

**ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

June 30, 2014 and 2013

(With Independent Auditors' Report Thereon)

**ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

AUDIT REPORT

June 30, 2014 and 2013

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CERTIFIED PUBLIC ACCOUNTANTS
&
BUSINESS CONSULTANTS

September 12, 2014

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Associated Students, Inc.
California State University, Northridge
Northridge, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Associated Students, Inc., California State University Northridge (the "Associated Students"), which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities, and cash flows for the years 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.

Auditors' 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 auditors' 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 the Associated Students, Inc., California State University Northridge as of June 30, 2014 and 2013, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included on pages 14 - 22 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 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.


NSBN LLP
Beverly Hills, California

**ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

**STATEMENTS OF FINANCIAL POSITION
June 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,228,145	\$ 710,364
Short-term investments	6,060,016	6,335,815
Accounts receivable	45,027	293,814
Accounts receivable from the University	99,384	10,792
Accounts receivable from other University auxiliary organizations	28,404	29,792
Prepaid expenses	9,936	17,832
Inventory	240,322	179,102
Total current assets	<u>7,711,234</u>	<u>7,577,511</u>
Noncurrent assets:		
Buildings, equipment, furniture, and fixtures, net of accumulated depreciation of \$1,129,938 and \$1,029,312, respectively	<u>1,962,622</u>	<u>2,061,168</u>
TOTAL ASSETS	\$ <u>9,673,856</u>	\$ <u>9,638,679</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 450,425	\$ 380,736
Accounts payable to the University	7,080	7,062
Accounts payable to other University auxiliary organizations	25	136
Current portion of accrued postretirement benefits	38,785	52,086
Current portion of accrued salaries and employee benefits	241,431	235,235
Deposits held in custody for others	517,030	398,776
Deferred revenue	25,325	20,148
Total current liabilities	<u>1,280,101</u>	<u>1,094,179</u>
Noncurrent liabilities:		
Accrued salaries and employee benefits, less current portion	64,177	62,418
Accrued postretirement benefits, less current portion	361,373	910,514
Grants payable	-	30,317
Total noncurrent liabilities	<u>425,550</u>	<u>1,003,249</u>
Total liabilities	<u>1,705,651</u>	<u>2,097,428</u>
Unrestricted net assets:		
Unrestricted	<u>7,968,205</u>	<u>7,541,251</u>
Total unrestricted net assets	<u>7,968,205</u>	<u>7,541,251</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>9,673,856</u>	\$ <u>9,638,679</u>

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

**ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

**STATEMENTS OF ACTIVITIES
For the Years Ended June 30, 2014 and 2013**

	<u>2014</u>	<u>2013</u>
REVENUES		
Revenue and support:		
Student activity fees	\$ 6,569,157	\$ 6,117,878
Programs:		
Cultural affairs	119,052	151,067
Student services	1,399,188	1,774,756
Communication and media	3,000	-
Recreation programs	74,201	44,486
Student government	1,280	7,009
Administrative	30,933	68,351
Interest income	26,849	16,944
Other income	7,210	24,010
Total revenue and support	<u>8,230,870</u>	<u>8,204,501</u>
 EXPENSES		
Program services:		
Academic programs	123,290	119,818
Cultural affairs	956,660	818,356
Student affairs	3,613,400	3,657,416
Communication and media	385,177	373,111
Intercollegiate programs	-	200,000
Recreation programs	672,161	616,964
Student government	438,363	444,032
Financial aid	155,526	157,370
Total program services	<u>6,344,577</u>	<u>6,387,067</u>
 Supporting services:		
Administrative	1,603,190	1,699,867
Total expenses	<u>7,947,767</u>	<u>8,086,934</u>
 Operating income	<u>283,103</u>	<u>117,567</u>
 NONOPERATING REVENUE		
Pension related changes other than net periodic pension costs	<u>143,851</u>	<u>263,196</u>
Net nonoperating revenue	<u>143,851</u>	<u>263,196</u>
 CHANGE IN NET ASSETS	426,954	380,763
 NET ASSETS AT BEGINNING OF YEAR	<u>7,541,251</u>	<u>7,160,488</u>
 NET ASSETS AT END OF YEAR	<u>\$ 7,968,205</u>	<u>\$ 7,541,251</u>

See accompanying independent auditor's report.
The notes are an integral part of these financial statements.

**ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

**STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2014 and 2013**

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in unrestricted net assets	\$ 426,954	\$ 380,763
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	106,758	111,694
Loss from disposal of fixed assets	8,588	-
Post retirement benefits	(562,442)	(543,329)
Changes in operating assets and liabilities:		
Accounts receivable	248,787	1,621,735
Accounts receivable from the University	(88,592)	(661)
Accounts receivable from other University auxiliary organizations	1,388	(13,414)
Prepaid expenses	7,896	(12,908)
Inventory	(61,220)	84,303
Accounts and grants payable	39,372	(11,120)
Accounts payable to the University	18	1,604
Accounts payable to other University auxiliary organizations	(111)	(6,203)
Accrued salaries and employee benefits	7,955	(4,451)
Deferred revenue	5,177	(11,026)
Deposits held in custody for others	118,254	(13,616)
Net cash provided by operating activities	258,782	1,583,371
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(16,800)	(34,450)
Proceeds from the sales of investments	300,000	4,000,000
Purchases of investments	(24,201)	(5,889,815)
Net cash provided by (used in) investing activities	258,999	(1,924,265)
CASH FLOWS FROM FINANCING ACTIVITIES		
	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	517,781	(340,894)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	710,364	1,051,258
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 1,228,145	\$ 710,364
SUPPLEMENTAL CASH FLOW INFORMATION		
CASH PAID DURING THE YEAR		
Income taxes	\$ -	\$ -
Interest	\$ -	\$ -

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

**ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013**

NOTE 1 - ORGANIZATION:

Associated Students, California State University, Northridge, Inc. (the Associated Students) is a nonprofit organization that administers various student programs and activities. Student activity fees and other revenues are collected to support student-related programs and to acquire assets for the benefit of the student body. The Associated Students provides service primarily to students of California State University, Northridge (the University).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of Presentation

The Associated Students' financial statements have been prepared using the accrual basis of accounting. Net assets, revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. As the Associated Students does not receive contributions, all net assets have been classified as unrestricted.

B. Cash and Cash Equivalents

Cash and equivalents consist of operating cash or highly liquid investments, which are readily convertible into cash and have maturities of three months or less. Interest income is recorded as income when earned. At June 30, 2014, cash and equivalents included \$1,223,446 held in commercial banks of which \$747,167 was not insured by the Federal Deposit Insurance Corporation. Potential exposure to credit loss for amounts exceeding Federal Deposit Insurance Corporation insurance limits (\$250,000) in the event of nonperformance by the Bank are offset by an agreement with the Bank to cover all such deposits.

C. Investments

Investments consist primarily of various pooled investment funds with the California State University, Northridge. All investments are reported at historical cost, with investment income included in the accompanying statement of activities.

D. Buildings, Equipment, Furniture and Fixtures

Buildings, equipment, furniture, and fixtures over \$5,000 for years ended June 30, 2014 and June 30, 2013 are capitalized and recorded at cost. Depreciation is computed on the straight-line method using the lesser of the estimated useful lives of the assets or the remaining term of the lease.

Buildings	40 years
Equipment, furniture and fixtures	3 to 7 years

Repairs and maintenance are charged to expense as incurred.

**ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

E. Inventory

Inventory consists of tickets purchased and tickets received on consignment from theme parks and movie theaters. If consignment tickets are not purchased by students within a certain period of time, the consignment tickets can be returned to the vendor at no cost to the Associated Students. The consignment tickets that have not been purchased have been offset by accounts payable on the statement of financial position.

F. Income Taxes

The Associated Students is exempt from federal income taxes and California franchise taxes under section 501(c)(3) of the Internal Revenue Code and section 23701 (d) of the California Revenue and Taxation Code, respectively.

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

The Associated Students files informational tax returns in the U.S. federal jurisdictions and the state of California. With few exceptions, the Associated Students is no longer subject to U.S. federal and state examinations by tax authorities for years before 2010 and 2009, respectively.

G. Revenue Recognition

Revenue is primarily related to student activity fees and is generally recognized over the academic year. Program revenues are recorded when earned and the related revenue recognition criteria have been met.

H. Student Activity Fees

Student activity fees are collected from student tuition and recognized as revenue in accordance with the academic year. Student activity fees were \$86 per student during the Fall 2013 and the Spring 2014 semesters, \$84 per student for the Fall 2012 and the Spring 2013 semesters.

I. Concentration of Credit Risk

The Associated Students maintains its cash accounts with two major commercial banks. Furthermore, the Associated Students investment portfolio at June 30, 2014 was held in a Common Fund in various pooled investments. From time to time, balances in the Associated Students operating cash accounts exceeded amounts insured by the Federal Deposit Insurance Corporation. 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. Potential exposure to credit loss for amounts exceeding Federal Deposit Insurance Corporation insurance limits (\$250,000) in event of nonperformance by the bank are offset by an agreement with the Bank to cover all such deposits.

**ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

J. Functional Expenses

Expenses that can be specifically identified with a specific program or supporting service are charged directly to the related program or supporting service. Expenses that are associated with more than one program or supporting service are allocated based on an evaluation by management. Program expenses, consisting of program service expenses and expenses related to auxiliary services, less the general and administrative allocation to auxiliary services, totals \$6,344,577 and \$6,387,067 for the years ended June 30, 2014 and 2013, respectively.

K. Estimates

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

L. Subsequent Events

The Associated Students has evaluated subsequent events through September 12, 2014, which is the date these financial statements were available to be issued. There were no subsequent events requiring recognition or disclosure.

NOTE 3 - INVESTMENTS:

Investments consist of funds pooled with the California State University, Northridge, invested in SWIFT, and in the Local Agency Investment Fund. These investments comprise fixed income securities, asset backed securities, and structured notes. These investment funds contain a sufficient number and diversity of marketable securities so that a reasonable portion of these portfolios can be readily converted to meet ordinary and extraordinary cash needs, without causing a material change in the portfolios' values, while maintaining a consistent rate of return representative of the current market yield. Limitation and eligibility as to the specific portfolio investments are determined by the portfolio's Board and management. The Associated Students share in SWIFT was \$5,614,016 and \$5,889,815 as of June 30, 2014 and 2013; with the Local Agency Fund, \$446,000 and \$446,000 as of June 30, 2014 and 2013. In accordance with generally accepted accounting principles, Level 1, quoted prices in an active market for identical assets, has been assigned to the fair value measurements of the investments. All investments as of June 30, 2014 and 2013 were Level 1.

**ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013**

NOTE 4 - BUILDINGS, EQUIPMENT, FURNITURE, AND FIXTURES, NET:

Buildings, equipment, furniture, and fixtures, net consisted of the following at June 30:

	2014	2013
Buildings	\$ 2,775,866	\$ 2,775,866
Equipment, furniture, and fixtures	316,694	314,614
Total	3,092,560	3,090,480
Less accumulated depreciation	1,129,938	1,029,312
Equipment, furniture, and fixtures	\$ 1,962,622	\$ 2,061,168

Depreciation expense totaled \$106,758 and \$111,694 for the years ended June 30, 2014 and 2013 respectively.

NOTE 5 - ASSETS HELD ON BEHALF OF OTHERS:

As a service to University-affiliated organizations and projects, the Associated Students acts as a collecting and disbursing agent for certain special activities of other University organizations. Assets held for others total \$519,142 at June 30, 2014 and \$434,629 at June 30, 2013 and consists of the following items, which are included in the accompanying financial statements:

	2014	2013
Cash and cash equivalents	\$ 516,601	\$ 433,429
Accounts receivable	2,541	1,200
Total assets	519,142	434,629
Accounts payable	2,112	35,853
Deposits held in custody for others	517,030	398,776
Total liabilities	\$ 519,142	\$ 434,629

NOTE 6 - POSTRETIREMENT BENEFITS:

A. Benefits

The Associated Students sponsor a Postretirement Benefit Plan which provides eligible employees postretirement medical benefits. Such benefits are provided by the Associated Students' Health Plan. The Associated Students currently pays 100% of the cost up to a maximum level. The current maximum is \$400 per month for retiree coverage and up to an additional \$450 per month for dependent coverage.

ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013

NOTE 6 - POSTRETIREMENT BENEFITS: (continued)

B. Eligibility

Eligible employees must meet one of the following requirements:

- Age 60 and 20 years of service
- Age 62 and 15 years of service
- Age 65 and 10 years of service.

C. Obligations and Funding Status

The annual measurement date for the postretirement benefits is June 30. The following table provides further information about the Organization's postretirement benefit plan.

	<u>2014</u>	<u>2013</u>
1. Accumulated Postretirement Benefit Obligations	\$ 1,993,790	\$ 1,906,233
2. Plan assets at June 30,	<u>1,593,632</u>	<u>943,633</u>
3. Funded Status: (2) - (1)	<u>\$ 400,158</u>	<u>\$ 962,600</u>
4. Change in Plan Assets		
Fair value of plan assets, beginning of year	\$ 943,633	\$ 450,000
Return of plan assets	149,999	43,633
Benefits paid	(27,809)	(44,889)
Employer contributions	<u>527,809</u>	<u>494,889</u>
Fair value of plan assets, end of year	<u>\$ 1,593,632</u>	<u>\$ 943,633</u>
5. Amounts recognized in the Statement of Financial Position (SFP):		
Current liabilities	\$ (38,785)	\$ (52,086)
Noncurrent liabilities	<u>(361,373)</u>	<u>(910,514)</u>
Total Recognized in SFP	<u>(400,158)</u>	<u>(962,600)</u>
6. Amounts Recognized in Changes in Unrestricted Net Assets (CUNA):		
Net transition obligation / (asset)	\$ -	\$ -
Prior service cost / (credit)	4,193	7,548
Net actuarial (gain) / loss	<u>(697,897)</u>	<u>(533,429)</u>
Total Recognized in Changes in Unrestricted Net Assets	<u>\$ (693,704)</u>	<u>\$ (525,881)</u>
Total Recognized in SFP and CUNA	<u>\$ (1,093,862)</u>	<u>\$ (1,488,481)</u>

**ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013**

NOTE 6 - POSTRETIREMENT BENEFITS: (continued)

**7. Amounts recognized in the Statement of Activities consist of:
(Net Periodic Benefit Cost)**

Service cost	\$ 140,204	\$ 128,758
Interest cost	94,010	110,871
Expected return on assets	(64,231)	(29,617)
Amortization of transition obligation	-	10,789
Amortization of prior service cost	3,355	3,355
Amortization of net (gain) / loss	<u>(40,148)</u>	<u>(10,810)</u>
Net Periodic Benefit Cost	\$ <u>133,190</u>	\$ <u>213,346</u>

8. Other Changes in Benefit Obligations Recognized in Changes in Unrestricted Net Assets:

	<u>2014</u>	<u>2013</u>
Net (gain) loss for the period	\$ (732,425)	\$ (753,341)
Amortization of transition (obligation) asset	-	(10,789)
Amortization of prior service (cost) / credit	(3,355)	(3,355)
Amortization of net (gain) / loss	<u>40,148</u>	<u>10,810</u>
Amount recognized in Changes in Unrestricted Net Assets	\$ <u>(695,632)</u>	\$ <u>(756,675)</u>
Total recognized in Net Periodic Benefit Cost and Unrestricted Net Assets Postretirement Benefit Cost	\$ <u>(562,442)</u>	\$ <u>(543,329)</u>

Assumptions:

Weighted-average assumptions:

Discount rate	4.75%	5.00%
Rate of compensation increase	N/A	N/A
Expected return on plan assets	7.00%	7.00%

Assumed health care cost trend rates:

Initial / ultimate medical/Rx rate	7% / 5%	8% / 5%
Year ultimate medical/Rx rate is reached	2017	2017
Dental trend - all years	4.00%	4.00%

D. Cash Flows:

The following benefit payments are expected to be paid:

2015	\$ 38,785
2016	46,663
2017	56,397
2018	63,745
2019-2024	508,104

The Associated Students contributed \$527,809 funds to the plan during the fiscal year.

**ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013**

NOTE 7 - PENSION PLAN:

The Associated Students utilizes and pays for the services of personnel from the State of California. These employees are covered under the California Public Employees Retirement System multiemployer defined benefit plan. The Associated Students contributed \$28,308 during 2014 and \$36,669 during 2013 to the pension plan.

NOTE 8 - EMPLOYEE RETIREMENT PLAN:

The Employee Retirement Plan is a defined contribution plan where the Associated Students and its eligible employees make contributions, based on the participant's salary, which are deposited with a trustee. Employer contributions to the plan for June 30, 2014 and 2013 totaled \$190,477 and \$161,966, respectively.

NOTE 9 - LEASES:

The Associated Students lease office space from the University and the Student Union under year-to-year operating leases. Total rental payments under these arrangements amounted to \$72,708 and \$72,708 for the years ended June 30, 2014 and 2013, respectively.

NOTE 10 - DESIGNATED NET ASSETS:

Designated net assets consist of the following at June 30:

	2014	2013
Multipurpose/Cultural Center: These net assets were established in accordance with Section 2 of the A.S. Fee Referendum of \$0.50/student/ per semester (\$1/student/fiscal year) to be allocated to this fund for future (long-term) project (i.e., building of a multipurpose/cultural center)	\$ 15,632	\$ 15,632
Children's Center: These net assets were established in accordance with an A.S. Fee Referendum of \$5.00/student/per semester for the planning, construction, furnishing, and operation of a new Children's Center	2,719,426	2,755,042
Multipurpose Renovation: Based on approval by the A.S. Senate, these net assets were transferred from the Multipurpose/Cultural Center Fund for renovations to four buildings: Black House, Asian House, Chicano House, and the Women's Center	12,111	12,111
Student Academic Resources: These net assets were established in accordance with an A.S. Fee Referendum of \$0.50/student/per semester	96,721	(1,505)
Blue Lights: These net assets were established in accordance with an A.S. Fee Referendum of a one-time charge of \$5.00 per student for the establishment of emergency network phones throughout the campus. These net assets represent the remaining net balance as of June 30, 2014 and 2013	504	12,275
	\$ 2,844,394	\$ 2,793,555

**ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE**

**NOTES TO FINANCIAL STATEMENTS
June 30, 2014 and 2013**

NOTE 11 - RELATED PARTY TRANSACTIONS:

Amounts received and paid to the University for reimbursable items were \$6,471,805 and \$425,822, respectively, for the year ended June 30, 2014. Amounts received and paid to other University auxiliaries were \$186,691 and \$193,701, respectively, for the year ended June 30, 2014. Amounts due from and due to the University were \$60,267 and \$0, respectively, as of June 30, 2014. Amounts due from and due to other University auxiliaries were \$28,404 and \$25, respectively, as of June 30, 2014.

Amounts received and paid to the University for reimbursable items were \$5,454,842 and \$514,984, respectively, for the year ended June 30, 2013. Amounts received and paid to other University auxiliaries were \$153,060 and \$251,694, respectively, for the year ended June 30, 2013. Amounts due from and due to the University were \$4,322 and \$247, respectively, as of June 30, 2013. Amounts due from and due to other University auxiliaries were \$28,995 and \$13,516, respectively, as of June 30, 2013.

NOTE 12 - LITIGATION:

The Associated Students is named as one of the defendants in a litigation of which the outcome of this litigation is unknown.

SUPPLEMENTARY INFORMATION

ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
Schedule of Net Position
June 30, 2014
(for inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	\$ 1,228,145
Short-term investments	6,060,016
Accounts receivable, net	172,815
Leases receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net	—
Prepaid expenses and other assets	250,258
Total current assets	<u>7,711,234</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	1,962,622
Other assets	—
Total noncurrent assets	<u>1,962,622</u>
Total assets	<u>9,673,856</u>
Deferred outflows of resources:	
Unamortized loss on refunding(s)	—
Total deferred outflows of resources	<u>—</u>
Liabilities:	
Current liabilities:	
Accounts payable	457,530
Accrued salaries and benefits payable	122,302
Accrued compensated absences— current portion	119,129
Unearned revenue	25,325
Capitalized lease obligations – current portion	—
Long-term debt obligations – current portion	—
Claims Liability for losses and LAE - current portion	—
Depository accounts	517,030
Other liabilities	38,785
Total current liabilities	<u>1,280,101</u>
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	64,177
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	361,373
Other liabilities	—
Total noncurrent liabilities	<u>425,550</u>
Total liabilities	<u>1,705,651</u>
Deferred inflows of resources:	
Deferred inflows from SCAs, grants, and others	—
Total deferred inflows of resources	<u>—</u>
Net Position:	
Net investment in capital assets	1,962,622
Restricted for:	
Nonexpendable – endowments	—
Expendable:	
Scholarships and fellowships	—
Research	—
Loans	—
Capital projects	—
Debt service	—
Other	—
Unrestricted	6,005,583
Total net position	<u>\$ 7,968,205</u>

See accompanying independent auditors' report.

ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
Schedule of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2014
(for inclusion in the California State University)

Revenues:

Operating revenues:	
Student tuition and fees (net of scholarship allowances of \$_____0____)	\$ 6,569,157
Grants and contracts, noncapital:	
Federal	276,897
State	220,836
Local	—
Nongovernmental	—
Sales and services of educational activities	—
Sales and services of auxiliary enterprises (net of scholarship allowances of \$_____)	—
Other operating revenues	1,129,920
Total operating revenues	8,196,810

Expenses:

Operating expenses:	
Instruction	—
Research	—
Public service	—
Academic support	—
Student services	7,533,043
Institutional support	—
Operation and maintenance of plant	—
Student grants and scholarships	155,526
Auxiliary enterprise expenses	—
Depreciation and amortization	106,758
Total operating expenses	7,795,327
Operating income (loss)	401,483

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	26,849
Endowment income (loss), net	—
Interest Expenses	—
Other nonoperating revenues (expenses)	(1,378)
Net nonoperating revenues (expenses)	25,471

Income (loss) before other additions 426,954

State appropriations, capital	—
Grants and gifts, capital	—
Additions (reductions) to permanent endowments	—
Increase (decrease) in net position	426,954

Net position:

Net position at beginning of year, as previously reported	7,541,251
Restatements	—
Net position at beginning of year, as restated	7,541,251
Net position at end of year	\$ 7,968,205

See accompanying independent auditors' report.

ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

Other Information
 June 30, 2014

(for inclusion in the California State University)

1	Restricted cash and cash equivalents at June 30, 2014:									
	Portion of restricted cash and cash equivalents related to endowments	\$	-							
	All other restricted cash and cash equivalents	\$	-							
	Total restricted cash and cash equivalents	\$	-							
2.1	Composition of investments at June 30, 2014:									
	State of California Surplus Money Investment Fund (SMIF)	\$	446,000	\$	446,000	\$	-	\$	-	446,000
	State of California Local Agency Investment Fund (LAIF)		-		-		-		-	-
	Washington Short Term Fund		-		-		-		-	-
	Washington Medium Term Fund		-		-		-		-	-
	Washington Equity Fund		-		-		-		-	-
	CSU Consolidated Investment Pool (includes SWIFT and 0948 SMIF)		5,614,016		5,614,016		-		-	5,614,016
	Common Fund - Short Term Fund		-		-		-		-	-
	Common Fund - Others		-		-		-		-	-
	Debt securities		-		-		-		-	-
	Equity securities		-		-		-		-	-
	Fixed income securities (Treasury notes, GNMAs)		-		-		-		-	-
	Land and other real estate		-		-		-		-	-
	Certificates of deposit		-		-		-		-	-
	Notes receivable		-		-		-		-	-
	Mutual funds		-		-		-		-	-
	Money Market funds		-		-		-		-	-
	Collateralized mortgage obligations		-		-		-		-	-
	Inverse floaters		-		-		-		-	-
	Interest-only strips		-		-		-		-	-
	Agency pass-through		-		-		-		-	-
	Partnership interests (includes private pass-through)		-		-		-		-	-
	Alternative investments		-		-		-		-	-
	Hedge funds		-		-		-		-	-
	Other major investments:		-		-		-		-	-
	Add description		-		-		-		-	-
	Add description		-		-		-		-	-
	Add description		-		-		-		-	-
	Add description		-		-		-		-	-
	Add description		-		-		-		-	-
	Add description		-		-		-		-	-
	Total investments	\$	6,060,016	\$	6,060,016	\$	-	\$	-	6,060,016
	Less endowment investments (enter as negative number)		-		-		-		-	-
	Total investments	\$	6,060,016	\$	6,060,016	\$	-	\$	-	6,060,016

See accompanying independent auditors' report.

ASSOCIATED STUDENTS, INC.
 CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

Other Information
 June 30, 2014

(for inclusion in the California State University)

2.3	Investments held by the University under contractual agreements at June 30, 2014: Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2014:	\$	6,060,016	\$	6,060,016	\$	6,060,016
	2.3 Restricted current investments at June 30, 2014 related to:	\$	Amount	\$		\$	
	Add description	\$	—	\$		\$	
	Add description	\$	—	\$		\$	
	Add description	\$	—	\$		\$	
	Add description	\$	—	\$		\$	
	Add description	\$	—	\$		\$	
	Add description	\$	—	\$		\$	
	Total restricted current investments at June 30, 2014	\$	—	\$		\$	
	2.4 Restricted noncurrent investments at June 30, 2014 related to:	\$	Amount	\$		\$	
	Endowment investment	\$	—	\$		\$	
	Add description	\$	—	\$		\$	
	Add description	\$	—	\$		\$	
	Add description	\$	—	\$		\$	
	Add description	\$	—	\$		\$	
	Add description	\$	—	\$		\$	
	Total restricted noncurrent investments at June 30, 2014	\$	—	\$		\$	

See accompanying independent auditors' report.

ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
 Other Information
 June 30, 2014
 (for inclusion in the California State University)

3.1 Composition of capital assets at June 30, 2014:

	Balance June 30, 2013	Prior period Adjustments	Reclassifications	Balance June 30, 2013 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2014
Nondepreciable/nonamortizable capital assets:								
Land and land improvements	-	-	-	-	-	-	-	-
Works of art and historical treasures	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	-	-	-	-	-	-	-	-
Intangible assets:								
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-
License and permits	-	-	-	-	-	-	-	-
Leasable assets	-	-	-	-	-	-	-	-
Leases and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Personal property:								
Equipment	314,614	-	-	314,614	16,300	(14,720)	-	316,694
Library books and materials	-	-	-	-	-	-	-	-
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Total intangible assets	3,090,410	-	-	3,090,410	16,800	(14,720)	-	3,092,560
Total depreciable/amortizable capital assets	3,090,410	-	-	3,090,410	16,800	(14,720)	-	3,092,560
Total capital assets	(821,195)	-	-	(821,195)	(69,395)	-	-	(890,590)
Less accumulated depreciation/amortization:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasable improvements	-	-	-	-	-	-	-	-
Personal property:								
Equipment	(208,117)	-	-	(208,117)	(37,363)	6,132	-	(239,344)
Library books and materials	-	-	-	-	-	-	-	-
Software and vehicles	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	(1,029,312)	-	-	(1,029,312)	(106,235)	6,132	-	(1,129,935)
Total capital assets, net	2,061,168	-	-	2,061,168	(89,935)	(8,588)	-	1,962,622

3.2 Detail of depreciation and amortization expense for the year ended June 30, 2014:

Depreciation and amortization expense related to capital assets	\$ 106,738
Amortization expense related to other assets	-
Total depreciation and amortization	\$ 106,738

See accompanying independent auditors' report.

ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

Other Information
 June 30, 2014
 (for inclusion in the California State University)

4 Long-term liabilities activity schedule:

	Balance June 30, 2013	Prior period adjustments	Reclassifications	Balance June 30, 2013 (restated)	Additions	Reductions	Balance June 30, 2014	Current portion	Long-term portion
Accrued compensated absences	\$ 183,332	\$ -	\$ -	\$ 183,332	\$ 117,919	\$ (117,965)	\$ 183,306	\$ 119,129	\$ 64,177
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 SRL									
Other:									
Add description									
Add description									
Add description									
Add description									
Add description									
Total long-term debt obligations									
Unamortized bond premiums / (discount)									
Total long-term debt obligations, net									
Total long-term liabilities	\$ 183,332	\$ -	\$ -	\$ 183,332	\$ 117,919	\$ (117,965)	\$ 183,306	\$ 119,129	\$ 64,177

5 Future minimum lease payments - capital lease obligations:

Year ending June 30:	Principal	Interest	Principal and Interest
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			
Capitalized lease obligation, net of current portions			\$ -

See accompanying independent auditors' report.

ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
 Other Information
 June 30, 2014
 (for inclusion in the California State University)

6 Long-term debt obligation schedule

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

OK

7 Calculation of net position

	Auxiliary Organizations		Total
	CSB	FASB	
7.1 Calculation of net position - Net investment in capital assets			
Capital assets, net of accumulated depreciation	\$ -	\$ 1,962,622	\$ 1,962,622
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 current at year-end	-	-	-
Other adjustments: (please list)	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Net position - net investment in capital asset	\$ -	\$ 1,962,622	\$ 1,962,622

7.2 Calculation of net position - Restricted for assetsependable - endowments

Portion of restricted cash and cash equivalents related to endowments	\$ -	\$ -	\$ -
Endowment investments	-	-	-
Other adjustments: (please list)	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Add description	-	-	-
Net position - Restricted for assetsependable - endowments per SNP	\$ -	\$ -	\$ -

See accompanying independent auditors' report.

ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
 Other Information
 June 30, 2014
 (for inclusion in the California State University)

	Amount
	\$ 113,190
	213,911
	6,471,605
	--
	--
	60,767

8 Transactions with Related Entities

Payments to University for salaries of University personnel working on contracts, grants, and other programs
 Payments to University for other than salaries of University personnel
 Payments received from University for services, space, and program
 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)
 Other amounts receivable from University (enter as negative number)
 Accounts receivable from University
 Other amounts receivable from University

	\$ 113,190
	(625,632)
	(562,442)
	963,600
	\$ 490,158

9 Other Postemployment Benefit Obligation (OPEB)

Annual required contribution (ARC)	\$
Contributions during the year	(625,632)
Increase (decrease) in net OPEB obligation (MOO)	(562,442)
MOO - beginning of year	963,600
MOO - end of year	\$ 490,158

10 Pollution remediation liabilities under GASB Statement No. 49:

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

See accompanying independent auditors' report.

ASSOCIATED STUDENTS, INC.
CALIFORNIA STATE UNIVERSITY, NORTHRIDGE
 Other Information
 June 30, 2014
 (for inclusion in the California State University)

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

Net Position Class	Amount
	Dr. (Cr.)
Net position as of June 30, 2013, as previously reported	\$ 7,541,231
1 (list description of each adjustment)	—
2 (list description of each adjustment)	—
3 (list description of each adjustment)	—
4 (list description of each adjustment)	—
5 (list description of each adjustment)	—
6 (list description of each adjustment)	—
7 (list description of each adjustment)	—
8 (list description of each adjustment)	—
9 (list description of each adjustment)	—
10 (list description of each adjustment)	—
Net position as of June 30, 2013, as restated	\$ 7,541,231

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

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

See accompanying independent auditors' report.