

**University Student Union  
California State University, Northridge**

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

**June 30, 2015**

**University Student Union  
California State University, Northridge**

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	
Expenses by Natural Classification	16
Schedule of Net Position	17
Schedule of Revenues, Expenses and Changes in Net Position	18
Other Information	19

## Independent Auditor's Report

The Board of Directors  
University Student Union  
California State University, Northridge  
(A California State University Auxiliary Organization)

### *Report on Financial Statements*

We have audited the accompanying financial statements of University Student Union California State University, Northridge (a California State University Auxiliary Organization), 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 University Student Union California State University, Northridge 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.

### *Correction of an Error*

We also audited the adjustments described in Note 9 that were applied to restate the 2014 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. Our opinion is not modified with respect to that matter.

### *Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 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.

A handwritten signature in black ink that reads "Cohn Reznick LLP". The signature is written in a cursive, flowing style.

Los Angeles, California  
September 21, 2015

**University Student Union  
California State University, Northridge**

**Statement of Financial Position  
June 30, 2015**

Assets

Current assets	
Cash and cash equivalents	\$ 1,815,482
Short-term investments	1,500,003
Accounts receivable, net	56,727
Prepaid expenses and other	<u>66,326</u>
Total current assets	3,438,538
Property and equipment, net	<u>763,091</u>
Total	<u><u>\$ 4,201,629</u></u>

Liabilities and Net Assets

Current liabilities	
Accounts payable	\$ 720,635
Accrued expenses	560,148
Deferred revenue	297,723
Current portion of postretirement benefit payable	<u>5,876</u>
Total current liabilities	1,584,382
Commitments	
Postretirement benefit payable, net of current portion	<u>1,501,882</u>
Total liabilities	<u>3,086,264</u>
Net assets	
Unrestricted	<u>1,115,365</u>
Total	<u><u>\$ 4,201,629</u></u>

See Notes to Financial Statements.

**University Student Union  
California State University, Northridge**

**Statement of Activities  
Year Ended June 30, 2015**

Operating revenues	
Student activity fees	\$ 11,177,771
Program revenue	478,486
Rental income	729,903
Recreation center income	759,462
Commission income	67,690
Other income	69,436
	<u>13,282,748</u>
 Total operating revenues	 <u>13,282,748</u>
Operating expenses	
Program services	11,831,843
General and administrative	1,119,073
	<u>12,950,916</u>
 Total operating expenses	 <u>12,950,916</u>
 Change in net assets from operating activities	 <u>331,832</u>
Nonoperating (expense) revenue	
Pension related changes other than net periodic pension costs	(275,865)
Interest income	264
Transfer to the University	(3,752)
	<u>(279,353)</u>
 Net nonoperating expense	 <u>(279,353)</u>
 Change in net assets	 <u>52,479</u>
Net assets, beginning of year, as previously reported	1,221,430
Restatement for accrued payroll (see Note 9)	(158,544)
	<u>1,062,886</u>
Net assets, beginning of year, as restated	<u>1,062,886</u>
Net assets, end of year	<u>\$ 1,115,365</u>

See Notes to Financial Statements.

**University Student Union  
California State University, Northridge**

**Statement of Cash Flows  
Year Ended June 30, 2015**

Operating activities	
Change in net assets	\$ 52,479
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation and amortization	261,521
Net loss on disposal of property and equipment	2,772
Postretirement benefits	275,865
Changes in operating assets and liabilities	
Accounts receivable	(14,609)
Prepaid expenses and other	(11,754)
Accounts payable	19,727
Accrued expenses	89,177
Postretirement benefit payable	116,102
Deferred revenue	46,837
	<hr/>
Net cash provided by operating activities	838,117
	<hr/>
Investing activities	
Purchases of investments	(1,497,884)
Purchases of property and equipment	(56,660)
	<hr/>
Net cash used in investing activities	(1,554,544)
	<hr/>
Net decrease in cash and cash equivalents	(716,427)
Cash and cash equivalents, beginning of year	2,531,909
	<hr/>
Cash and cash equivalents, end of year	<u>\$ 1,815,482</u>

See Notes to Financial Statements.

**University Student Union  
California State University, Northridge**

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

**Note 1 - Business activity and summary of significant accounting policies**

**Business activity**

The University Student Union California State University, Northridge (a California State University Auxiliary Organization) (the "Union") is a nonprofit auxiliary organization related to California State University, Northridge (the "University"). The Union was organized to provide a variety of unique and convenient programs and services on the University campus. The Union operates the Student Union building as well as sponsors various campus activities that complement the instructional program and initiatives of 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**

The Union is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets, which are described as follows:

*Unrestricted* - Net assets that are not subject to explicit donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

*Temporarily restricted* - Net assets whose use by the Union is subject to either explicit donor-imposed stipulations or by operation of law that can be fulfilled by actions of the Union or that expire by the passage of time. At June 30, 2015, the Union does not have any temporarily restricted net assets.

*Permanently restricted* - Net assets subject to explicit donor-imposed stipulations that must be maintained permanently by the Union and stipulate the use of income and/or appreciation as temporarily restricted based on donor-imposed stipulations or by operation of law. At June 30, 2015, the Union does not have any permanently restricted net assets.

**Cash and cash equivalents**

Cash and cash equivalents includes 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 Union provides for losses on receivables using the allowance method which is based on experience and other circumstances. The Union had \$10,299 in allowance for doubtful accounts at June 30, 2015.



**University Student Union  
California State University, Northridge**

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

**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). At June 30, 2015, investments consist of pooled investment funds with the University in the amount of \$1,500,003.

**Fair value measurements**

The Union 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 prices (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.

**Property and equipment**

Property and equipment 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 five years. Leasehold improvements are stated at cost and are amortized using the straight-line method over the estimated useful life of fifteen years. Repairs and maintenance are charged to expenses as incurred.

**Revenue recognition**

The Union recognizes revenues for student fees and services when earned. Deferred revenue consists of amounts received which have not been earned. These amounts are transferred to revenue when earned.

**Advertising costs**

Advertising costs are charged to expense as incurred. Advertising expense was \$21,777 for the year ended June 30, 2015.

**University Student Union  
California State University, Northridge**

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

**Functional allocation 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 programs and general and administrative services benefited.

**Income taxes**

The Union is a nonprofit 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 Union has no unrecognized tax benefits at June 30, 2015. The Union's Federal and state income tax returns prior to fiscal years 2012 and 2011, respectively, are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

If applicable, the Union 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.

**Subsequent events**

The Union has evaluated subsequent events through September 21, 2015, which is the date these financial statements were available to be issued.

**Note 2 - Concentrations**

Financial instruments which potentially subject the Union to concentrations of credit risk consist primarily of cash and cash equivalents. The Union maintains its cash and cash equivalents with high-credit quality financial institutions. At times, such amounts may exceed Federally insured limits.

**Note 3 - Fair value measurements**

At June 30, 2015, investments are carried at fair value and are classified in one of the three categories as described in Note 1. The pooled investment funds are classified as level 2 and are valued using quoted prices for similar assets in active exchange markets.

**University Student Union  
California State University, Northridge**

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

**Note 4 - Related party transactions**

The Union provides and receives services from the University, Associated Students, Inc., California State University, Northridge Foundation and The University Corporation. At June 30, 2015, accounts receivable and accounts payable relating to these organizations are as follows:

Receivables	
California State University, Northridge	\$ 15,652
California State University, Northridge Foundation	6,812
The University Corporation	<u>5,807</u>
	<u><u>\$ 28,271</u></u>
Payables	
California State University, Northridge	\$ 132,316
Associated Students, Inc.	10,226
The University Corporation	<u>28,533</u>
	<u><u>\$ 171,075</u></u>

During the year ended June 30, 2015, amounts received from the University for rent and other services are included in operating revenues and were as follows:

Amounts paid by the University	\$ 1,217,831
Work Study	<u>96,449</u>
	<u><u>\$ 1,314,280</u></u>

During the year ended June 30, 2015, amounts paid to the University for services such as student advising services, software maintenance, physical plant management and other services are included in operating expenses and were as follows:

Services	\$ 990,478
Salaries	<u>195,722</u>
	<u><u>\$ 1,186,200</u></u>

For the year ended June 30, 2015, the Union transferred \$3,752 to the University.

The Union entered into an agreement with Associated Students, Inc. for space, custodial and utilities reimbursement. The Union received rental income of \$80,046 for the year ended June 30, 2015 in connection with this agreement.

**University Student Union  
California State University, Northridge**

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

The Union, The University Corporation, and Student Housing entered into an agreement in which The University Corporation manages all operation of the food units located at the Union and Satellite Union in exchange for a 1% commission of all The University Corporation's food unit and catering sales on campus. On January 1, 2015, the commission percentage increased to 1.5%. Commission income from this agreement was \$67,690 for the year ended June 30, 2015.

Revenue bonds were issued by the Trustees of the California State University and Colleges ("Trustees") for the construction, repair and maintenance of the University's Student Union building. Legal title to the Student Union building is vested, along with related debt, with the Trustees. Accordingly, both the building and debt are carried on the books of the Trustees. Student Union fees are collected by the University and remitted to a trust fund administered by the University on the behalf of the Union. The Union has entered into a five-year revolving agreement with the Chancellor's Office, which will expire on June 30, 2017 and provides, among other things, that the excess of the student fees (after satisfying certain reserve requirements; servicing principal and interest payments on the revenue bonds; providing funds for major repairs and replacements; providing funds for projects under construction; and Chancellor's Office overhead expenses) is available, after approval by the University, for payment of expenses incurred in operation of the Union.

Pursuant to this agreement, the Union received and recorded to revenue \$11,177,771 to fund its operation for the fiscal year ended June 30, 2015.

**Note 5 - Property and equipment**

At June 30, 2015, property and equipment consist of the following:

Equipment and software	\$ 1,496,264
Leasehold improvements	<u>867,323</u>
Total	2,363,587
Less accumulated depreciation and amortization	<u>1,600,496</u>
Total	<u><u>\$ 763,091</u></u>

Depreciation and amortization expense for the year ended June 30, 2015 was \$261,521.

**Note 6 - Pension plan**

The Union maintains a noncontributory defined contribution employer pension plan (the "Plan"). Employees are eligible to participate in the Plan once they have attained the age of twenty-one and have completed one year of service. Under the provisions of the Plan agreement, the Union makes employer pension contributions into the Plan for the benefit of eligible employees. For the year ended June 30, 2015, the Union made contributions of \$126,930.

**University Student Union  
California State University, Northridge**

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

**Note 7 - Postretirement benefit plan**

In 2007, the Union implemented a postretirement benefit plan which provides postretirement benefits. Employees are eligible if they either retire after the age of sixty with twenty years of continuous service; or retire after the age of sixty-five with ten years of continuous service, and were hired prior to July 1, 2008. The following tables provide further information about the Union's postretirement benefit plan:

Obligations and funding status	
Benefit obligation at June 30, 2015	\$ (1,507,758)
Employer contributions	5,105
Participant contributions	-
Benefit payments	(5,105)
Fair value of plan assets at June 30, 2015	<u>-</u>
Net unfunded status of the plan	<u><u>\$ (1,507,758)</u></u>

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

Current liabilities	\$ (5,876)
Noncurrent liabilities	<u>(1,501,882)</u>
Total recognized in statement of financial position	<u><u>\$ (1,507,758)</u></u>

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

Service cost	\$ 100,333
Interest cost	55,748
Amortization of unrecognized prior service credit	(34,874)
Amortization of unrecognized (gain) loss	<u>-</u>
Net postretirement benefit cost ("NPBC")	<u><u>\$ 121,207</u></u>

Other changes recognized in changes in unrestricted net assets ("CUNA") are as follows:

Prior service cost for period	\$ -
Net loss for period	240,991
Amortization of prior service credit	34,874
Amortization of net (loss) gain	<u>-</u>
Total changes recognized in CUNA	<u><u>\$ 275,865</u></u>
Total changes recognized in NPBC and CUNA	<u><u>\$ 397,072</u></u>

**University Student Union  
California State University, Northridge**

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

**Assumptions**

Weighted average assumptions used in the accounting for the Union's postretirement benefit plan were as follows:

Benefit obligations at June 30, 2015	
Discount rate	4.60%
Rate of return on plan assets	N/A
Rate of compensation increase	N/A
Medical trend	
Initial	4.50%
Ultimate	4.50%
Number of years to ultimate	N/A

**Cash flows**

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

Years beginning July 1,	
2015	\$ 5,876
2016	7,357
2017	9,944
2018	17,584
2019	24,187
2020-2024	<u>265,487</u>
	<u><u>\$ 330,435</u></u>

The Union expects to contribute the pay-as-you-go cost of \$5,876 during the next fiscal year.

The following table includes the amounts in unrestricted net assets expected to be recognized as components of net periodic benefit cost over the 2015-16 fiscal year:

Net actuarial loss	\$ 4,292
Net prior service credit	\$ (34,874)

**Note 8 - Commitments**

**Operating leases**

The Union leases office equipment under a noncancelable operating lease expiring in July 2019. Total rent expense under the lease was \$23,641.

**University Student Union  
California State University, Northridge**

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

The following is a schedule of the Union's minimum lease requirements under the non-cancelable lease:

Year ending June 30,		
2015	\$	23,322
2016		23,322
2017		23,322
2018		<u>23,322</u>
	<u>\$</u>	<u>93,288</u>

**Note 9 - Restatement for accrued payroll**

In order to conform to generally accepted accounting principles and properly reflect accrued expenses, the Union recorded an accrual for payroll at June 30, 2014. As a result of this change, accrued expenses at June 30, 2014 were increased by \$158,544, and net assets as of June 30, 2014 were decreased by the same amount to \$1,062,886.

## **Supplementary Information**



**University Student Union  
California State University, Northridge**

**Expenses by Natural Classification  
Years Ended June 30, 2015**

Salaries and wages	\$ 6,015,831
Event costs	810,933
Staff benefits	1,468,873
Depreciation and amortization	261,521
Other operating expenses	
Building repairs and maintenance	988,860
Cost of sales	24,448
Equipment rental	37,719
Expendable equipment purchases	176,900
Insurance	103,871
Licenses and fees	46,409
Marketing	76,594
Advertising	21,777
Office and administrative supplies	230,761
Administrative contingency	1,104,168
Professional and contract services	455,817
Services, other agencies	63,606
Scholarships	54,754
Training services	61,265
Travel	164,110
Utilities	782,699
	<hr/>
Total expenses	<u><u>\$ 12,950,916</u></u>

**UNIVERSITY STUDENT UNION**

**Schedule of Net Position  
June 30, 2015**

(for inclusion in the California State University)

<b>Assets:</b>	
Current assets:	
Cash and cash equivalents	\$ 1,815,482
Short-term investments	1,500,003
Accounts receivable, net	56,727
Leases receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other assets	66,326
Total current assets	<u>3,438,538</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	763,091
Other assets	-
Total noncurrent assets	<u>763,091</u>
Total assets	<u>4,201,629</u>
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension obligation	-
Others	-
Total deferred outflows of resources	<u>-</u>
<b>Liabilities:</b>	
Current liabilities:	
Accounts payable	720,635
Accrued salaries and benefits payable	352,121
Accrued compensated absences— current portion	208,027
Unearned revenue	297,723
Capitalized lease obligations – current portion	-
Long-term debt obligations – current portion	-
Claims Liability for losses and LAE - current portion	-
Depository accounts	-
Other liabilities	5,876
Total current liabilities	<u>1,584,382</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 obligation	1,501,882
Pension obligation	-
Other liabilities	-
Total noncurrent liabilities	<u>1,501,882</u>
Total liabilities	<u>3,086,264</u>
Deferred inflows of resources:	
Unamortized gain on debt refunding	-
Non-exchange transactions	-
Service concession arrangements	-
Net pension obligation	-
Others	-
Total deferred inflows of resources	<u>-</u>
<b>Net Position:</b>	
Net investment in capital assets	763,091
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Other	-
Unrestricted	352,274
Total net position	<u>\$ 1,115,365</u>

See Independent Auditor's Report.

**UNIVERSITY STUDENT UNION**

**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 \$ <u>0</u> )	\$ 11,177,771
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 \$ <u>0</u> )	2,035,541
Other operating revenues	69,436
	13,282,748
Total operating revenues	13,282,748

Expenses:

Operating expenses:

Instruction	-
Research	-
Public service	-
Academic support	-
Student services	11,579,075
Institutional support	-
Operation and maintenance of plant	-
Student grants and scholarships	-
Auxiliary enterprise expenses	1,110,320
Depreciation and amortization	261,521
	12,950,916
Total operating expenses	12,950,916
Operating income (loss)	331,832

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	264
Endowment income (loss), net	-
Interest Expenses	-
Other nonoperating revenues (expenses)	(279,617)
	(279,353)

Net nonoperating revenues (expenses) (279,353)

Income (loss) before other additions 52,479

State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
	52,479
Increase (decrease) in net position	52,479

Net position:

Net position at beginning of year, as previously reported	1,221,430
Restatements	(158,544)
Net position at beginning of year, as restated	1,062,886
Net position at end of year	\$ 1,115,365

See Independent Auditor's Report.



**UNIVERSITY STUDENT UNION**  
Other Information  
June 30, 2015  
(for inclusion in the California State University)

**3.1 Composition of capital assets at June 30, 2015:**

	Balance June 30, 2014	Prior period Adjustments	Reclassifications	Balance June 30, 2014 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2015
<b>Nondepreciable/nonamortizable capital assets:</b>								
Land and land improvements	\$ —	—	—	—	—	—	—	—
Works of art and historical treasures	—	—	—	—	—	—	—	—
Construction work in progress (CWIP)	28,224	—	—	28,224	—	—	(28,224)	—
<b>Intangible assets:</b>								
Rights and easements	—	—	—	—	—	—	—	—
Patents, copyrights and trademarks	—	—	—	—	—	—	—	—
Internally generated intangible assets in progress	—	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Other intangible assets:	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
<b>Total intangible assets</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total nondepreciable/nonamortizable capital assets</b>	<b>28,224</b>	<b>—</b>	<b>—</b>	<b>28,224</b>	<b>—</b>	<b>—</b>	<b>(28,224)</b>	<b>—</b>
<b>Depreciable/amortizable capital assets:</b>								
Buildings and building improvements	—	—	—	—	—	—	—	—
Improvements, other than buildings	—	—	—	—	—	—	—	—
Infrastructure	—	—	—	—	—	—	—	—
Leasehold improvements	882,393	—	—	882,393	—	(15,070)	—	867,323
Personal property:	—	—	—	—	—	—	—	—
Equipment	1,527,522	—	—	1,527,522	56,661	(116,143)	28,224	1,496,264
Library books and materials	—	—	—	—	—	—	—	—
<b>Intangible assets:</b>								
Software and websites	—	—	—	—	—	—	—	—
Rights and easements	—	—	—	—	—	—	—	—
Patents, copyright and trademarks	—	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Other intangible assets:	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—
<b>Total intangible assets</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total depreciable/amortizable capital assets</b>	<b>2,409,915</b>	<b>—</b>	<b>—</b>	<b>2,409,915</b>	<b>56,661</b>	<b>(131,213)</b>	<b>28,224</b>	<b>2,363,587</b>
<b>Total capital assets</b>	<b>2,438,139</b>	<b>—</b>	<b>—</b>	<b>2,438,139</b>	<b>56,661</b>	<b>(131,213)</b>	<b>-</b>	<b>2,363,587</b>
<b>Less accumulated depreciation/amortization:</b>								
Buildings and building improvements	—	—	—	—	—	—	—	—
Improvements, other than buildings	—	—	—	—	—	—	—	—
Infrastructure	—	—	—	—	—	—	—	—
Leasehold improvements	(320,725)	—	—	(320,725)	(56,901)	5,275	—	(372,351)
Personal property:	—	—	—	—	—	—	—	—
Equipment	(1,146,690)	—	—	(1,146,690)	(204,620)	123,165	—	(1,228,145)
Library books and materials	—	—	—	—	—	—	—	—
<b>Intangible assets:</b>								
Software and websites	—	—	—	—	—	—	—	—
Rights and easements	—	—	—	—	—	—	—	—
Patents, copyright and trademarks	—	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—
Other intangible assets:	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
Add description	—	—	—	—	—	—	—	—
<b>Total intangible assets</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total accumulated depreciation/amortization</b>	<b>(1,467,415)</b>	<b>—</b>	<b>—</b>	<b>(1,467,415)</b>	<b>(261,521)</b>	<b>128,440</b>	<b>—</b>	<b>(1,600,496)</b>
<b>Total capital assets, net</b>	<b>\$ 970,724</b>	<b>—</b>	<b>—</b>	<b>970,724</b>	<b>(204,860)</b>	<b>(2,773)</b>	<b>—</b>	<b>763,091</b>

**UNIVERSITY STUDENT UNION**  
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	\$ 261,521
Amortization expense related to other assets	—
Total depreciation and amortization	<u>\$ 261,521</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	\$ 184,595	—	—	184,595	232,314	(208,882)	208,027	208,027	—
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 descriptio	n	—	—	—	—	—	—	—	—
Add descriptio	n	—	—	—	—	—	—	—	—
Add descriptio	n	—	—	—	—	—	—	—	—
Add descriptio	n	—	—	—	—	—	—	—	—
Add descriptio	n	—	—	—	—	—	—	—	—
Add descriptio	n	—	—	—	—	—	—	—	—
Total long-term debt obligations	—	—	—	—	—	—	—	—	—
Unamortized bond premium / (discount)	—	—	—	—	—	—	—	—	—
Total long-term debt obligations, net	—	—	—	—	—	—	—	—	—
Total long-term liabilities	<u>\$ 184,595</u>	<u>—</u>	<u>—</u>	<u>184,595</u>	<u>232,314</u>	<u>(208,882)</u>	<u>208,027</u>	<u>208,027</u>	<u>—</u>

**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>

**UNIVERSITY STUDENT UNION**  
 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>

**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	\$ —	763,091	763,091
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)			
n	—	—	—
Add description n	—	—	—
Add description n	—	—	—
Add description n	—	—	—
Add description n	—	—	—
Add description n	—	—	—
<b>Net position - net investment in capital asset</b>	<b>\$ —</b>	<b>763,091</b>	<b>763,091</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	—	—	—
<b>Net position - Restricted for nonexpendable - endowments per SNP</b>	<b>\$ —</b>	<b>—</b>	<b>—</b>

**UNIVERSITY STUDENT UNION**  
 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	\$ 195,722
Payments to University for other than salaries of University personnel	990,478
Payments received from University for services, space, and programs	1,314,280
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)	(132,316)
Other amounts (payable to) University (enter as negative number)	—
Accounts receivable from University	15,652
Other amounts receivable from University	—

**9 Other Postemployment Benefits Obligation (OPEB)**

Annual required contribution (ARC)	\$ 397,072
Contributions during the year	<u>(5,105)</u>
Increase (decrease) in net OPEB obligation (NOO)	391,967
NOO - beginning of year	1,115,791
NOO - end of year	<u>\$ 1,507,758</u>

**10 Pollution remediation liabilities under GASB Statement No. 49:**

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



**UNIVERSITY STUDENT UNION**  
 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**

	Net Position Class	Amount	
		Dr.	(Cr.)
Net position as of June 30, 2014, as previously reported		\$	1,221,430
Prior period adjustments:			
1 Accrued Payroll	Unrestricted		(158,544)
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>1,062,886</u>

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

	Debit		Credit
Net position class: Unrestricted			
1			
Unrestricted net assets	\$	158,544	
Accrued Payroll			158,544
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)		—	—