

**North Campus - University Park
Development Corporation**

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

June 30, 2019

North Campus - University Park Development Corporation

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Independent Auditor's Report

The Board of Directors
North Campus - University Park Development Corporation
(A California State University Auxiliary Organization)

We have audited the accompanying financial statements of North Campus - University Park Development Corporation, which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of North Campus - University Park Development Corporation as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the North Campus - University Park Development Corporation's 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 18, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2019 financial statements as a whole. The accompanying supplementary information on pages 15 to 22 is presented for purposes of additional analysis and is not a required part of the 2019 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 2019 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2019 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2019 financial statements or to the 2019 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 2019 financial statements as a whole.

CohnReznick LLP

Los Angeles, California
September 16, 2019

North Campus - University Park Development Corporation

**Statement of Financial Position
June 30, 2019
With Summarized Totals at June 30, 2018**

	<u>Assets</u>	
	<u>2019</u>	<u>2018</u>
Current assets		
Cash and cash equivalents	\$ 1,296,831	\$ 1,015,372
Short-term investments	2,022,074	1,970,777
Accounts receivable	18,120	9,917
Prepaid expenses	<u>4,600</u>	<u>4,600</u>
Total current assets	3,341,625	3,000,666
Deferred rent receivable	<u>516,819</u>	<u>541,983</u>
Total assets	<u>\$ 3,858,444</u>	<u>\$ 3,542,649</u>
	<u>Liabilities and Net Assets</u>	
Liabilities		
Accounts payable and accrued expenses	\$ 5,913	\$ 21,106
Deferred revenue	43,958	43,958
Security deposit	<u>18,786</u>	<u>18,786</u>
Total liabilities	68,657	83,850
Net assets		
Without donor restrictions	<u>3,789,787</u>	<u>3,458,799</u>
Total liabilities and net assets	<u>\$ 3,858,444</u>	<u>\$ 3,542,649</u>

See Notes to Financial Statements.

North Campus - University Park Development Corporation

**Statement of Activities
Year Ended June 30, 2019
With Summarized Totals for the Year Ended June 30, 2018**

	<u>2019</u>	<u>2018</u>
Revenues		
Lease revenue	\$ 769,126	\$ 756,638
Investment income, net	<u>112,842</u>	<u>178,338</u>
Total revenues	<u>881,968</u>	<u>934,976</u>
Expenses		
Program services		
Operating	280,635	296,498
University support	<u>250,000</u>	<u>250,000</u>
Total program services	530,635	546,498
Supporting services		
General and administrative	<u>20,345</u>	<u>24,143</u>
Total expenses	<u>550,980</u>	<u>570,641</u>
Change in net assets	330,988	364,335
Net assets, beginning	<u>3,458,799</u>	<u>3,094,464</u>
Net assets, end	<u>\$ 3,789,787</u>	<u>\$ 3,458,799</u>

See Notes to Financial Statements.

North Campus - University Park Development Corporation

Statement of Functional Expenses

Year Ended June 30, 2019

With Summarized Totals for the Year Ended June 30, 2018

	2019			2018		
	Program services		Supporting services			
	Operating	University support	Total program services	General and administrative	Total	Total
Salaries	\$ 95,688	\$ -	\$ 95,688	\$ 944	\$ 96,632	\$ 66,626
Employee benefits	21,501	-	21,501	320	21,821	26,160
Repairs and maintenance	44,249	-	44,249	-	44,249	42,517
Professional services	118,804	-	118,804	15,375	134,179	179,207
Return to University	-	250,000	250,000	-	250,000	250,000
Insurance	-	-	-	3,346	3,346	4,185
Dues and subscriptions	-	-	-	360	360	1,460
Other expenses	393	-	393	-	393	486
	<u>\$ 280,635</u>	<u>\$ 250,000</u>	<u>\$ 530,635</u>	<u>\$ 20,345</u>	<u>\$ 550,980</u>	<u>\$ 570,641</u>

See Notes to Financial Statements.

North Campus - University Park Development Corporation

Statement of Cash Flows
Year Ended June 30, 2019
With Summarized Totals for the Year Ended June 30, 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Change in net assets	\$ 330,988	\$ 364,335
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Realized and unrealized gain on investments	(32,612)	(118,220)
Changes in operating assets and liabilities		
Accounts receivable	(8,203)	(9,917)
Prepaid expenses	-	(200)
Deferred rent receivable	25,164	25,164
Accounts payable and accrued expenses	(15,193)	11,225
	<u>300,144</u>	<u>272,387</u>
Net cash provided by operating activities		
Cash flows from investing activities		
Proceeds from the sale of investments	-	250,365
Purchase of investments	(18,685)	(267,662)
	<u>(18,685)</u>	<u>(17,297)</u>
Net cash used in investing activities		
Net increase in cash and cash equivalents	281,459	255,090
Cash and cash equivalents, beginning	<u>1,015,372</u>	<u>760,282</u>
Cash and cash equivalents, end	<u>\$ 1,296,831</u>	<u>\$ 1,015,372</u>

See Notes to Financial Statements.

North Campus - University Park Development Corporation

Notes to Financial Statements June 30, 2019

Note 1 - Business activity and summary of significant accounting policies

Business activity

North Campus - University Park Development Corporation (the "Corporation") is a nonprofit auxiliary organization related to California State University, Northridge (the "University") and was formed in 1987.

The 65 acres of University-owned land ("North Campus") is leased from the University. The Corporation has set goals in the development of North Campus, including establishing strong academic ties and academic facilities spanning a broad range of the University's colleges and departments, and ensuring a steady, predictable, and safe source of revenue with no financial risk to the University.

The Corporation is currently in the process of analyzing and assessing the highest and best use of the property for future development. This analysis is an ongoing process.

The Corporation became an auxiliary organization of the California State University system in 1988.

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial statement presentation

To ensure the observance of certain constraints and restrictions placed on the use of resources, the accounts of the Corporation are maintained in accordance with the principles of net asset accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into net asset classes that are in accordance with specified activities or objectives. Accordingly, all financial transactions have been recorded and reported by net asset class as follows:

Net Assets Without Donor Restrictions - These generally result from revenues generated by receiving contributions without donor restrictions, providing services, and receiving income from investments less expenses incurred in providing program related services, raising contributions and performing administrative functions.

Net Assets With Donor Restrictions - The Corporation reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time, purpose, or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature where the donor stipulates that resources be maintained in perpetuity. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from purpose or time restrictions. At June 30, 2019, the Corporation does not have any net assets with donor restrictions.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and all highly liquid investments with an initial maturity at date of purchase of three months or less.

North Campus - University Park Development Corporation

Notes to Financial Statements June 30, 2019

Investments

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

Fair value measurements

The Corporation values certain of its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted priced (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.
- Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Lease revenue

The Corporation recognizes lease revenue on a straight-line basis over the term of the respective leases. Deferred rent receivable represents the amount by which straight-line lease revenue exceeds rent currently billed in accordance with the lease agreements. Deferred revenue represents tenant prepayments of rent.

Salaries and fringe benefits

The Corporation utilizes employees of The University Corporation ("TUC"), a related party, and the University to perform its operations. These costs are billed to the Corporation by TUC and the University. The Corporation subsequently reimburses both entities for the salaries and related fringe benefits. The Corporation has no employees or benefit plans of its own. These expenses are included in operating expenses.

Functional allocation of expenses

The costs of providing programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between functional services based on personnel time.

Income taxes

The Corporation 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 Corporation has no unrecognized tax benefits at June 30, 2019. The Corporation's federal income tax returns for fiscal years 2018, 2017 and 2016 remain open. The Corporation's state income tax returns for fiscal years 2018, 2017, 2016 and 2015 remain open. Management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

North Campus - University Park Development Corporation

Notes to Financial Statements June 30, 2019

If applicable, the Corporation recognizes interest and penalties associated with tax matters as part of income tax expense and includes accrued interest and penalties with accrued expenses in the statement of financial position.

Use of estimates

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

Comparative totals

The financial statements include certain prior-year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Corporation's financial statements for the year ended June 30, 2018, from which the summarized information was derived.

Reclassifications

Certain reclassifications of 2018 amounts have been made to conform with the 2019 presentation.

New accounting pronouncements

In June 2014, the International Accounting Standards Board and Financial Accounting Standards Board ("FASB") jointly approved Accounting Standards Update ("ASU") 2014-09 to conform generally accepted accounting principles and International Financial Reporting Standards revenue recognition standards and improve both sets of standards. The guidance changes would affect any entity that enters into contracts with customers unless those contracts are in the scope of other standards (for example, insurance contracts or lease contracts). The core principle of the guidance is that an entity should recognize revenue representing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 will be effective for the Corporation for the year beginning July 1, 2019. The Corporation does not anticipate this to have a material impact on the financial statements.

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The new standard assists entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transaction subject to other guidance and (2) distinguishing between conditional contributions and unconditional contributions. ASU 2018-08 will be effective for the Corporation for the year beginning July 1, 2019. The Corporation does not anticipate this to have a material impact on the financial statements.

North Campus - University Park Development Corporation

Notes to Financial Statements June 30, 2019

In February 2016, the FASB issued ASU No. 2016-02, *Leases*. This ASU increases transparency and comparability by recognizing a lessee's rights and obligations resulting from leases by recording them on the balance sheet as lease assets and lease liabilities. The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease. Lessor accounting guidance will align with revenue recognition guidance made effective with ASU 2014-09. ASU 2016-02 will be effective for the Corporation for the year beginning July 1, 2020. The Corporation is currently evaluating the impact of this ASU and expects that certain leases will be recorded as lease assets and lease liabilities, but the full impact has not yet been determined.

Adoption of new accounting pronouncement

For the year ended June 30, 2019, the Corporation has adopted ASU No. 2016-14 – *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The update addressed the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions, and amounts previously reported as temporarily restricted net assets and permanently restricted net assets as applicable, are now reported as net assets with donor restrictions.

Subsequent events

The Corporation has evaluated subsequent events through September 16, 2019, which is the date these financial statements were available to be issued.

Note 2 - Liquidity and availability

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

At June 30, 2019, the Corporation had the following financial assets and liquidity resources available over the next 12 months:

Cash and cash equivalents	\$	1,296,831
Short-term investments		2,022,074
Accounts receivable		18,120
		<hr/>
	\$	<u>3,337,025</u>

North Campus - University Park Development Corporation

Notes to Financial Statements June 30, 2019

Note 3 - Concentrations

Financial instruments which potentially subject the Corporation to concentrations of credit risk consist primarily of cash and cash equivalents and investments. The Corporation maintains its cash and cash equivalents with high-credit quality financial institutions. At times, such amounts may exceed federally insured limits. The Corporation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

The Corporation's investments are subject to various risks, such as interest rate, credit and overall market volatility risks. Further, because of the significance of the investments to the Corporation's financial position and the level of risk inherent in most investments, it is reasonably possible that changes in the values of these investments could occur in the near term and such changes could materially affect the amounts reported in the financial statements. Management is of the opinion that the diversification of its invested assets among the various asset classes should mitigate the impact of changes in any one class.

For the year ended June 30, 2019, 100% of the Corporation's rental revenues were from two tenants.

Note 4 - Investments

At June 30, 2019, investments consist of the following:

Mutual funds		
Equities		
Large cap core	\$	1,093,943
Small cap core		52,906
International developed		109,186
International emerging markets		48,156
Fixed income		
Intermediate term bond		529,600
Real estate funds		94,403
Commodities		93,880
		93,880
Total	\$	2,022,074

Note 5 - Fair value measurements

At June 30, 2019, investments are carried at fair value and are classified in the table below in one of the three categories as described in Note 1:

	Level 1	Level 2	Level 3	Total
Mutual funds				
Equities	\$ 1,304,191	\$ -	\$ -	\$ 1,304,191
Fixed income	529,600	-	-	529,600
Real estate funds	94,403	-	-	94,403
Commodities	93,880	-	-	93,880
	93,880	-	-	93,880
Total	\$ 2,022,074	\$ -	\$ -	\$ 2,022,074

North Campus - University Park Development Corporation

Notes to Financial Statements June 30, 2019

Valuations of mutual funds are obtained from real-time quotes for transactions in active exchange markets involving identical assets. For the year ended June 30, 2019, there have been no changes in the valuation methodologies.

Note 6 - Leases

During 1999, the Corporation entered into a 40-year ground sublease with Medtronic MiniMed, Inc. for the development of 19 acres of land owned by the University and leased at no cost to the Corporation. The ground sublease was amended effective October 31, 2003 to include an additional five acres for a total of 24 acres. Rental income for the year ended June 30, 2019 was \$502,334. The ground sublease contains provisions for future rent increases every five years based on changes in the Consumer Price Index with a maximum increase of 10% every five years. At June 30, 2019, deferred rent receivable is \$516,819.

On February 28, 2018, the Corporation extended an existing lease with Rydell Chevrolet for temporary storage of vehicle inventory on approximately 3.74 acres of North Campus, commonly known as Lot G-12, for two years. On May 6, 2019, the Corporation extended this lease for an additional year. The Corporation started leasing additional property adjacent to Lot G-12 on July 1, 2016 on a month-to-month basis. Rental income for the year ended June 30, 2019 was \$266,792.

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

	Medtronic MiniMed, Inc.	Rydell Chevrolet	Total
Year ending June 30,			
2020	\$ 527,498	\$ 272,556	\$ 800,054
2021	527,498	272,556	800,054
2022	527,498	-	527,498
2023	527,498	-	527,498
2024	527,498	-	527,498
Thereafter	8,176,225	-	8,176,225
Total	<u>\$ 10,813,715</u>	<u>\$ 545,112</u>	<u>\$ 11,358,827</u>

Note 7 - Related party transactions

During the year ended June 30, 2019, the Corporation incurred expenses of \$53,370 to the University relating to salaries and benefits.

The Corporation entered into an agreement with the University to remit a portion of its annual surplus funds. This is to be reviewed each year by the Corporation and University. During the year ended June 30, 2019, the Corporation remitted \$250,000 to the University for its discretionary use.

TUC is an affiliate of the Corporation. During the year ended June 30, 2019, salaries and benefits of the Corporation of \$65,083 were allocated from TUC. At June 30, 2019, \$5,913 is due to TUC and is included in accounts payable and accrued expenses in the accompanying statement of financial position. During the year ended June 30, 2019, the Corporation made payments of \$18,120 to the University on behalf of TUC for salaries and benefits. At June 30, 2019, \$18,120 is due from TUC and is included in accounts receivable in the accompanying statement of financial position.

Supplementary Information

North Campus - University Park Development Corporation

**Schedule of Net Position
June 30, 2019
(for inclusion in the California State University)**

Assets:	
Current assets:	
Cash and cash equivalents	\$ 1,296,831
Short-term investments	2,022,074
Accounts receivable, net	18,120
Capital lease receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	4,600
Total current assets	<u>3,341,625</u>
Noncurrent assets:	
Restricted cash and cash equivalents	-
Accounts receivable, net	-
Capital lease receivable, net of current portion	-
Notes receivable, net of current portion	-
Student loans receivable, net	-
Pledges receivable, net	-
Endowment investments	-
Other long-term investments	-
Capital assets, net	-
Other assets	516,819
Total noncurrent assets	<u>516,819</u>
Total assets	<u>3,858,444</u>
Deferred outflows of resources:	
Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Others	-
Total deferred outflows of resources	<u>-</u>
Liabilities:	
Current liabilities:	
Accounts payable	-
Accrued salaries and benefits	5,913
Accrued compensated absences, current portion	-
Unearned revenues	-
Capital lease obligations, current portion	-
Long-term debt obligations, current portion	-
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	18,786
Other liabilities	-
Total current liabilities	<u>24,699</u>
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	-
Unearned revenues	43,958
Grants refundable	-
Capital lease obligations, net of current portion	-
Long-term debt obligations, net of current portion	-
Claims liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	-
Net pension liability	-
Other liabilities	-
Total noncurrent liabilities	<u>43,958</u>
Total liabilities	<u>68,657</u>
Deferred inflows of resources:	
Service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Others	-
Total deferred inflows of resources	<u>-</u>
Net Position:	
Net investment in capital assets	-
Restricted for:	-
Nonexpendable – endowments	-
Expendable:	-
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	-
Unrestricted	3,789,787
Total net position	<u>\$ 3,789,787</u>

See Independent Auditor's Report.

North Campus - University Park Development Corporation

**Schedule of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2019
(for inclusion in the California State University)**

Revenues:	
Operating revenues:	
Student tuition and fees, gross	\$ -
Scholarship allowances (enter as negative)	-
Grants and contracts, noncapital:	
Federal	-
State	-
Local	-
Nongovernmental	-
Sales and services of educational activities	-
Sales and services of auxiliary enterprises, gross	-
Scholarship allowances (enter as negative)	-
Other operating revenues	769,126
Total operating revenues	<u>769,126</u>
Expenses:	
Operating expenses:	
Instruction	-
Research	-
Public service	-
Academic support	-
Student services	-
Institutional support	250,000
Operation and maintenance of plant	44,249
Student grants and scholarships	-
Auxiliary enterprise expenses	256,731
Depreciation and amortization	-
Total operating expenses	<u>550,980</u>
Operating income (loss)	<u>218,146</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	112,842
Endowment income (loss), net	-
Interest expense	-
Other nonoperating revenues (expenses) - excl. interagency transfers	-
Other nonoperating revenues (expenses) - interagency transfers	-
Net nonoperating revenues (expenses)	<u>112,842</u>
Income (loss) before other revenues (expenses)	330,988
State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
Increase (decrease) in net position	330,988
Net position:	
Net position at beginning of year, as previously reported	3,458,799
Restatements	-
Net position at beginning of year, as restated	<u>3,458,799</u>
Net position at end of year	<u>\$ 3,789,787</u>

See Independent Auditor's Report.

North Campus - University Park Development Corporation

Other Information

June 30, 2019

(for inclusion in the California State University)

1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments	\$	-
All other restricted cash and cash equivalents		-
Noncurrent restricted cash and cash equivalents		<u>-</u>
Current cash and cash equivalents		<u>1,296,831</u>
Total	\$	<u>1,296,831</u>

2.1 Composition of investments:

	Current		Noncurrent		Total
Money market funds	\$	-	\$	-	\$
Repurchase agreements		-		-	-
Certificates of deposit		-		-	-
U.S. agency securities		-		-	-
U.S. treasury securities		-		-	-
Municipal bonds		-		-	-
Corporate bonds		-		-	-
Asset backed securities		-		-	-
Mortgage backed securities		-		-	-
Commercial paper		-		-	-
Mutual funds		529,600		-	529,600
Exchange traded funds		-		-	-
Equity securities		1,304,190		-	1,304,190
Alternative investments:					
Private equity (including limited partnerships)		-		-	-
Hedge funds		-		-	-
Managed futures		-		-	-
Real estate investments (including REITs)		94,403		-	94,403
Commodities		93,881		-	93,881
Derivatives		-		-	-
Other alternative investment types		-		-	-
Other external investment pools (excluding SWIFT)		-		-	-
Other investments		-		-	-
State of California Local Agency Investment Fund (LAIF)		-		-	-
State of California Surplus Money Investment Fund (SMIF)		-		-	-
Total investments		<u>2,022,074</u>		<u>-</u>	<u>2,022,074</u>
Less endowment investments (enter as negative number)		-		-	-
Total investments, net of endowments	\$	<u>2,022,074</u>	\$	<u>-</u>	\$
		<u>2,022,074</u>		<u>-</u>	<u>2,022,074</u>

See Independent Auditor's Report.

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2.2 Fair value hierarchy in investments:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds	\$ -	\$ -	\$ -	\$ -	\$ -
Repurchase agreements	-	-	-	-	-
Certificates of deposit	-	-	-	-	-
U.S. agency securities	-	-	-	-	-
U.S. treasury securities	-	-	-	-	-
Municipal bonds	-	-	-	-	-
Corporate bonds	-	-	-	-	-
Asset backed securities	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-
Commercial paper	-	-	-	-	-
Mutual funds	529,600	529,600	-	-	-
Exchange traded funds	-	-	-	-	-
Equity securities	1,304,190	1,304,190	-	-	-
Alternative investments:					
Private equity (including limited partnerships)	-	-	-	-	-
Hedge funds	-	-	-	-	-
Managed futures	-	-	-	-	-
Real estate investments (including REITs)	94,403	94,403	-	-	-
Commodities	93,881	93,881	-	-	-
Derivatives	-	-	-	-	-
Other alternative investment types	-	-	-	-	-
Other external investment pools (excluding SWIFT)	-	-	-	-	-
Other investments	-	-	-	-	-
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-
State of California Surplus Money Investment Fund (SMIF)	-	-	-	-	-
Total investments	\$ 2,022,074	\$ 2,022,074	\$ -	\$ -	\$ -

2.3 Investments held by the University under contractual agreements:

	Current	Noncurrent	Total
Investments held by the University under contractual agreements (e.g CSU Consolidated SWIFT Inv pool):	-	-	\$ -

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3.1 Composition of capital assets:

	Balance June 30, 2018	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2018 (Restated)	Additions	Retirements	Transfer of completed CWIP	Balance June 30, 2019
Non-depreciable/Non-amortizable 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	-	-	-	-	-	-	-	-	-
Intangible assets in progress (PWIP)	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total non-depreciable/non-amortizable capital assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable capital assets:									
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	-	-	-	-	-	-	-	-	-
Total capital assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization: (enter as negative number, except for reductions enter as positive number)									
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets, net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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3.2 Detail of depreciation and amortization expense:	
Depreciation and amortization expense related to capital assets	\$ -
Amortization expense related to other assets	-
Total depreciation and amortization	<u>\$ -</u>

4 Long-term liabilities:

	Balance June 30, 2018	Prior Period Adjustments/ Reclassifications	Balance June 30, 2018 (Restated)	Additions	Reductions	Balance June 30, 2019	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-
3. Capital lease obligations:								
Gross balance	-	-	-	-	-	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-
Total capital lease obligations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4. Long-term debt obligations:								
4.1 Auxiliary revenue bonds (non-SRB related)	-	-	-	-	-	-	-	-
4.2 Commercial paper	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	-	-	-	-	-	-	-	-
4.4 Others:								
Total others	-	-	-	-	-	-	-	-
Sub-total long-term debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4.5 Unamortized net bond premium/(discount)	-	-	-	-	-	-	-	-
Total long-term debt obligations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total long-term liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

5 Capital lease obligations schedule:

	Capital lease obligations related to SRB			All other capital lease obligations			Total capital lease obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:									
2020	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025 - 2029	-	-	-	-	-	-	-	-	-
2030 - 2034	-	-	-	-	-	-	-	-	-
2035 - 2039	-	-	-	-	-	-	-	-	-
2040 - 2044	-	-	-	-	-	-	-	-	-
2045 - 2049	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
Total minimum lease payments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Less: amounts representing interest									-
Present value of future minimum lease payments									<u>-</u>
Unamortized net premium/(discount)									-
Total capital lease obligations									<u>-</u>
Less: current portion									-
Capital lease obligations, net of current portion									<u>\$ -</u>

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6 Long-term debt obligations schedule:

	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
Year ending June 30:									
2020	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025 - 2029	-	-	-	-	-	-	-	-	-
2030 - 2034	-	-	-	-	-	-	-	-	-
2035 - 2039	-	-	-	-	-	-	-	-	-
2040 - 2044	-	-	-	-	-	-	-	-	-
2045 - 2049	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-
Total minimum payments	-	-	-	-	-	-	-	-	-
Less: amounts representing interest									
Present value of future minimum payments									
Unamortized net premium/(discount)									
Total long-term debt obligations									
Less: current portion									
Long-term debt obligations, net of current portion									

7 Transactions with related entities:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$	53,370
Payments to University for other than salaries of University personnel		-
Payments received from University for services, space, and programs		-
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 (enter as positive number)		-
Other amounts receivable from University (enter as positive number)		-

8 Restatements/Prior period adjustments:

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

Transaction #1	Enter transaction description	Debit/(Credit)
Transaction #2	Enter transaction description	

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9 Natural classifications of operating expenses:

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Research	-	-	-	-	-	-	-	-
Public service	-	-	-	-	-	-	-	-
Academic support	-	-	-	-	-	-	-	-
Student services	-	-	-	-	-	-	-	-
Institutional support	-	-	-	-	-	250,000	-	250,000
Operation and maintenance of plant	-	-	-	-	-	44,249	-	44,249
Student grants and scholarships	-	-	-	-	-	-	-	-
Auxiliary enterprise expenses	96,632	21,821	-	-	-	138,278	-	256,731
Depreciation and amortization	-	-	-	-	-	-	-	-
Total operating expenses	\$ 96,632	\$ 21,821	\$ -	\$ -	\$ -	\$ 432,527	\$ -	\$ 550,980

10 Deferred outflows/inflows of resources:

1. Deferred Outflows of Resources

Deferred outflows - unamortized loss on refunding(s)	\$ -
Deferred outflows - net pension liability	-
Deferred outflows - net OPEB liability	-
Deferred outflows - others:	-
Total deferred outflows of resources	\$ -

2. Deferred Inflows of Resources

Deferred inflows - service concession arrangements	\$ -
Deferred inflows - net pension liability	-
Deferred inflows - net OPEB liability	-
Deferred inflows - unamortized gain on debt refunding(s)	-
Deferred inflows - nonexchange transactions	-
Deferred inflows - others:	-
Total deferred inflows of resources	\$ -

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