

**Associated Students,
California State University, Northridge, Inc.**

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

June 30, 2015 and 2014

**Associated Students,
California State University, Northridge, Inc.**

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Independent Auditor's Report

The Board of Directors
Associated Students, California State University, Northridge, Inc.
(A California State University Auxiliary Organization)

We have audited the accompanying financial statements of Associated Students, California State University, Northridge, Inc., 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 2015 financial statements referred to above present fairly, in all material respects, the financial position of Associated Students, California State University, Northridge, Inc. 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.

Prior Period Financial Statements

The financial statements of Associated Students, California State University, Northridge, Inc. as of June 30, 2014 and for the year then ended were audited by other auditors whose report dated September 12, 2014 expressed an unmodified opinion on those statements.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2015 financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the 2015 financial statements. Such information is the responsibility of management and was derived from and relates directly to underlying accounting and other records used to prepare the 2015 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2015 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2015 financial statements or to the 2015 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 2015 financial statements as a whole.



Los Angeles, California
September 17, 2015

**Associated Students,
California State University, Northridge, Inc.**

**Statements of Financial Position
Years Ended June 30, 2015 and 2014**

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Current assets		
Cash and cash equivalents	\$ 999,098	\$ 1,228,145
Short-term investments	5,387,704	6,060,016
Accounts receivable	124,866	45,027
Accounts receivable from the University	1,370,316	99,384
Accounts receivable from other University auxiliary organizations	81,710	28,404
Prepaid expenses and other	2,899	9,936
Inventory	199,277	240,322
Total current assets	8,165,870	7,711,234
Property and equipment, net	1,880,074	1,962,622
Totals	\$ 10,045,944	\$ 9,673,856
<u>Liabilities and Net Assets</u>		
Current liabilities		
Accounts payable and accrued expenses	\$ 280,902	\$ 450,450
Accounts payable to the University	21,031	7,080
Current portion of accrued salaries and employee benefits	266,833	241,431
Deposits held in custody for others	578,543	517,030
Deferred revenue	64,703	25,325
Total current liabilities	1,212,012	1,241,316
Accrued salaries and employee benefits, net of current portion	71,814	64,177
Accrued postretirement benefits	829,702	400,158
Grants payable	33,250	-
Total liabilities	2,146,778	1,705,651
Net assets		
Unrestricted	7,899,166	7,968,205
Totals	\$ 10,045,944	\$ 9,673,856

See Notes to Financial Statements.

**Associated Students,
California State University, Northridge, Inc.**

**Statements of Activities
Years Ended June 30, 2015 and 2014**

	2015	2014
Operating revenues		
Student activity fees	\$ 7,082,228	\$ 6,569,157
Programs		
Cultural affairs	206,209	119,052
Student services	1,429,154	1,399,188
Communication and media	3,000	3,000
Recreation programs	115,394	74,201
Student government	6,577	1,280
Administrative	63,004	30,933
Investment income	33,207	26,849
Other income	7,517	7,210
	8,946,290	8,230,870
Operating expenses		
Program services		
Academic programs	170,602	123,290
Cultural affairs	1,072,227	956,660
Student affairs	3,827,262	3,613,400
Communication and media	395,899	385,177
Recreation programs	836,664	672,161
Student government	540,268	438,363
Financial aid	165,326	155,526
	7,008,248	6,344,577
Supporting services		
Administrative	1,593,926	1,603,190
	8,602,174	7,947,767
Change in net assets from operating activities	344,116	283,103
Nonoperating revenue (expense)		
Pension related changes other than net periodic pension costs	(413,155)	143,851
Change in net assets	(69,039)	426,954
Net assets, beginning of year	7,968,205	7,541,251
Net assets, end of year	\$ 7,899,166	\$ 7,968,205

See Notes to Financial Statements.

**Associated Students,
California State University, Northridge, Inc.**

**Statements of Cash Flows
Years Ended June 30, 2015 and 2014**

	2015	2014
Cash flows from operating activities		
Change in net assets	\$ (69,039)	\$ 426,954
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	104,694	106,758
Loss on disposal of property and equipment	-	8,588
Postretirement benefits	413,155	(143,851)
Changes in operating assets and liabilities		
Accounts receivable	(79,839)	248,787
Accounts receivable from the University	(1,270,932)	(88,592)
Accounts receivable from other University auxiliary organizations	(53,306)	1,388
Prepaid expenses	7,037	7,896
Inventory	41,045	(61,220)
Accounts payable and accrued expenses	(169,548)	39,261
Accounts payable to the University	13,951	18
Accrued salaries and employee benefits	33,039	7,955
Deposits held in custody for others	61,513	118,254
Deferred revenue	39,378	5,177
Accrued postretirement benefits	16,389	(418,591)
Grants payable	33,250	-
	(879,213)	258,782
Net cash provided by (used in) operating activities		
Cash flows from investing activities		
Purchase of equipment	(22,146)	(16,800)
Proceeds from the sales of investments	672,312	300,000
Purchases of investments	-	(24,201)
	650,166	258,999
Net cash provided by investing activities		
Net increase (decrease) in cash and cash equivalents	(229,047)	517,781
Cash and cash equivalents, beginning of year	1,228,145	710,364
Cash and cash equivalents, end of year	\$ 999,098	\$ 1,228,145

See Notes to Financial Statements.

**Associated Students,
California State University, Northridge, Inc.**

**Notes to Financial Statements
June 30, 2015 and 2014**

Note 1 - Business activity and summary of significant accounting policies

Business activity

Associated Students, California State University, Northridge, Inc. (a California State University Auxiliary Organization) (the "Associated Students") is a nonprofit organization related to California State University, Northridge (the "University"). Associated Students 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. Associated Students provides service primarily to students 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 Associated Students 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 purpose by action of the Board of Directors.

Temporarily restricted – Net assets whose use by Associated Students is subject to either explicit donor-imposed stipulations or by operation of law that can be fulfilled by actions of Associated Students or that expire by the passage of time. At June 30, 2015 and 2014, Associated Students does not have any temporarily restricted net assets.

Permanently restricted – Net assets subject to explicit donor-imposed stipulations that must be maintained permanently by Associated Students 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 and 2014, Associated Students 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 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. Associated Students provides for losses on receivables using the allowance method which is based on experience and other circumstances. Associated Students considers all accounts receivable to be fully collectible and, as such, an allowance for doubtful accounts is not considered necessary.

**Associated Students,
California State University, Northridge, Inc.**

**Notes to Financial Statements
June 30, 2015 and 2014**

Investments

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

Fair value measurements

Associated Students 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.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from three to forty years. Repairs and maintenance are charged to expense as incurred.

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 Associated Students. The consignment tickets that have not been purchased have been offset by accounts payable on the statements of financial position.

Revenue recognition

Student activity fees are collected from student tuition and recognized as revenue in accordance with the academic year. Program revenues are recorded when earned. Deferred revenue consists of amounts received which have not been earned. These amounts are transferred to revenue when earned.

**Associated Students,
California State University, Northridge, Inc.**

**Notes to Financial Statements
June 30, 2015 and 2014**

Income taxes

Associated Students is a not-for-profit organization 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.

Associated Students has no unrecognized tax benefits at June 30, 2015 and 2014. Associated Students' federal and state income tax returns prior to the 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, Associated Students 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 statements of financial position.

Functional allocation expenses

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

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 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.

Reclassifications

Certain reclassifications of 2014 amounts have been made to conform with the 2015 presentation.

Subsequent events

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

Note 2 - Concentrations

Financial instruments that potentially subject Associated Students to concentrations of credit risk consist primarily of cash and cash equivalents. Associated Students maintains its cash and cash equivalents with high credit quality financial institutions. Potential exposure to credit loss for amounts exceeding federally insured limits are offset by an agreement with the financial institution to cover all such deposits. Associated Students has not experienced any losses and believes it is not exposed to any significant credit risk on cash and cash equivalents.

**Associated Students,
California State University, Northridge, Inc.**

**Notes to Financial Statements
June 30, 2015 and 2014**

Associated Students' 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 Associated Students' 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 3 - Investments

Investments consist of funds pooled with the California State University, Northridge, invested in the System Wide Investment Fund Trust ("SWIFT") and the Local Agency Investment Fund ("LAIF"). These investments consist of 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 Board of Directors and management. At June 30, 2015 and 2014, Associated Students' share in SWIFT and LAIF was \$5,387,704 and \$6,060,016, respectively.

Note 4 - Fair value measurements

At June 30, 2015 and 2014, 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. For the year ended June 30, 2015, there have been no changes in the valuation methodologies.

Note 5 - Property and equipment

At June 30, 2015 and 2014, property and equipment consist of the following:

	2015	2014
Buildings	\$ 2,775,867	\$ 2,775,867
Equipment, furniture, and fixtures	326,075	316,693
	3,101,942	3,092,560
Less accumulated depreciation	(1,221,868)	(1,129,938)
	\$ 1,880,074	\$ 1,962,622

Depreciation expense for the years ended June 30, 2015 and 2014 was \$104,694 and \$106,758, respectively.

**Associated Students,
California State University, Northridge, Inc.**

**Notes to Financial Statements
June 30, 2015 and 2014**

Note 6 - Assets held on behalf of others

As a service to University-affiliated organizations and projects, Associated Students acts as a collecting and disbursing agent for certain special activities of other University organizations. Assets held for others total \$584,027 and \$519,142 at June 30, 2015 and 2014, respectively, and consist of the following items, which are included in the accompanying financial statements:

	2015	2014
Cash and cash equivalents	\$ 546,759	\$ 516,601
Accounts receivable	37,268	2,541
Total assets	\$ 584,027	\$ 519,142
Accounts payable	\$ 5,484	\$ 2,112
Deposits held in custody for others	578,543	517,030
Total liabilities	\$ 584,027	\$ 519,142

Note 7 - Postretirement benefits

Benefits

Associated Students sponsors a postretirement benefit plan which provides eligible employees postretirement medical benefits. Such benefits are provided by Associated Students' health plan. 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. Employees are eligible if they are either age sixty with twenty years of service, age sixty-two with fifteen years of service or age sixty-five with ten years of service.

The following tables provide further information about the Associated Students' postretirement benefit plan:

	2015	2014
Accumulated postretirement benefit obligation	\$ (2,425,823)	\$ (1,993,790)
Plan assets at June 30,	1,596,121	1,593,632
Net unfunded status of the plan	\$ (829,702)	\$ (400,158)

**Associated Students,
California State University, Northridge, Inc.**

**Notes to Financial Statements
June 30, 2015 and 2014**

	2015	2014
Fair value of plan assets, beginning of year	\$ 1,593,632	\$ 943,633
Return of plan assets	2,489	149,999
Benefits paid	(35,225)	(27,809)
Employer contributions	35,225	527,809
Fair value of plan assets, end of year	\$ 1,596,121	\$ 1,593,632

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

	2015	2014
Noncurrent liabilities recognized in statements of financial position	\$ 829,702	\$ 400,158

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

	2015	2014
Service cost	\$ 127,131	\$ 140,204
Interest cost	88,848	94,010
Expected return on assets	(110,196)	(64,231)
Amortization of unrecognized prior service cost	3,355	3,355
Amortization of unrecognized gain	(60,742)	(40,148)
Net postretirement benefit cost ("NPBC")	\$ 48,396	\$ 133,190

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

	2015	2014
Net (gain) loss for period	\$ 358,987	\$ (732,425)
Amortization of prior service cost	(3,355)	(3,355)
Amortization of net gain	60,742	40,148
Total changes in CUNA	\$ 416,374	\$ (695,632)
Total changes recognized in NPBC and CUNA	\$ 464,770	\$ (562,442)

Included in changes in unrestricted net assets is \$3,219 that relates to assets held on behalf of others.

**Associated Students,
California State University, Northridge, Inc.**

**Notes to Financial Statements
June 30, 2015 and 2014**

Assumptions

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

	<u>2015</u>	<u>2014</u>
Benefit obligations at June 30,		
Discount rate	4.50%	4.75%
Rate of return on plan assets	7.00%	7.00%
Rate of compensation increase	N/A	N/A
Medical trend		
Initial	7.00%	7.00%
Ultimate	5.00%	4.00%
Number of years to ultimate	2 years	2 years

Associated Students' overall investment strategy is to diversify investments among equities, fixed income and possibly other securities, such as real estate, so as to provide a balance that will enhance total return while avoiding undue risk concentration in any single asset class or investment category.

The fair values of Associated Students' postretirement benefit plan assets at June 30, 2015 and 2014, by asset class are as follows:

	<u>2015</u>	<u>2014</u>
Equities	\$ 788,095	\$ 805,555
Fixed income	808,026	788,077
	<u>\$ 1,596,121</u>	<u>\$ 1,593,632</u>

The plan assets are classified as Level 1 in the fair value hierarchy and are valued using real-time quotes for transactions in active exchange markets involving identical assets.

Changes in unrecognized prior service cost ("UPSC") for the years ended June 30, 2015 and 2014 were as follows:

	<u>2015</u>	<u>2014</u>
UPSC, beginning of year	\$ 4,193	\$ 7,548
Amounts recognized	(3,355)	(3,355)
UPSC, end of year	<u>\$ 838</u>	<u>\$ 4,193</u>

**Associated Students,
California State University, Northridge, Inc.**

**Notes to Financial Statements
June 30, 2015 and 2014**

Changes in unrecognized net loss for the years ended June 30, 2015 and 2014 were as follows:

	2015	2014
Unrecognized loss, beginning of year	\$ (697,897)	\$ (533,429)
Amounts recognized	60,742	40,148
Actuarial losses deferred	358,987	(204,616)
Unrecognized loss, end of year	\$ (278,168)	\$ (697,897)

Cash flows

The following benefit payments subsequent to June 30, 2015 are expected to be paid as follows:

Years beginning July 1,		
2016	\$	48,356
2017		59,023
2018		67,104
2019		73,063
2020		80,138
2021-2025		547,662

During the years ended June 30, 2015 and 2014, the Associated Students contributed \$35,225 and \$527,809, respectively, to the plan.

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 gain	\$	4,253
Net prior service cost	\$	838

Note 8 - Pension plan

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. During the years ended June 30, 2015 and 2014, Associated Students contributed \$24,056 and \$28,308, respectively, to the pension plan.

**Associated Students,
California State University, Northridge, Inc.**

**Notes to Financial Statements
June 30, 2015 and 2014**

Note 9 - Employee retirement plan

The employee retirement plan is a defined contribution plan where Associated Students makes contributions, based on the participant's salary, which are deposited with a trustee. For the years ended June 30, 2015 and 2014, employer contributions to the employee retirement plan were \$195,484 and \$190,477, respectively.

Note 10 - Leases and contingencies

Leases

Associated Students leases office space from the Student Union under year-to-year operating leases. Total rental payments under these arrangements amounted to \$80,046 and \$72,708, respectively, for the years ended June 30, 2015 and 2014.

Contingencies

Certain claims have been filed against Associated Students in the ordinary course of business. In the opinion of management, these matters would not have a material effect on the financial statements.

**Associated Students,
California State University, Northridge, Inc.**

**Notes to Financial Statements
June 30, 2015 and 2014**

Note 11 - Designated net assets

Designated net assets consist of the following at June 30, 2015 and 2014:

	2015	2014
Multipurpose/Cultural Center: These net assets were established in accordance with Section 2 of Associated Students' 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 Associated Students' Fee Referendum of \$5.00/student per semester for the planning, construction, furnishing, and operation of a new Children's Center.	2,695,291	2,719,426
Multipurpose Renovation: Based on approval by Associated Students' 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 Associated Students' Fee Referendum of \$0.50/student per semester. The funds have been recently retitled Student Travel and Academic Resources ("STAR") fund, which is funded solely through the annual budget process. There will no longer be designated net assets for this use.	-	96,721
Blue Lights: These net assets were established in accordance with an Associated Students' 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, 2015.	504	504
Totals	\$ 2,723,538	\$ 2,844,394

**Associated Students,
California State University, Northridge, Inc.**

**Notes to Financial Statements
June 30, 2015 and 2014**

Note 12 - Related party transactions

Associated Students provides and receives services from the University, California State University, Northridge Foundation ("CSUN Foundation"), University Student Union California State University, Northridge ("USU") and The University Corporation ("TUC"). At June 30, 2015 and 2014, accounts receivable and accounts payable relating to these organizations are as follows:

	<u>2015</u>	<u>2014</u>
Receivables		
University	\$ 1,370,316	\$ 99,384
CSUN Foundation	400	-
TUC	71,083	24,420
USU	<u>10,226</u>	<u>3,984</u>
Totals	<u>\$ 1,452,025</u>	<u>\$ 127,788</u>
Payables		
University	<u>\$ 21,031</u>	<u>\$ 7,080</u>

During the years ended June 30, 2015 and 2014, amounts received from the University for reimbursable expenses were \$5,299,320 and \$6,471,805, respectively. During the years ended June 30, 2015 and 2014, amounts paid to the University for salaries and services such as utilities and other expenses were \$511,444 and \$425,922, respectively.

Supplementary Information

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, NORTHRIDGE, INC.

Schedule of Net Position

June 30, 2015

(for inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	\$ 999,098
Short-term investments	5,387,704
Accounts receivable, net	1,576,892
Leases receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net	—
Prepaid expenses and other assets	202,176
Total current assets	<u>8,165,870</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	1,880,074
Other assets	—
Total noncurrent assets	<u>1,880,074</u>
Total assets	<u>10,045,944</u>
Deferred outflows of resources:	
Unamortized loss on debt refunding	—
Net pension obligation	—
Others	—
Total deferred outflows of resources	<u>—</u>
Liabilities:	
Current liabilities:	
Accounts payable	301,933
Accrued salaries and benefits payable	146,404
Accrued compensated absences— current portion	120,429
Unearned revenue	64,703
Capitalized lease obligations – current portion	—
Long-term debt obligations – current portion	—
Claims Liability for losses and LAE - current portion	—
Depository accounts	578,543
Other liabilities	48,356
Total current liabilities	<u>1,260,368</u>
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	71,814
Unearned revenue	—
Grants refundable	33,250
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	781,346
Pension obligation	—
Other liabilities	—
Total noncurrent liabilities	<u>886,410</u>
Total liabilities	<u>2,146,778</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>
Net Position:	
Net investment in capital assets	1,880,074
Restricted for:	
Nonexpendable – endowments	
Expendable:	—
Scholarships and fellowships	—
Research	—
Loans	—
Capital projects	—
Debt service	—
Other	—
Unrestricted	6,019,092
Total net position	<u>\$ 7,899,166</u>

See Independent Auditor's Report.

ASSOCIATED STUDENTS, CALIFORNIA STATE UNIVERSITY, NORTHRIDGE, INC.

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 \$____0____)	\$ 7,082,228
Grants and contracts, noncapital:	
Federal	201,970
State	271,704
Local	—
Nongovernmental	—
Sales and services of educational activities	—
Sales and services of auxiliary enterprises (net of scholarship allowances of \$____)	—
Other operating revenues	<u>1,349,664</u>
Total operating revenues	<u>8,905,566</u>

Expenses:

Operating expenses:

Instruction	—
Research	—
Public service	—
Academic support	—
Student services	8,745,309
Institutional support	—
Operation and maintenance of plant	—
Student grants and scholarships	165,326
Auxiliary enterprise expenses	—
Depreciation and amortization	<u>104,694</u>
Total operating expenses	<u>9,015,329</u>
Operating income (loss)	<u>(109,763)</u>

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	33,207
Endowment income (loss), net	—
Interest Expenses	—
Other nonoperating revenues (expenses)	<u>7,517</u>
Net nonoperating revenues (expenses)	<u>40,724</u>
Income (loss) before other additions	(69,039)
State appropriations, capital	—
Grants and gifts, capital	—
Additions (reductions) to permanent endowments	<u>—</u>
Increase (decrease) in net position	(69,039)

Net position:

Net position at beginning of year, as previously reported	7,968,205
Restatements	—
Net position at beginning of year, as restated	<u>7,968,205</u>
Net position at end of year	<u>\$ 7,899,166</u>

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1	Restricted cash and cash equivalents at June 30, 2015:	
	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, 2015:

	Current Unrestricted	Current Restricted	Total Current	Noncurrent Unrestricted	Noncurrent Restricted	Total Noncurrent	Total
State of California Surplus Money Investment Fund (SMIF)	\$ -	-	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-	-	-
Corporate bonds	1,574,130	-	1,574,130	-	-	-	1,574,130
Certificates of deposit	249,952	-	249,952	-	-	-	249,952
Mutual funds	-	-	-	-	-	-	-
Money Market funds	43,609	-	43,609	-	-	-	43,609
Repurchase agreements	13,810	-	13,810	-	-	-	13,810
Commercial paper	-	-	-	-	-	-	-
Asset backed securities	362,933	-	362,933	-	-	-	362,933
Mortgage backed securities	2,686	-	2,686	-	-	-	2,686
Municipal bonds	37,527	-	37,527	-	-	-	37,527
U.S. agency securities	1,890,743	-	1,890,743	-	-	-	1,890,743
U.S. treasury securities	1,212,314	-	1,212,314	-	-	-	1,212,314
Equity securities	-	-	-	-	-	-	-
Exchange traded funds (ETFs)	-	-	-	-	-	-	-
Alternative investments:							
Private equity (including limited partnerships)	-	-	-	-	-	-	-
Hedge funds	-	-	-	-	-	-	-
Managed futures	-	-	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-
Other alternative investment types	-	-	-	-	-	-	-
Other external investment pools (excluding SWIFT)							
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Other major investments:							
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Total investments	5,387,704	-	5,387,704	-	-	-	5,387,704
Less endowment investments (enter as negative number)	-	-	-	-	-	-	-
Total investments	5,387,704	-	5,387,704	-	-	-	5,387,704

2.2 Investments held by the University under contractual agreements at June 30, 2015:

Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2015 :	5,387,704	-	5,387,704	-	-	-	5,387,704
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2.3 Restricted current investments at June 30, 2015 related to:

	Amount
Add description	\$ -
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Total restricted current investments at June 30, 2015	\$ -

2.4 Restricted noncurrent investments at June 30, 2015 related to:

	Amount
Endowment investment	\$ -
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Add description	-
Total restricted noncurrent investments at June 30, 2015	\$ -

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

Depreciation and amortization expense related to capital assets	\$ 104,694
Amortization expense related to other assets	—
Total depreciation and amortization	<u>\$ 104,694</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	\$ 183,306	—	—	183,306	125,450	(116,513)	192,243	120,429	71,814
Capitalized lease obligations:									
Gross balance	—	—	—	—	-	-	—	—	—
Unamortized premium / (discount) on capitalized lease obligations	—	—	—	—	-	-	—	—	—
Total capitalized lease obligations	—	—	—	—	-	-	—	—	—
Long-term debt obligations:									
Revenue Bonds	—	—	—	—	-	-	—	—	—
Other bonds (non-Revenue Bonds)	—	—	—	—	-	-	—	—	—
Commercial Paper	—	—	—	—	-	-	—	—	—
Note Payable related to SRB	—	—	—	—	-	-	—	—	—
Other:									
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Total long-term debt obligations	—	—	—	—	-	-	—	—	—
Unamortized bond premium / (discount)	—	—	—	—	-	-	—	—	—
Total long-term debt obligations, net	—	—	—	—	-	-	—	—	—
Total long-term liabilities	<u>\$ 183,306</u>	<u>—</u>	<u>—</u>	<u>183,306</u>	<u>125,450</u>	<u>(116,513)</u>	<u>192,243</u>	<u>120,429</u>	<u>71,814</u>

5 Future minimum lease payments - capital lease obligations:

	Principal	Interest	Principal and Interest
Year ending June 30:			
2016	-	-	—
2017	-	-	—
2018	-	-	—
2019	-	-	—
2020	-	-	—
2021 - 2025	-	-	—
2026 - 2030	-	-	—
2031 - 2035	-	-	—
2036 - 2040	-	-	—
2041 - 2045	-	-	—
2046 - 2050	-	-	—
2051 - 2055	-	-	—
2056 - 2060	-	-	—
2061 - 2065	-	-	—
Total minimum lease payments	—	—	—
Less amounts representing interest			—
Present value of future minimum lease payments			—
Less: current portion			—
Capitalized lease obligation, net of current portion			<u>\$ —</u>

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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:									
2016	\$ -	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-
2021 - 2025	-	-	-	-	-	-	-	-	-
2026 - 2030	-	-	-	-	-	-	-	-	-
2031 - 2035	-	-	-	-	-	-	-	-	-
2036 - 2040	-	-	-	-	-	-	-	-	-
2041 - 2045	-	-	-	-	-	-	-	-	-
2046 - 2050	-	-	-	-	-	-	-	-	-
2051 - 2055	-	-	-	-	-	-	-	-	-
2056 - 2060	-	-	-	-	-	-	-	-	-
2061 - 2065	-	-	-	-	-	-	-	-	-
Total	\$ -	-	-	-	-	-	-	-	-

7 Calculation of net position

	Auxiliary Organizations		Total
	GASB	FASB	Auxiliaries
7.1 Calculation of net position - Net investment in capital assets			
Capital assets, net of accumulated depreciation	\$ —	1,880,074	1,880,074
Capitalized lease obligations - current portion	—	—	—
Capitalized lease obligations, net of current portion	—	—	—
Long-term debt obligations - current portion	—	—	—
Long-term debt obligations, net of current portion	—	—	—
Portion of outstanding debt that is unspent at year-end	—	—	—
Other adjustments: (please list)			
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Net position - net investment in capital asset	\$ —	1,880,074	1,880,074
7.2 Calculation of net position - Restricted for nonexpendable - endowments			
Portion of restricted cash and cash equivalents related to endowments	\$ —	—	—
Endowment investments	—	—	—
Other adjustments: (please list)			
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Net position - Restricted for nonexpendable - endowments per SNP	\$ —	—	—

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8 Transactions with Related Entities

	<u>Amount</u>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 245,087
Payments to University for other than salaries of University personnel	266,358
Payments received from University for services, space, and programs	5,299,320
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 (payable to) University (enter as negative number)	—
Accounts receivable from University	1,313,165
Other amounts receivable from University	—

9 Other Postemployment Benefits Obligation (OPEB)

Annual required contribution (ARC)	\$ 48,395
Contributions during the year	<u>381,149</u>
Increase (decrease) in net OPEB obligation (NOO)	429,544
NOO - beginning of year	400,158
NOO - end of year	<u>\$ 829,702</u>

10 Pollution remediation liabilities under GASB Statement No. 49

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

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

	<u>Net Position Class</u>	<u>Amount Dr. (Cr.)</u>
Net position as of June 30, 2014, as previously reported		\$ 7,968,205
Prior period adjustments:		
1 (list description of each adjustment)		—
2 (list description of each adjustment)		—
3 (list description of each adjustment)		—
4 (list description of each adjustment)		—
5 (list description of each adjustment)		—
6 (list description of each adjustment)		—
7 (list description of each adjustment)		—
8 (list description of each adjustment)		—
9 (list description of each adjustment)		—
10 (list description of each adjustment)		—
Net position as of June 30, 2014, as restated		<u>\$ 7,968,205</u>

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

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

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