable from the University	439,737	64,446
Accounts receivable from other University auxiliary organizations	24,080	9,075
Current portion of note receivable	4,763	4,486
Prepaid expenses and deposits	11,583	41
Total current assets	25,004,904	23,058,237
Advance to University for capital projects	-	38,959
Note receivable, net of current portion	28,104	32,548
Investments	27,119,584	29,936,042
Capital assets, net	20,246,690	21,803,341
Total	$ 72,399,282	$ 74,869,127

Liabilities and Net Assets

	2022	2021
Current liabilities		
Accounts payable	$ 2,141,495	$ 1,371,744
Other accrued liabilities	1,515,416	2,063,473
Current portion of accrued compensated absences	470,189	501,308
Current portion of postretirement benefit payable	148,653	137,631
Deposits held in custody for others	4,423,787	3,876,830
Deferred revenue	3,714,457	3,925,485
Current portion of long-term debt	785,000	695,000
Total current liabilities	13,198,997	12,571,471
Accrued compensated absences, net of current portion	201,509	214,846
Postretirement benefit payable, net of current portion	1,987,147	2,395,401
Long-term debt, net of current portion	8,453,859	9,339,982
Total liabilities	23,841,512	24,521,700
Commitments and contingencies		
Net assets		
Without donor restrictions		
Undesignated	33,069,482	33,752,696
Board designated	11,567,299	12,308,668
Total without donor restrictions	44,636,781	46,061,364
With donor restrictions	3,920,989	4,286,063
Total net assets	48,557,770	50,347,427
Total liabilities and net assets	$ 72,399,282	$ 74,869,127

See Notes to Financial Statements.

The University Corporation

Statement of Activities
Year Ended June 30, 2022
With Summarized Totals for the Year Ended June 30, 2021

	2022			2021
	Without donor restrictions	With donor restrictions	Total	Total
Operating revenues and support				
Auxiliary services				
Food service sales	$ 8,058,133	$ -	$ 8,058,133	$ 902,199
Bookstore commissions	1,049,082	-	1,049,082	609,176
Real estate rentals	1,589,562	-	1,589,562	1,660,406
University provided support	1,000,000	-	1,000,000	2,358,669
Total auxiliary services	11,696,777	-	11,696,777	5,530,450
Grants and contracts	31,405,046	-	31,405,046	29,140,052
Investment income (loss), net	(3,014,021)	(53,433)	(3,067,454)	5,042,504
Gain on sale of property	-	-	-	1,009,908
Other revenue	934,211	-	934,211	892,188
Net assets released from restrictions	311,641	(311,641)	-	-
Total operating revenues and support	41,333,654	(365,074)	40,968,580	41,615,102
Operating expenses				
Auxiliary services	9,396,035	-	9,396,035	4,710,339
Program services				
Grants and contracts	27,292,579	-	27,292,579	25,382,046
Student grants and scholarships	900,393	-	900,393	580,597
University support	2,533,226	-	2,533,226	569,860
Total program services	30,726,198	-	30,726,198	26,532,503
Supporting services				
General and administrative	2,966,545	-	2,966,545	2,808,801
Total operating expenses	43,088,778	-	43,088,778	34,051,643
Change in net assets from operating activities	(1,755,124)	(365,074)	(2,120,198)	7,563,459
Nonoperating expenses (income)				
Other components of net postretirement benefit cost	(149,719)	-	(149,719)	(163,212)
Other postretirement changes recognized	(180,822)	-	(180,822)	72,898
Net nonoperating expenses (income)	(330,541)	-	(330,541)	(90,314)
Change in net assets	(1,424,583)	(365,074)	(1,789,657)	7,653,773
Net assets, beginning	46,061,364	4,286,063	50,347,427	42,693,654
Net assets, end	$ 44,636,781	$ 3,920,989	$ 48,557,770	$ 50,347,427

See Notes to Financial Statements.

The University Corporation

Statement of Functional Expenses
Year Ended June 30, 2022
With Summarized Totals for the Year Ended June 30, 2021

	2022							2021
	Auxiliary services	Program services				Supporting services		
	Auxiliary services	Grants and contracts	Student grants, scholarships and faculty awards	University support	Total	General and administrative	Total	Total
Compensation and benefits	$ 3,052,489	$ 19,012,930	$ 326,522	$ -	$ 19,339,452	$ 1,554,742	$ 23,946,683	$ 21,719,130
University projects	-	-	-	2,533,226	2,533,226	-	2,533,226	569,860
Cost of goods sold	2,437,381	-	-	-	-	-	2,437,381	533,706
Depreciation and amortization	1,669,435	-	-	-	-	412,102	2,081,537	1,812,400
Interest expense	171,899	-	-	-	-	23,265	195,164	376,601
Professional services	621,973	2,299,064	79,206	-	2,378,270	447,034	3,447,277	3,536,456
Insurance	156,118	103,308	-	-	103,308	65,280	324,706	346,197
Supplies	180,949	156,874	6,383	-	163,257	16,697	360,903	439,169
Scholarships and program costs	-	1,154,776	118,168	-	1,272,944	-	1,272,944	1,037,429
Fees and charges	184,430	-	-	-	-	7,702	192,132	180,871
Utilities	208,979	233,810	-	-	233,810	214,557	657,346	456,520
Marketing and advertising	69,534	327	-	-	327	5,480	75,341	16,683
Repairs and maintenance	516,496	105,017	-	-	105,017	187,084	808,597	565,051
Other expenses	126,352	868,973	370,114	-	1,239,087	32,602	1,398,041	446,926
Program materials and equipment	-	3,357,500	-	-	3,357,500	-	3,357,500	2,014,644
Total operating expenses	9,396,035	27,292,579	900,393	2,533,226	30,726,198	2,966,545	43,088,778	34,051,643
Other components of net postretirement benefit cost	(37,430)	(44,916)	-	-	(44,916)	(67,373)	(149,719)	(163,212)
	$ 9,358,605	$ 27,247,663	$ 900,393	$ 2,533,226	$ 30,681,282	$ 2,899,172	$ 42,939,059	$ 33,888,431

See Notes to Financial Statements.

The University Corporation

Statement of Cash Flows
Year Ended June 30, 2022
With Summarized Totals for the Year Ended June 30, 2021

	2022	2021
Cash flows from operating activities		
Change in net assets	$ (1,789,657)	$ 7,653,773
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Gain on sale of property and equipment	-	(1,009,908)
Depreciation and amortization	2,081,537	1,812,400
Net realized and unrealized (gains) losses on investments	4,089,231	(4,199,749)
Postretirement benefits	(180,822)	72,898
Amortization of bond premiums	(101,123)	(103,360)
Changes in operating assets and liabilities		
Grants and contracts receivable	(1,911,981)	521,999
Accounts receivable	229,625	(125,056)
Accounts receivable from the University	(375,291)	136,632
Accounts receivable from other University auxiliary organizations	(15,005)	11,792
Inventory	-	117,779
Prepaid expenses and deposits	(11,542)	13,974
Accounts payable	769,751	96,970
Other accrued liabilities	(592,513)	(429,326)
Deposits held in custody for others	546,957	268,831
Postretirement benefit payable	(216,410)	(165,779)
Deferred revenue	(211,028)	1,327,319
Net cash provided by operating activities	2,311,729	6,001,189
Cash flows from investing activities		
Purchase of capital assets	(524,886)	(399,507)
Proceeds from sale of property and equipment	-	1,364,908
Refund from University for capital projects	38,959	360,902
Payments from note receivable	4,167	4,268
Purchases of investments	(10,560,360)	(25,400,250)
Proceeds from sales of investments	8,588,749	16,845,038
Net cash used in investing activities	(2,453,371)	(7,224,641)
Cash flows from financing activities		
Payments on long-term debt	(695,000)	(627,848)
Net decrease in cash and cash equivalents	(836,642)	(1,851,300)
Cash and cash equivalents, beginning	8,328,119	10,179,419
Cash and cash equivalents, end	$ 7,491,477	$ 8,328,119

See Notes to Financial Statements.

The University Corporation

Statement of Cash Flows
Year Ended June 30, 2022
With Summarized Totals for the Year Ended June 30, 2021

	2022	2021
Supplemental disclosure of noncash investing and financing activities		
Advances to University applied to capital projects	$ -	$ 3,116,289
Supplemental disclosure of cash flow information		
Interest paid during the year	$ 294,694	$ 446,409

See Notes to Financial Statements.

Note 1 - Business activity and summary of significant accounting policies

Business activity

The University Corporation (the "Corporation") is a California State University auxiliary organization located on the campus of California State University, Northridge (the "University"). The Corporation operates food services and vending operations; administers various funds and grants; owns and manages faculty and staff housing; is responsible for the bookstore operations through a third-party operator; and performs other activities related to the University community. The Corporation is also responsible for the licensing of campus facilities, logos, and trademarks via an operating agreement with the University.

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 Accounting Standards Codification Topic 958. Under this standard, 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:

Net assets without donor restrictions - These generally result from revenues generated by receiving contributions without donor restrictions, providing services, and receiving income from investments less expenses incurred in providing program related services, raising contributions and performing administrative functions. At June 30, 2022, the Corporation has $11,567,299 of board designated net assets (see Note 10).

Net assets with donor restrictions - The Corporation reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time, purpose, or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature where the donor stipulates that resources be maintained in perpetuity. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from purpose or time restrictions. At June 30, 2022, the Corporation has $3,920,989 of net assets with donor restrictions (see Note 10).

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.

Accounts receivable

Accounts receivable are stated at unpaid balances less an allowance for doubtful accounts. The Corporation provides for losses on receivables using the allowance method which is based on experience and other circumstances. The Corporation had approximately $5,000 in allowance for doubtful accounts at June 30, 2022.

Grants and contracts
Grants and contracts revenue are conditioned upon certain performance requirements and the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when we have incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the statement of financial position. At June 30, 2022, the Corporation has received grant advances of $1,904,782 which is included in deferred revenue because qualifying expenditures have not yet been incurred. The Corporation considers all grants and contracts receivable to be fully collectible and, as such, an allowance for doubtful accounts is not considered necessary.

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

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.

Capital assets
Capital assets are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets, which range from three to thirty years. Building and leasehold improvements are stated at cost and are amortized using the straight-line method over the shorter of the estimated useful life of the asset or the lease term. Repairs and maintenance are charged to expense as incurred.

Deposits held in custody for others
Funds administered by the Corporation on behalf of University academic and administrative units and other campus organizations are recorded as deposits held in custody for others. It is management's belief that the Corporation is acting as an agent for the transactions of these units. Accordingly, the financial activities of such units have not been recorded in the accompanying statement of activities.

Revenue recognition
The Corporation recognizes revenues from auxiliary services when earned. Revenues from food service sales are recognized when sold. The bookstore is operated by a third party in accordance with a revenue sharing agreement of which the Corporation is entitled to a commission percentage

of the sales. Bookstore commissions are recognized as revenue when the commissions are earned. Real estate rental revenue is recognized in the period earned, according to lease contract terms. Deferred revenue consists of amounts received which have not been earned and include gift cards, meal plans and maintenance advances. These amounts are transferred to revenue when earned.

Advertising costs
Advertising costs are charged to expense as incurred. There was no advertising expense for the year ended June 30, 2022.

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 between functional services based on personnel time and space utilized for activities.

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, 2022. The Corporation's federal income tax returns for fiscal years 2021, 2020 and 2019 remain open. The Corporation's state income tax returns for fiscal years 2021, 2020, 2019 and 2018 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 accounts payable and 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, 2021, from which the summarized information was derived.

Recent accounting pronouncements
In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 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. ASU 2016-02 will be effective for the Corporation for the year beginning July 1, 2022. The Corporation is currently evaluating the impact of this ASU and expects that certain leases will be recorded as lease assets and lease liabilities, but the full impact has not yet been determined.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses*. The new standard changes the accounting for the allowance for credit losses from a historical loss model to an estimate of current expected credit loss ("CECL") model. Under the historic loss model, losses were recognized as they were incurred. The CECL model is applicable to all financial instruments that are not accounted for at fair value through net income. ASU 2016-13 will be effective for the Corporation for the year beginning July 1, 2022. The Corporation has yet to determine the potential impact, if any.

Note 2 - Liquidity and availability

The Corporation regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Corporation has various sources of liquidity at its disposal, including cash and cash equivalents, receivables, and marketable equity securities. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Corporation considers all expenditures related to its ongoing activities as well as the conduct of services undertaken to support those activities to be general expenditures.

At June 30, 2022, the Corporation had the following financial assets and liquidity resources available over the next 12 months:

Cash and cash equivalents	$ 7,491,477
Short-term investments	8,679,312
Grants and contracts receivable	8,078,886
Accounts receivable, net	738,883
Current portion of note receivable	4,763
	$ 24,993,321

Note 3 - Concentrations

Financial instruments which potentially subject the Corporation to concentrations of credit risk consist primarily of cash and cash equivalents. 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.

Note 4 - Investments

At June 30, 2022, investments consist of the following:

Equities	$ 11,459,908
Mutual funds	8,204,378
Debt securities	7,615,536
Pooled investment with the University	4,478,069
Certificates of deposit	2,316,289
Other	6,000
	34,080,180
Public safety building	1,718,716
Total	$ 35,798,896

These investments are disclosed in the accompanying statement of financial position as follows:

Short-term investments	$ 8,679,312
Long-term investments	27,119,584
	$ 35,798,896

The Corporation and the parking authority of the University have an investment in a public safety building which was initially recorded at fair value. The Corporation has a two-thirds interest in this investment. During the year ended June 30, 2011, the Corporation and the administration of the University reached an agreement that the University will repay the Corporation the remaining balance of $1,718,716 by June 30, 2025. During the year ended June 30, 2022, the Corporation received payments of $515,795 relating to the public safety building, which provides a return on the investment of approximately 5%. Upon full recovery of this investment, ownership of the public safety building will be transferred to the University.

The Corporation established investment funds to be managed by graduate and undergraduate University finance students and faculty. At June 30, 2022, the amount of student managed funds was $2,962,725, of which, $2,691,175 is included in investments and $271,550 is included in cash and cash equivalents.

Note 5 - Fair value measurements

At June 30, 2022, investments are carried at fair value and are classified in the table below in one of the three categories as described in Note 1:

	Level 1	Level 2	Level 3	Investments measured at NAV	Total
Equities	$ 11,459,908	$ -	$ -	$ -	$ 11,459,908
Mutual funds	8,204,378	-	-	-	8,204,378
Debt securities	-	7,615,536	-	-	7,615,536
Pooled investment	-	-	-	4,478,069	4,478,069
Certificates of deposit	-	2,316,289	-	-	2,316,289
Other	6,000	-	-	-	6,000
	$ 19,670,286	$ 9,931,825	$ -	$ 4,478,069	$ 34,080,180

Valuations of equities and mutual funds are obtained from real-time quotes for transactions in active exchange markets involving identical assets. Money market funds are valued based on investment yield. The pooled investment represents funds pooled with the University invested in the System Wide Investment Fund Trust ("SWIFT"). The pooled investment is valued based on the underlying investments in the pooled fund and classified as investments measured at net asset value ("NAV") in the table above. There are no unfunded commitments.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Corporation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Corporation's policy is to recognize transfers in and transfers out as of the actual date of the event or change in circumstance that caused the transfer.

Note 6 - Endowment

The Corporation's endowment includes donor-restricted funds and funds designated by the Board of Directors to function as endowments. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence of donor-imposed restrictions.

The Board of Directors of the Corporation has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Corporation classifies as perpetually restricted net assets (a) the original value of gifts donated to the perpetually restricted endowment, (b) the original value of subsequent gifts to the perpetually restricted endowment, and (c) accumulations to the perpetually restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in perpetually restricted net assets is classified as net assets with time or purpose restrictions until those amounts are appropriated for expenditure by the Corporation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Corporation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the Corporation and the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Corporation, and (7) the Corporation's investment policies.

Investment return objectives, risk parameters and strategies

The funds entrusted to the Corporation will be pooled in an actively managed portfolio, except when precluded by a donor or granting agency. The Corporation will participate in standards within the content of the "Prudent Investor" rule, which states: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

The primary investment objective is to achieve risk-adjusted real returns necessary to preserve and grow capital and to support the long-term and short-term spending requirements of the Corporation. The Corporation and its investment managers must properly balance the following overall objectives:

1. *Liquidity*. The Corporation's investment portfolio will remain satisfactorily liquid to enable it to meet anticipated operating and cash flow requirements, which are to be analyzed continuously.

2. *Return on investment*. The investment portfolio will be designed to attain a market rate or better rate of return throughout a full economic cycle.

3. *Preservation of capital*. Sufficient limitations are placed on risks associated with the implementation of the return on investment objective and to protect the portfolio through the diversification of assets and the setting of specific quality standards.

The long-term investment pool includes all endowment and certain reserve funds and is invested with a focus on long-term growth of capital through asset diversification. The investment target mix for the long-term pool will be 25% - 70% equities, 10% - 25% fixed income, 0% - 50% alternative investments - real assets and 0% - 5% cash. The Corporation prohibits investments that jeopardize the non-profit status of the Corporation or unduly jeopardizes the safety of principal.

Spending policy

The Corporation has a policy of appropriating for distribution each year 4% of its prior year ending combined balance of the corpus and growth accounts. The total amount available to spend consists of the spending allocation plus any unspent dollars remaining from prior years. A quarterly report is forwarded to all endowment custodians containing the amount of available funds they can spend. All endowment expenditures have to be authorized by the respective endowment custodian. Endowment custodians include various University department chairs and the Office of Academic Affairs.

Endowment net asset composition by type of fund as of June 30, 2022 is as follows:

	Without donor restrictions	With donor restrictions: Time or purpose restricted	With donor restrictions: Perpetually restricted	Total
Donor restricted	$ -	$ 60,196	$ 3,860,793	$ 3,920,989
Board designated	5,539,691	-	-	5,539,691
Total funds	$ 5,539,691	$ 60,196	$ 3,860,793	$ 9,460,680

Changes in endowment net assets for the year ended June 30, 2022 are as follows:

	Without donor restrictions	With donor restrictions: Time or purpose restricted	With donor restrictions: Perpetually restricted	Total
Endowment net assets, beginning	$ 6,473,774	$ 422,270	$ 3,860,793	$ 10,756,837
Investment income	170,960	11,151	-	182,111
Net realized and unrealized losses	(990,133)	(64,584)	-	(1,054,717)
Appropriated for expenditure	(114,910)	(308,641)	-	(423,551)
Endowment net assets, end	$ 5,539,691	$ 60,196	$ 3,860,793	$ 9,460,680

As of June 30, 2022, there were no deficiencies of donor-restricted endowment funds.

Note 7 - Capital assets

At June 30, 2022, capital assets consist of the following:

Capital leases	$ 12,914,389
Buildings	11,572,675
Building improvements	17,366,255
Furniture, fixtures, and equipment	5,955,764
Computers and software	989,407
Land	
Land component from acquired single family homes	1,303,281
Empty lots	479,887
College court	938,619
Reseda building	2,000,000
Construction in progress	59,093
Construction in progress - software	53,097
Solar observatory	1
	53,632,468
Less accumulated depreciation and amortization	(33,385,778)
	$ 20,246,690

Depreciation and amortization expense for the year ended June 30, 2022 was $2,081,537.

In January 1976, the Corporation received from Aerospace Corporation a gift of a solar observatory situated on the Van Norman Reservoir in the San Fernando Valley. The Corporation recorded this gift as a capital asset at a nominal value of $1 because of the unique nature of, and limited market for, the facility at the date of gift.

Note 8 - Long-term debt

At June 30, 2022, long-term debt consists of the following bonds and capital leases:

Bonds payable	
On August 1, 2018, the California State University ("CSU") System issued $1,500,000 in System Wide Revenue Bonds ("SRB") to refund 2008 SRB used to acquire 28 faculty/staff housing units ("College Court"). The bond is payable in varying annual installments and matures in November 2025. Interest is payable semi-annually at rates ranging from 4.00% to 5.00%. The bond includes a net bond premium of $103,810 which is being amortized over the life of the bond.	$ 918,810
On May 26, 2015, the CSU System issued $3,415,000 in commercial paper to fund the acquisition of the Reseda building ("Reseda"). The commercial paper was converted into an SRB in August 2015. The bond is payable in varying annual installments and matures in November 2045. Interest is payable semi-annually at rates ranging from 3.00% to 5.00%. The bond includes a net bond premium of $295,693 which is being amortized over the life of the bond.	3,015,693
Total bonds payable	3,934,503
Capital leases	
The Corporation and the trustees of the CSU signed a 30-year capital lease for the Sierra Center Building effective October 2003. The three-story building incorporates food service units, indoor and outdoor seating, and office spaces. On September 14, 2011, the CSU System completed a partial refinancing of the SRB connected with the Sierra Center Building capital lease. The face amount of the bonds refinanced was $2,485,000. On August 1, 2012, the CSU System completed a refinancing of the remaining 2003 SRB connected with the Sierra Center Building capital lease. The face amount of the bonds refinanced was $3,145,000. On September 1, 2020, the CSU completed a partial refinancing of the 2012 SRB connected with the Sierra Center Building capital lease. The face amount of the bonds refinanced was $3,730,000. The bonds are payable in varying annual installments maturing through November 2033. Interest is payable semi-annually at rates ranging from 0.55% to 5.00%. The bond includes a net bond discount of $43,416 which is being amortized over the life of the bond.	4,071,583
The Corporation and the trustees of the CSU System signed an 18-year lease for the Matador Bookstore Complex addition effective March 2007. The CSU System issued $3,945,000 in SRB in relation to the capital lease. The bond is payable in varying annual installments and matures in May 2026. In March 2017, the bond terms were modified resulting in an additional bond premium of $323,556. Interest is payable semi-annually at rates ranging from 4.00% to 5.00%. The bond includes a net bond premium of $167,773 which is being amortized over the life of the bond.	1,232,773
Total capital leases	5,304,356
Total long-term debt	9,238,859
Less current portion	(785,000)
Total long-term debt, net of current portion	$ 8,453,859

Future minimum principal payments on the Corporation's bonds payable for each of the next five years and thereafter subsequent to June 30, 2022 are as follows:

	CSU SRB College Court	CSU SRB Reseda	Total
2023	$ 190,000	$ 60,000	$ 250,000
2024	200,000	65,000	265,000
2025	205,000	70,000	275,000
2026	220,000	70,000	290,000
2027	-	75,000	75,000
Thereafter	-	2,380,000	2,380,000
	815,000	2,720,000	3,535,000
Bond premium	103,810	295,693	399,503
Total	$ 918,810	$ 3,015,693	$ 3,934,503

The estimated future minimum lease payments for each of the next five years and thereafter subsequent to June 30, 2022 under the capital leases are included in the above long-term debt schedule as follows:

	Sierra Center Building	Matador Bookstore Complex	Total
2023	$ 345,738	$ 292,125	$ 637,863
2024	394,425	294,500	688,925
2025	387,470	296,125	683,595
2026	384,840	292,125	676,965
2027	376,480	-	376,480
Thereafter	2,659,165	-	2,659,165
	4,548,118	1,174,875	5,722,993
Bond (discount) premium	(43,416)	167,773	124,357
Less amounts representing interest	(433,119)	(109,875)	(542,994)
	$ 4,071,583	$ 1,232,773	$ 5,304,356

At June 30, 2022, the gross amount of capital leases and related accumulated amortization recorded under capital leases were as follows:

Capital leases	$ 12,914,389
Less accumulated amortization	(10,366,263)
	$ 2,548,126

Note 9 - Postretirement benefit plan

The Corporation has a postretirement benefit plan (the "Plan") which provides postretirement medical benefits. Employees are eligible if they are either age 65 with 10 years of qualifying service, age 62 with 15 years of qualifying service or age 60 with 20 years of qualifying service. The Corporation currently pays 85% of the cost up to a maximum level. The current maximum is $725 per month for retiree coverage and up to an additional $652 per month for dependent coverage.

Retirees over age 65 may opt for the Medicare Risk Program. Under this option, the Corporation pays only the Medicare Part B premium. Any cost associated in the future with the Medicare Risk Program will be paid by the retiree. Retiree contributions fund the cost of coverage exceeding these amounts.

The Corporation's postretirement benefits include the effects of the Affordable Care Act (the "Act"). The Act provides health care benefits for individuals who previously were not eligible for health care. The Corporation's Plan takes into account the effects of the Act, which resulted in additional participants in the Plan.

The following tables provide further information about the Plan:

Benefit obligation at beginning of year	$ 2,533,032
Service cost	59,321
Interest cost	65,714
Actuarial (gains) losses	(396,255)
Benefits paid	(126,012)
Benefit obligation at end of year	2,135,800
Fair value of plan assets at beginning of year	-
Actual return on plan assets	-
Employer contributions	126,012
Benefits paid	(126,012)
Fair value of assets at end of year	-
Net unfunded status	$ 2,135,800

Amounts recognized in the statement of financial position consist of the following:

Current liabilities	$	148,653
Noncurrent liabilities		1,987,147
Total recognized in the statement of financial position	$	2,135,800

Amounts recognized in the statement of activities consist of the following:

Service cost	$	59,321
Other components of net postretirement benefit cost		
Interest cost		65,714
Amortization of transition obligation		-
Amortization of unrecognized prior service cost		(57,743)
Amortization of unrecognized gain		(157,690)
Total other components of net postretirement benefit cost		(149,719)
Total net postretirement benefit cost ("NPBC")	$	(90,398)

Other changes recognized in changes in net assets without donor restrictions are as follows:

Prior service cost for period	$	-
Net gain for period		(396,255)
Amortization of transition obligation		-
Amortization of prior service cost		57,743
Amortization of net gain		157,690
Total changes recognized in changes in net assets without donor restrictions	$	(180,822)
Total changes recognized in NPBC and changes in net assets without donor restrictions	$	(271,220)

Assumptions
Weighted average assumptions used in accounting for the Plan were as follows:

Benefit obligations at June 30, 2022	
Discount rate	4.42%
Rate of return on Plan assets	N/A
Rate of compensation increase	N/A
Medical trend	
Initial	4.00%
Ultimate	4.00%
Number of years to ultimate	48 years

Cash flows
The following benefit payments, subsequent to June 30, are expected to be paid as follows:

Years beginning July 1,		
2022	$	148,653
2023		126,916
2024		114,361
2025		121,600
2026		106,025
2027 - 2030		627,484
	$	1,245,039

The Corporation expects to contribute the pay-as-you-go cost of $148,653 during the next fiscal year.

The following table includes the amounts in net assets without donor restrictions expected to be recognized as components of net periodic benefit cost over the 2022 - 2023 fiscal year:

Net actuarial gain (loss)	$	(180,633)
Net prior service (cost)		(57,743)

Note 10 - Net assets

Net assets with donor restrictions are restricted for the following purposes or periods:

Time or purpose		
Endowment	$	60,196
Perpetual		
Endowment		3,860,793
	$	3,920,989

Board designated net assets consist of the following:

Board designated endowments	$	5,539,691
Reserved for University support		5,092,192
Faculty and staff housing project operational reserve		935,416
	$	11,567,299

During the year ended June 30, 2022, North Campus - University Park Development Corporation ("NCDC") and the Corporation embarked on the process of developing a faculty and staff housing project on a portion of open lands on North Campus. This joint project will be pre-developed by NCDC and built, operated and owned by the Corporation as approved by the Corporation's Board of Directors. The project is currently in the pre-development phase, and its financial viability continues to be evaluated and monitored. NCDC has committed to fund the pre-development cost of

$2,000,000. To ensure the financial viability of the project, during the year ended June 30, 2022, the Corporation has established a faculty & staff housing operational reserve and set aside $935,416 to this reserve. Additionally, NCDC has also committed to establish a reserve by setting aside $500,000 per year to a NCDC board-approved reserve to help mitigate the negative cash outflows during the stabilization phase after the project is placed in service. NCDC's faculty and staffing housing operational reserve will be released to the Corporation upon the completion of construction and during the project's stabilization phase.

Note 11 - Employee retirement plan

The employee retirement plan, administered through The Principal Financial Group, is a defined contribution plan that received a favorable determination from the Internal Revenue Service in 1994. All eligible employees that complete over 1,000 hours of service in the plan year, complete two consecutive years of employment, and are age 21 or older are eligible for the plan. The employee retirement plan has four levels of employer matching with a maximum match of 10% of the employee's salary. Under the terms of the plan, the Corporation and its eligible employees make contributions which the Corporation deposits monthly with a trustee, The Principal Financial Group. Employees are 100% vested upon eligibility. Contributions payable at June 30, 2022 totaled $24,767. Pension expense for the year ended June 30, 2022 totaled $397,232, which is included in compensation and benefits in the accompanying statement of functional expenses.

Note 12 - Commitments and contingencies

The Corporation participates in a number of federal, state, and local grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Corporation expects such amounts, if any, to be immaterial to the Corporation's financial statements.

From time to time, the Corporation is named as a defendant in legal actions arising from its normal operations and is presented with claims for damages arising out of its actions. However, the Corporation is not currently named in any litigation.

Coronavirus

In December 2019, a novel strain of the coronavirus ("COVID-19") was reported. On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the disruption. Therefore, the extent of the financial impact and duration cannot be reasonably estimated at this time.

Note 13 - Related party transactions

The Corporation provides and receives services from the University, Associated Students, California State University, Northridge, Inc. ("ASI"), California State University, Northridge Foundation ("CSUN Foundation"), University Student Union, California State University, Northridge ("USU"), and NCDC.

Related party detail
At June 30, 2022, accounts receivable relating to these organizations are as follows:

Receivables		
University	$	439,737
NCDC		24,080
	$	463,817
Payables		
University	$	18,249

Accounts payable to related parties are included in accounts payable in the statement of financial position.

During the year ended June 30, 2022, the Corporation received $9,413,862 from the University for catering provided to the University, rental income for the Corporation's properties, cash receipts related to the Corporation's meal plan, payroll services, licensing, workshops and conferences. Of this total, $1,000,000 was provided to reimburse the Corporation for lost meal plan revenue due to COVID-19.

During the year ended June 30, 2022, amounts paid to the University were as follows:

Salaries and benefits	$	3,592,178
Services provided by campus		787,468
Other		1,014,763
Gifts		1,463,754
	$	6,858,163

During the year ended June 30, 2022, amounts received from other University auxiliary organizations were $200,989. Amounts received relate to catering services, food service management fees and payroll services. During the year ended June 30, 2022, the Corporation paid $524,527 to CSUN Foundation, $40,786 to USU, and $39,497 to ASI.

Note 14 - Subsequent events

In July and August of 2022, the Corporation made an all-cash purchase of a single family home located in Northridge, California for $1,430,000. The purchase is aligned with the Corporation's real estate investment strategy and further enhances California State University, Northridge and the Corporation's faculty and staff housing program.

The Corporation has evaluated subsequent events through September 14, 2022, which is the date these financial statements were available to be issued, and except as noted above, has determined that there were no additional subsequent events requiring recognition or disclosure in the financial statements.

Supplementary Information

The University Corporation

Schedule of Net Position
June 30, 2022
(For inclusion in the California State University)

Assets:		
Current assets:		
Cash and cash equivalents	$	7,491,477
Short-term investments		8,679,312
Accounts receivable, net		8,817,769
Lease receivables, current portion		-
Notes receivable, current portion		4,763
Pledges receivable, net		-
Prepaid expenses and other current assets		11,583
Total current assets		**25,004,904**
Noncurrent assets:		
Restricted cash and cash equivalents		-
Accounts receivable, net		-
Lease receivables, net of current portion		-
Notes receivable, net of current portion		28,104
Student loans receivable, net		-
Pledges receivable, net		-
Endowment investments		-
Other long-term investments		27,119,584
Capital assets, net		20,246,690
Other assets		-
Total noncurrent assets		**47,394,378**
Total assets		**72,399,282**
Deferred outflows of resources:		
Unamortized loss on debt refunding		-
Net pension liability		-
Net OPEB liability		-
Leases		-
Others		-
Total deferred outflows of resources		**-**
Liabilities:		
Current liabilities:		
Accounts payable		2,141,495
Accrued salaries and benefits		1,515,416
Accrued compensated absences, current portion		470,189
Unearned revenues		3,714,457
Lease liabilities, current portion		535,000
Long-term debt obligations, current portion		250,000
Claims liability for losses and loss adjustment expenses, current portion		-
Depository accounts		4,423,787
Other liabilities		-
Total current liabilities		13,050,344
Noncurrent liabilities:		
Accrued compensated absences, net of current portion		201,509
Unearned revenues		-
Grants refundable		-
Lease liabilities, net of current portion		4,769,356
Long-term debt obligations, net of current portion		3,684,503
Claims liability for losses and loss adjustment expenses, net of current portion		-
Depository accounts		-
Net other postemployment benefits liability		2,135,800
Net pension liability		-
Other liabilities		-
Total noncurrent liabilities		10,791,168
Total liabilities		23,841,512
Deferred inflows of resources:		
Service concession arrangements		-
Net pension liability		-
Net OPEB liability		-
Unamortized gain on debt refunding		-
Nonexchange transactions		-
Lease		-
Others		-
Total deferred inflows of resources		-
Net position:		
Net investment in capital assets		11,007,831
Restricted for:		
Nonexpendable – endowments		3,860,793
Expendable:		
Scholarships and fellowships		-
Research		-
Loans		60,196
Capital projects		-
Debt service		-
Others		-
Unrestricted		33,628,950
Total net position	**$**	**48,557,770**

See Independent Auditor's Report.

The University Corporation

Schedule of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2022
(For inclusion in the California State University)

Revenues:		
Operating revenues:		
Student tuition and fees, gross	$	-
Scholarship allowances (enter as negative)		-
Grants and contracts, noncapital:		
Federal		24,967,932
State		2,906,969
Local		1,007,047
Nongovernmental		2,523,098
Sales and services of educational activities		-
Sales and services of auxiliary enterprises, gross		11,696,777
Scholarship allowances (enter as negative)		-
Other operating revenues		934,211
Total operating revenues		**44,036,034**
Expenses:		
Operating expenses:		
Instruction		-
Research		27,292,579
Public service		-
Academic support		326,522
Student services		573,871
Institutional support		2,533,226
Operation and maintenance of plant		-
Student grants and scholarships		-
Auxiliary enterprise expenses		10,281,043
Depreciation and amortization		2,081,537
Total operating expenses		**43,088,778**
Operating income (loss)		**947,256**
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		(3,067,454)
Endowment income (loss), net		-
Interest expense		-
Other nonoperating revenues (expenses)		330,541
Net nonoperating revenues (expenses)		**(2,736,913)**
Income (loss) before other revenues (expenses)		**(1,789,657)**
State appropriations, capital		-
Grants and gifts, capital		-
Additions (reductions) to permanent endowments		-
Increase (decrease) in net position		**(1,789,657)**
Net position:		
Net position at beginning of year, as previously reported		50,347,427
Restatements		-
Net position at beginning of year, as restated		**50,347,427**
Net position at end of year	**$**	**48,557,770**

See Independent Auditor's Report.

The University Corporation

Other Information
Year Ended June 30, 2022
(For inclusion in the California State University)

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments	$ -
All other restricted cash and cash equivalents	-
Noncurrent restricted cash and cash equivalents	-
Current cash and cash equivalents	7,491,477
Total	**$ 7,491,477**

2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds	$ -	$ -	$ -
Repurchase agreements	-	-	-
Certificates of deposit	2,316,289	-	**2,316,289**
U.S. agency securities	-	-	-
U.S. treasury securities	-	3,591,869	**3,591,869**
Municipal bonds	-	319,498	**319,498**
Corporate bonds	408,705	3,295,464	**3,704,169**
Asset backed securities	-	-	-
Mortgage backed securities	-	-	-
Commercial paper	-	-	-
Mutual funds	1,476,249	6,728,129	**8,204,378**
Exchange traded funds	-	-	-
Equity securities	-	11,459,908	**11,459,908**
Alternative investments:			
Private equity (including limited partnerships)	-	-	-
Hedge funds	-	-	-
Managed futures	-	-	-
Real estate investments (including REITs)	-	-	-
Commodities	-	-	-
Derivatives	-	-	-
Other alternative investment	-	1,724,716	**1,724,716**
Other external investment pools	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	4,478,069	-	**4,478,069**
State of California Local Agency Investment Fund (LAIF)	-	-	-
State of California Surplus Money Investment Fund (SMIF)	-	-	-
Other investments:	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
Total Other investments	-	-	-
Total investments	**8,679,312**	**27,119,584**	**35,798,896**
Less endowment investments (enter as negative number)	-	-	-
Total investments, net of endowments	**$ 8,679,312.00**	**$ 27,119,584.00**	**$ 35,798,896.00**

See Independent Auditor's Report.

The University Corporation

Other Information
Year Ended June 30, 2022
(For inclusion in the California State University)

2.2 Fair value hierarchy in investments:

Investment Type	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds	$ -	$ -	$ -	$ -	$ -
Repurchase agreements	-	-	-	-	-
Certificates of deposit	**2,316,289**	-	2,316,289	-	-
U.S. agency securities	-	-	-	-	-
U.S. treasury securities	**3,591,869**	-	3,591,869	-	-
Municipal bonds	**319,498**	-	319,498	-	-
Corporate bonds	**3,704,169**	-	3,704,169	-	-
Asset backed securities	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-
Commercial paper	-	-	-	-	-
Mutual funds	**8,204,378**	8,204,378	-	-	-
Exchange traded funds	-	-	-	-	-
Equity securities	**11,459,908**	11,459,908	-	-	-
Alternative investments:	-	-	-	-	-
Private equity (including limited partnerships)	-	-	-	-	-
Hedge funds	-	-	-	-	-
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-
Commodities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other alternative investment	**1,724,716**	6,000	-	-	1,718,716
Other external investment pools	-	-	-	-	-
CSU Consolidated Investment Pool (formerly SWIFT)	**4,478,069**	-	-	-	4,478,069
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
Other investments:					
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Total Other investments	-	-	-	-	-
Total investments	**$ 35,798,896**	**$ 19,670,286**	**$ 9,931,825**	**$ -**	**$ 6,196,785**

2.3 Investments held by the University under contractual agreements:

	Current	Noncurrent	Total
Investments held by the University under contractual agreements e.g - CSU Consolidated Investment Pool (formerly SWIFT):	$ 4,478,069	$ -	**$ 4,478,069**

See Independent Auditor's Report.

The University Corporation

Other Information
Year Ended June 30, 2022
(For inclusion in the California State University)

3.1 Composition of capital assets:

	Balance June 30, 2021	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2021 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2022
Non-depreciable/Non-amortizable capital assets:									
Land and land improvements	$ 4,721,787	$ -	$ -	$ -	**$ 4,721,787**	$ -	$ -	$ -	**$ 4,721,787**
Works of art and historical treasures	-	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	4,413,794	-	-	-	**4,413,794**	362,730	-	(4,664,334)	**112,190**
Intangible assets:									
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Intangible assets in progress (PWIP)	-	-	-	-	-	122,648	-	(122,648)	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	**122,648**	-	**(122,648)**	-
Total non-depreciable/non-amortizable capital assets	**9,135,581**	-	-	-	**9,135,581**	**485,378**	-	**(4,786,982)**	**4,833,977**
Depreciable/Amortizable capital assets:									
Buildings and building improvements	24,487,064	-	-	-	**24,487,064**	-	-	-	**24,487,064**
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	13,176,246	-	-	-	**13,176,246**	-	(335,937)	4,525,946	**17,366,255**
Personal property:									
Equipment	6,155,702	-	-	-	**6,155,702**	39,158	(377,483)	138,388	**5,955,765**
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	900,850	-	-	-	**900,850**	350	(34,441)	122,648	**989,407**
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:									
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
Total intangible assets	**900,850**	-	-	-	**900,850**	350	(34,441)	122,648	**989,407**
Total depreciable/amortizable capital assets	**44,719,862**	-	-	-	**44,719,862**	**39,508**	**(747,861)**	**4,786,982**	**48,798,491**
Total capital assets	**$ 53,855,443**	-	-	-	**$ 53,855,443**	**524,886**	**(747,861)**	-	**$ 53,632,468**
Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)									
Buildings and building improvements	(16,002,419)	-	-	-	**(16,002,419)**	(682,531)	-	-	**(16,684,950)**
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	(9,538,735)	-	-	-	**(9,538,735)**	(1,063,733)	335,937	-	**(10,266,531)**
Personal property:									
Equipment	(5,621,430)	-	-	-	**(5,621,430)**	(288,592)	377,483	-	**(5,532,539)**
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	(889,518)	-	-	-	**(889,518)**	(46,681)	34,441	-	**(901,758)**
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:									
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
Total intangible assets	**(889,518)**	-	-	-	**(889,518)**	(46,681)	34,441	-	**(901,758)**
Total accumulated depreciation/amortization	**(32,052,102)**	-	-	-	**(32,052,102)**	**(2,081,537)**	**747,861**	-	**(33,385,778)**
Total capital assets, net excluding lease assets	**$ 21,803,341**	**$ -**	**$ -**	**$ -**	**$ 21,803,341**	**$ (1,556,651)**	**$ -**	**$ -**	**$ 20,246,690**
Lease assets, net									-
Total capital assets, net									$ 20,246,690

Composition of lease assets:	Balance June 30, 2021	Additions	Remeasurements	Reductions	Balance June 30, 2022
Non-depreciable/Non-amortizable lease assets:					
Land and land improvements	$ -	$ -	$ -	$ -	$ -
Total non-depreciable/non-amortizable lease assets	-	-	-	-	-
Depreciable/Amortizable lease assets:					
Land and land improvements	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-
Infrastructure	-	-	-	-	-
Personal property:					
Equipment	-	-	-	-	-
Total depreciable/amortizable lease assets	-	-	-	-	-
Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)					
Land and land improvements	-	-	-	-	-
Buildings and building improvements	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-
Infrastructure	-	-	-	-	-
Personal property:					
Equipment	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-
Total lease assets, net	$ -	-	-	-	$ -

See Independent Auditor's Report.

The University Corporation

Other Information
Year Ended June 30, 2022
(For inclusion in the California State University)

3.2 Detail of depreciation and amortization expense:

Depreciation and amortization expense related to capital assets	$ 2,081,537
Amortization expense related to other assets	-
Total depreciation and amortization	**$ 2,081,537**

4 Long-term liabilities:

	Balance June 30, 2021	Prior Period Adjustments/Reclassifications	Balance June 30, 2021 (Restated)	Additions	Reductions	Balance June 30, 2022	Current Portion	Noncurrent Portion
1. Accrued compensated absences	$ 716,154	$ -	$ 716,154	$ -	$ (44,456)	$ 671,698	$ 470,189	$ 201,509
2. Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-
3. Capital lease obligations:								
Gross balance	5,635,000	-	5,635,000	-	(455,000)	5,180,000	535,000	4,645,000
Unamortized net premium/(discount)	181,662	-	181,662	-	(57,306)	124,356	-	124,356
Total capital lease obligations	5,816,662	-	5,816,662	-	(512,306)	5,304,356	535,000	4,769,356
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	-	-	-	-	-	-	-	-
4.2 Commercial paper	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	3,775,000	-	3,775,000	-	(240,000)	3,535,000	250,000	3,285,000
4.4 Others:								
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total others	-	-	-	-	-	-	-	-
Sub-total long-term debt	3,775,000	-	3,775,000	-	(240,000)	3,535,000	250,000	3,285,000
4.5 Unamortized net bond premium/(discount)	443,320	-	443,320	-	(43,817)	399,503	-	399,503
Total long-term debt obligations	4,218,320	-	4,218,320	-	(283,817)	3,934,503	250,000	3,684,503
5. Lease Liabilities						-	-	-
Total long-term liabilities						$ 3,934,503	$ 250,000	$ 3,684,503

	Balance June 30, 2021	Additions	Remeasurements	Reductions	Balance June 30, 2022	Current Portion	Noncurrent Portion
Lease liabilities					-		-
Total	$ -	-	-	-	-	$ -	-

5 Lease Liabilities schedule:

	Lease Liabilities related to SRB			All other lease liabilities			Total lease liabilities		
	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:									
2023	535,000	102,863	637,863	-	-	-	535,000	102,863	637,863
2024	600,000	88,925	688,925	-	-	-	600,000	88,925	688,925
2025	610,000	73,595	683,595	-	-	-	610,000	73,595	683,595
2026	620,000	56,965	676,965	-	-	-	620,000	56,965	676,965
2027	330,000	46,480	376,480	-	-	-	330,000	46,480	376,480
2028 - 2032	1,735,000	157,817	1,892,817	-	-	-	1,735,000	157,817	1,892,817
2033 - 2037	750,000	16,350	766,350	-	-	-	750,000	16,350	766,350
2038 - 2042	-	-	-	-	-	-	-	-	-
2043 - 2047	-	-	-	-	-	-	-	-	-
2048 - 2052	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
Total minimum lease payments	5,180,000	542,995	5,722,995	-	-	-	5,180,000	542,995	5,722,995
Less: amounts representing interest									(542,995)
Present value of future minimum lease payments									5,180,000
Total lease liabilities									5,180,000
Less: current portion									(535,000)
Lease liabilities, net of current portion									$ 4,645,000

See Independent Auditor's Report.

The University Corporation

Other Information
Year Ended June 30, 2022
(For inclusion in the California State University)

6 Long-term debt obligations schedule:

	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Year ending June 30:									
2023	$ -	$ -	$ -	$ 250,000	$ 167,349	$ 417,349	$ 250,000	$ 167,349	$ 417,349
2024	-	-	-	265,000	154,737	419,737	265,000	154,737	419,737
2025	-	-	-	275,000	141,475	416,475	275,000	141,475	416,475
2026	-	-	-	290,000	127,575	417,575	290,000	127,575	417,575
2027	-	-	-	75,000	118,575	193,575	75,000	118,575	193,575
2028 - 2032	-	-	-	430,000	531,750	961,750	430,000	531,750	961,750
2033 - 2037	-	-	-	550,000	413,100	963,100	550,000	413,100	963,100
2038 - 2042	-	-	-	700,000	266,000	966,000	700,000	266,000	966,000
2043 - 2047	-	-	-	700,000	72,500	772,500	700,000	72,500	772,500
2048 - 2052	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
Total minimum payments	**-**	**-**	**-**	**3,535,000**	**1,993,061**	**5,528,061**	**3,535,000**	**1,993,061**	**5,528,061**
Less: amounts representing interest									(1,993,061)
Present value of future minimum payments									3,535,000
Unamortized net premium/(discount)									399,503
Total long-term debt obligations									3,934,503
Less: current portion									(250,000)
Long-term debt obligations, net of current portion									**$ 3,684,503**

7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	3,592,178
Payments to University for other than salaries of University personnel	1,802,231
Payments received from University for services, space, and programs	9,413,862
Gifts-in-kind to the University from discretely presented component units	-
Gifts (cash or assets) to the University from discretely presented component units	1,463,754
Accounts (payable to) University (enter as negative number)	-
Other amounts (payable to) University (enter as negative number)	(18,249)
Accounts receivable from University (enter as positive number)	439,737
Other amounts receivable from University (enter as positive number)	-

8 Restatements

Provide a detailed breakdown of the journal entries (at the financial statement line items level) booked to record each restatement:

		Debit/(Credit)
Restatement #1	Enter transaction description	
		-
Restatement #2	Enter transaction description	
		-

See Independent Auditor's Report.

The University Corporation

Other Information
Year Ended June 30, 2022
(For inclusion in the California State University)

9 Natural classifications of operating expenses:

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Research	17,046,374	1,966,556	-	-	-	8,279,649	-	**27,292,579**
Public service	-	-	-	-	-	-	-	-
Academic support	280,351	46,171	-	-	-	-	-	**326,522**
Student services	-	-	-	-	-	573,871	-	**573,871**
Institutional support	-	-	-	-	-	2,533,226	-	**2,533,226**
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	-	-	-	-
Auxiliary enterprise expenses	3,881,863	725,368	-	-	-	5,673,812	-	**10,281,043**
Depreciation and amortization	-	-	-	-	-	-	2,081,537	**2,081,537**
Total operating expenses	**$ 21,208,588**	**$ 2,738,095**	**$ -**	**$ -**	**$ -**	**$ 17,060,558**	**$ 2,081,537**	**$ 43,088,778**

10 Deferred outflows/inflows of resources:

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

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

11 Other nonoperating revenues (expenses)

Other nonoperating revenues	$ 330,541
Other nonoperating (expenses)	-
Total other nonoperating revenues (expenses)	**$ 330,541**

See Independent Auditor's Report.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Directors
The University Corporation
(A California State University Auxiliary Organization)

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of The University Corporation (the "Corporation"), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated September 14, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CohnReznick LLP

Los Angeles, California
September 14, 2022

CohnReznick
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