

**CALIFORNIA STATE UNIVERSITY,  
CHANNEL ISLANDS FOUNDATION**

**Financial Statements and Supplementary  
Information for the Year Ended June 30, 2015  
and Independent Auditors' Report**

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
TABLE OF CONTENTS**

**Page**

**FINANCIAL STATEMENTS**

Independent Auditors' Report	1
Management's Discussion and Analysis (Unaudited)	3
Statement of Net Position	8
Statement of Revenues, Expenses, and Changes in Net Position	9
Statement of Cash Flows	10
Notes to Financial Statements	11

**SUPPLEMENTARY INFORMATION**

GASB Schedule of Net Position	21
GASB Schedule of Revenues, Expenses and Changes in Net Position	22
Expenses by Natural Classification	23
Other Information	24

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
California State University, Channel Islands Foundation (Foundation)  
Camarillo, California

We have audited the accompanying financial statements of California State University, Channel Islands Foundation as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the organization's basic financial statements as listed in the table of contents.

### ***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 respective financial position of California State University, Channel Islands Foundation as of June 30, 2015, and the respective changes in financial position, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## INDEPENDENT AUDITORS' REPORT - Continued

### *Report on Summarized Comparative Information*

We have previously audited the California State University, Channel Islands Foundation's 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 10, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

The summary financial statements do not contain all the disclosures required by accounting principles generally accepted in the United States of America. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of California State University, Channel Islands Foundation.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The GASB Schedule of Net Position, GASB Schedule of Revenues, Expenses and Changes in Net Position, Expenses by Natural Classification, and Other Information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The GASB Schedule of Net Position, GASB Schedule of Revenues, Expenses and Changes in Net Position, Expenses by Natural Classification, and Other Information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the GASB Schedule of Net Position, GASB Schedule of Revenues, Expenses and Changes in Net Position, Expenses by Natural Classification, and Other Information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Vosin, Hryn + Co.*

Calabasas, California  
September 10, 2015

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2015**

This section of California State University, Channel Islands Foundation (Foundation) annual financial report presents our discussion and analysis of the financial performance of the Foundation for the fiscal year ended June 30, 2015. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes.

**Introduction to the Financial Statements**

This annual report consists of a series of financial statements prepared in accordance with the Governmental Accounting Standards Board (GASB) Statements No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*, No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, and No. 38, *Certain Financial Statement Note Disclosures*. For reporting purposes, the University is considered a special-purpose government engaged only in business-type activities, which best represent the activities of the Foundation.

The financial statements include the statement of net position; the statement of revenues, expenses, and changes in net position; and the statement of cash flows. These statements are supported by the notes to the financial statements and this section. All sections must be considered together to obtain a complete understanding of the financial picture of the Foundation.

**Statement of Net Position** – The statement of net position includes all assets and liabilities. Assets and liabilities are reported at their book value, on an accrual basis, as of the statement date. It also identifies major categories of restrictions on the net position of the Foundation.

**Statement of Revenues, Expenses, and Changes in Net Position** – The statement of revenues, expenses, and changes in net position presents the revenues earned and expenses incurred during the year on an accrual basis.

**Statement of Cash Flows** – The statement of cash flows presents the inflows and outflows of cash for the year and is summarized by operating, noncapital financing, capital and related financing, and investing activities. The statement is prepared using the direct method of cash flows and, therefore, presents gross rather than net amounts for the year's activities.

**Analytical Overview**

**Summary**

The following discussion highlights management's understanding of the key financial aspects of the Foundation's financial activities. Included is an analysis of current year activities and balances; a discussion of restrictions of Foundation net position; a discussion of capital assets and long-term debt; and factors impacting future reporting periods.

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2015**

The Foundation's summary of net position as of June 30, 2015 and 2014 are as follows:

Condensed Summary of Net Position

	<u>June 30</u>			
	<u>2015</u>	<u>2014</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Assets:</b>				
Current assets	\$ 2,086,395	\$ 1,604,148	\$ 482,247	30.1%
Other noncurrent assets	<u>20,585,565</u>	<u>20,310,346</u>	<u>275,219</u>	<u>1.4%</u>
Total assets	<u>22,671,960</u>	<u>21,914,494</u>	<u>757,466</u>	<u>3.5%</u>
<b>Liabilities:</b>				
Current liabilities	573,396	462,020	111,376	24.1%
Other noncurrent liabilities	<u>233,462</u>	<u>255,028</u>	<u>(21,566)</u>	<u>(8.5%)</u>
Total liabilities	<u>806,858</u>	<u>717,048</u>	<u>89,810</u>	<u>12.5%</u>
<b>Net position:</b>				
Invested in capital assets, net of related debt	-	16,551	(16,551)	(100.0%)
Restricted	19,663,760	19,892,352	(228,592)	(1.1%)
Unrestricted	<u>2,201,342</u>	<u>1,288,543</u>	<u>912,799</u>	<u>70.8%</u>
Total net position	<u>\$ 21,865,102</u>	<u>\$ 21,197,446</u>	<u>\$ 667,656</u>	<u>3.1%</u>

*Assets*

Total assets increased by \$757K. Current pledges receivable increased by \$369K due to the Capital Campaign. A significant change occurred in non-current assets; long term investments had a change of \$892K, restricted cash saw a decrease in earnings of \$947K, and long term pledges increased \$347K.

*Liabilities*

Total liabilities increased by \$90K compared to prior year. Most notably, related party payables increased by \$232K while realized revenue on a grant reduced the current liabilities by \$100K.

*Net Position*

Total net position increased by \$668K compared to prior year. A significant portion of the increase is in expendable-other, and unrestricted. Unrestricted increased by \$913K due to the Capital Campaign.

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2015**

**Restricted Resources**

Net position of the Foundation includes funds that are restricted by donor or law. The following table summarizes which funds are restricted, the type of restriction, and the amount:

Restricted Net Position

	<u>June 30</u>			
	<u>2015</u>	<u>2014</u>	<u>\$ Change</u>	<u>% Change</u>
Non Expendable Endowments	\$ 6,819,514	\$ 7,161,079	\$ (341,565)	-4.8%
Expendable:				
Scholarships and fellowships	971,751	982,628	(10,877)	-1.1%
Research	78,612	78,375	237	0.3%
Instruction	3,667,358	3,672,805	(5,447)	-0.1%
Capital Projects	122,347	93,255	29,092	31.2%
Other	<u>8,004,178</u>	<u>7,904,210</u>	<u>99,968</u>	<u>1.3%</u>
Total restricted net position	<u>\$19,663,760</u>	<u>\$19,892,352</u>	<u>\$ (228,592)</u>	<u>1.2 %</u>

**Designated Resources**

The Foundation's unrestricted net position is designated as follows:

	<u>June 30</u>			
	<u>2015</u>	<u>2014</u>	<u>\$ Change</u>	<u>% Change</u>
Designated:				
Working Capital	\$ 372,000	\$ 400,000	\$ (28,000)	-7.0%
New Business Requirement Reserve	753,671	300,825	452,846	150.5%
Undesignated:				
Foundation Operating Funds	<u>1,075,671</u>	<u>587,718</u>	<u>487,953</u>	<u>83.0%</u>
Total Unrestricted Net Position	<u>\$ 2,201,342</u>	<u>\$ 1,288,543</u>	<u>\$ 912,799</u>	<u>71.0%</u>

The Foundation has adopted a policy of generally utilizing restricted-expendable funds, prior to unrestricted funds, when an expense is incurred for purposes for which both are available.

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2015**

The Foundation's condensed summary of revenues, expenses, and changes in net position for the years ended June 30, 2015 and 2014 is as follows:

Condensed Summary of Revenues, Expenses, and Changes in Net Position				
<u>Year ended June 30</u>				
	<u>2015</u>	<u>2014</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Operating Revenues:</b>				
Other Operating Revenues	\$ 159,524	\$ 153,983	\$ 5,541	3.6%
Total operating revenues	159,524	153,983	5,541	3.6%
<b>Operating Expenses</b>				
Operating Expenses	<u>(2,242,299)</u>	<u>(1,924,242)</u>	<u>(318,057)</u>	<u>16.5%</u>
Operating income (loss)	(2,082,775)	(1,770,259)	(312,516)	17.7%
<b>Nonoperating revenues (expenses):</b>				
Nongovernmental grants, noncapital	300,250	85,556	214,694	250.9%
Gifts non Capital	1,969,380	1,328,985	640,395	48.2%
Gifts in-Kind	67,032	79,486	(12,454)	-15.7%
Investment income, net	79,217	1,897,653	(1,818,436)	-95.8%
Other	<u>138,237</u>	<u>-</u>	<u>138,237</u>	<u>0.0%</u>
Total nonoperating revenues (expenses)	<u>2,554,116</u>	<u>3,391,680</u>	<u>(837,564)</u>	<u>-24.7%</u>
Income (loss) before other additions	471,341	1,621,421	(1,150,080)	-70.9%
Additions to permanent endowment	<u>196,315</u>	<u>207,202</u>	<u>(10,887)</u>	<u>-5.3%</u>
Increase (decrease) in net position	667,656	1,828,623	(1,160,967)	-63.5%
Beginning net position	<u>21,197,446</u>	<u>19,368,823</u>	<u>1,828,623</u>	<u>9.4%</u>
Ending net position	<u>\$ 21,865,102</u>	<u>\$ 21,197,446</u>	<u>\$ 667,656</u>	<u>3.1%</u>

**Operating Revenues and Expenses**

Operating revenues and expenses come from sources that are connected directly to the Foundation's business function. Revenues come from other operating revenues which include sales of goods and services associated with fundraising activities and other miscellaneous revenue. Expenses include categories such as gift to university, supplies and other services, scholarships and fellowships. In this discussion and analysis, expenses are reported by functional program such as instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant, student grants and scholarships.

*Operating Revenues*

Total operating revenues show a relatively slight increase to prior year, showing a 3.6% increase.

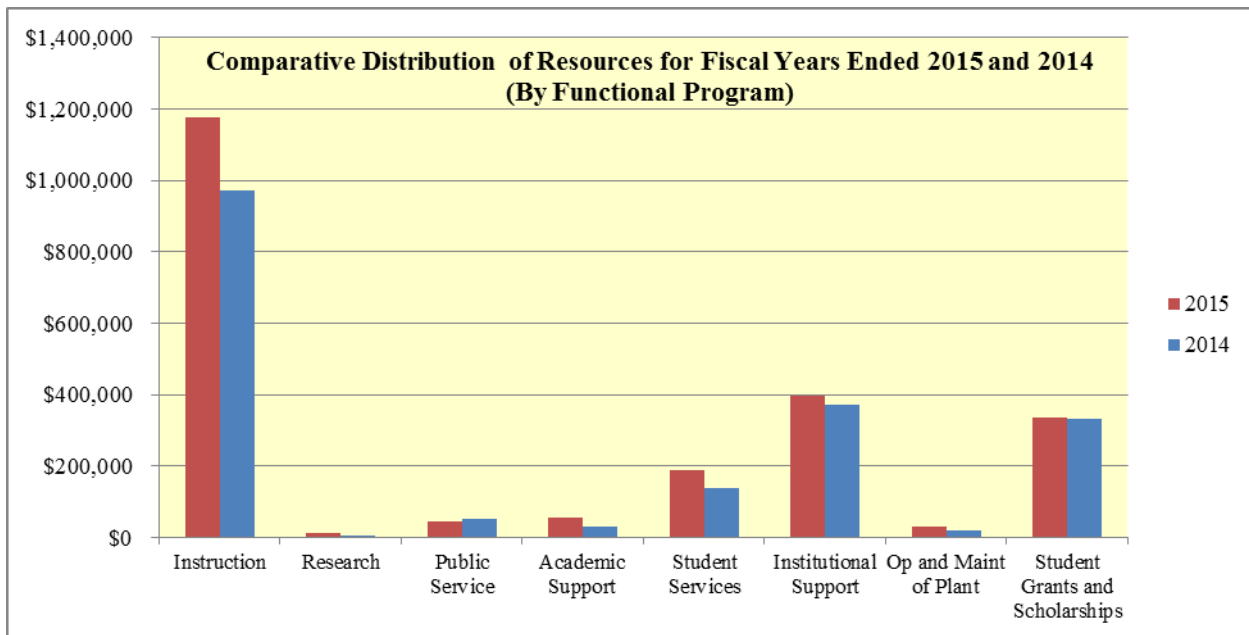


**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2015**

*Operating Expenses*

Total operating expenses increased by \$318K versus prior year and are attributable to increases in instructional expenses of \$206K and operation and maintenance of plant by \$11K, and an increase in institutional support of \$24K.

The following chart presents the distribution of resources in support of the Foundation's mission for fiscal years 2015 and 2014:



**Non-Operating Revenues (Expenses)**

Non-operating revenues (expenses) come from sources that are not part of the Foundation's primary business functions. Included in this classification are categories such as gifts noncapital, gifts in-kind, and investment income. Total non-operating revenues (expenses) decreased by \$838K due to a loss in investment earnings.

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2015**  
**(WITH COMPARATIVE TOTALS FOR 2014)**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Current assets		
Cash	\$ 937,246	\$ 988,281
Short-term investments	98,954	98,506
Accounts receivable	190,892	55,417
Related party receivables	21,092	6,131
Pledges receivable, net	813,211	444,513
Prepaid expenses	<u>25,000</u>	<u>11,300</u>
Total current assets	2,086,395	1,604,148
Non-current assets		
Restricted cash and cash equivalents	3,777,475	4,724,322
Long-term investments	15,162,414	14,270,783
Pledges receivable, net	1,645,676	1,298,690
Capital assets, net	-	16,551
Total non-current assets	<u>20,585,565</u>	<u>20,310,346</u>
Total assets	<u>22,671,960</u>	<u>21,914,494</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	50,536	70,994
Deferred revenue	150,000	250,000
Related party payables	<u>372,860</u>	<u>141,026</u>
Total current liabilities	573,396	462,020
Noncurrent liabilities		
Liability to beneficiaries	<u>233,462</u>	<u>255,028</u>
Total noncurrent liabilities	<u>233,462</u>	<u>255,028</u>
Total liabilities	<u>806,858</u>	<u>717,048</u>
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	-	16,551
Restricted for:		
Nonexpendable - endowments	6,819,514	7,161,079
Expendable:		
Instruction	3,667,358	3,672,805
Scholarships and fellowships	971,751	982,628
Research	78,612	78,375
Capital projects	122,347	93,255
Other	8,004,178	7,904,210
Unrestricted	<u>2,201,342</u>	<u>1,288,543</u>
Total net position	<u>\$ 21,865,102</u>	<u>\$ 21,197,446</u>

See accompanying auditors' report and notes to financial statements.

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2015  
(WITH COMPARATIVE TOTALS FOR 2014)**

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
Operating revenues		
Other operating income	\$ 159,524	\$ 153,983
Total operating revenues	159,524	153,983
<b>EXPENSES</b>		
Operating expenses		
Instruction	1,176,802	971,202
Research	11,000	6,969
Public service	44,661	50,921
Academic support	57,091	31,851
Student services	190,212	139,787
Institutional support	395,881	371,886
Operation and maintenance of plant	29,686	18,647
Student grants and scholarships	<u>336,966</u>	<u>332,979</u>
Total operating expenses	<u>2,242,299</u>	<u>1,924,242</u>
Operating income (loss)	(2,082,775)	(1,770,259)
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Nongovernmental grants, noncapital	300,250	85,556
Gifts, noncapital	1,969,380	1,328,985
In-kind contributions	67,032	79,486
Investment income (loss)	79,217	1,897,653
Other nonoperating revenues (expenses)	<u>138,237</u>	<u>-</u>
Net nonoperating revenues and expenses	<u>2,554,116</u>	<u>3,391,680</u>
<b>INCOME BEFORE ADDITIONS</b>	471,341	1,621,421
<b>ADDITIONS TO PERMANENT ENDOWMENTS</b>	<u>196,315</u>	<u>207,202</u>
<b>INCREASE (DECREASE) IN NET POSITION</b>	667,656	1,828,623
<b>NET POSITION - beginning of year</b>	<u>21,197,446</u>	<u>19,368,823</u>
<b>NET POSITION - end of year</b>	<u>\$ 21,865,102</u>	<u>\$ 21,197,446</u>

See accompanying auditors' report and notes to financial statements.

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(WITH COMPARATIVE TOTALS FOR 2014)**

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Payments to suppliers	\$ (1,967,239)	\$ (1,679,091)
Payments to students	(289,405)	(286,212)
Other receipts (payments)	<u>99,543</u>	<u>389,924</u>
Net Cash Provided (Used) by Operating Activities	(2,157,101)	(1,575,379)
Cash flows from noncapital financing activities:		
Gifts and Grants Received from received for other than Capital Purposes	1,156,531	1,577,143
Pledges	<u>355,731</u>	<u>52,333</u>
Net Cash Provided (Used) by noncapital financing activities	1,512,262	1,629,476
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	9,077,743	369,136
Purchases of investments	(11,512,105)	(554,280)
Investment income received	<u>2,081,319</u>	<u>485,886</u>
Net Cash Provided (Used) by Investing Activities	<u>(353,043)</u>	<u>300,742</u>
Net increase (decrease) in cash and cash equivalents	(997,882)	354,839
Cash and cash equivalents at beginning of year	<u>5,712,603</u>	<u>5,357,764</u>
Cash and cash equivalents at end of year	<u>\$ 4,714,721</u>	<u>\$ 5,712,603</u>
Reconciliation of net operating income (loss) to net cash provided by (used by) operating activities		
Operating income	(2,082,775)	(1,770,259)
Adjustments to reconcile net operating income (loss) to net cash provided by (used by) operating activities:		
Change in assets and liabilities:		
Accounts receivable	(135,475)	(2,158)
Related party receivables	(14,961)	14,398
Prepaid expenses	(13,700)	(1,300)
Accounts payable	(20,458)	15,935
Liability to beneficiaries	(21,566)	(63,621)
Related party payables	231,834	(18,374)
Deferred Revenue	<u>(100,000)</u>	<u>250,000</u>
Net Cash Provided (Used) by Operating Activities	<u>\$(2,157,101)</u>	<u>\$(1,575,379)</u>
Supplemental Non-Cash information:		
Non Cash Activities	<u>\$ 67,032</u>	<u>\$ 79,486</u>
Donated Investments	<u>\$ -</u>	<u>\$ 4,805</u>

See accompanying auditors' report and notes to financial statements.

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**1. ORGANIZATION**

California State University, Channel Islands Foundation (Foundation) was created on August 28, 1996, pursuant to the General Nonprofit Corporation Law of the State of California and was organized to promote and assist education, administration and related services of the California State University, Channel Islands. The Foundation operates as an auxiliary organization of the California State University, Channel Islands (University) under an operating agreement with the Trustees of the California State University (the Trustees), which goes through June 30, 2015.

**2. SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Accounting and Presentation*

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. generally accepted accounting principles, as prescribed by the Governmental Accounting Standards Board (GASB). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

*Election of Applicable FASB Statements*

The Foundation has elected to follow standards of accounting and financial reporting issued by the Financial Accounting Standards Board (FASB) prior to November 30, 1989, unless those standards conflict with or contradict guidance of the GASB. The Foundation also has the option of following subsequent private-sector guidance subject to the same limitation. The Foundation has elected not to adopt the pronouncements issued by the FASB after November 30, 1989.

*Financial Reporting Entity*

The financial statements include the accounts of the Foundation. The Foundation is a government organization under accounting principles generally accepted in the United States of America and is also a component unit of the University, a public university under the California State University system. The Foundation has chosen to use the reporting model for special-purpose governments engage only in business type activities.

*Cash and Cash Equivalents*

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid debt instruments with a maturity of three months or less from date of purchase. The Foundation maintains its cash and cash equivalents in bank accounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**2. SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES – Continued**

*Pledges Receivable*

Unconditional promises of private gifts to the Foundation are recorded as pledges receivable and revenue in the year promised at the present value of expected cash flows including consideration of collectability. Conditional promises and intentions to give are recognized as receivables and revenue when the specific condition and/or eligibility and recognition requirements are met. There were no conditional promises to give at June 30, 2015.

*Investments*

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of net position. Unrealized gains and losses are included in the change in net position in the accompanying Statement of Revenue, Expenses, and Changes in Net Position.

The fair value of investments in securities is based on the quoted market price of the underlying securities.

Investment income is reported net of related expenses as increases or decreases in unrestricted net position unless a donor restricts their use.

*Net Position*

The Foundation's net position is classified into the following net asset categories:

**Restricted – non expendable endowments** – Net position resulted from contributions restricted by the donor for investment in perpetuity. The investment incomes generated by the endowments are to be used for scholarships for University students and programs described by the respective donors.

**Restricted – expendable** – Net position subject to externally imposed conditions that can be fulfilled by the actions of the Foundation or by the passage of time.

**Unrestricted** – All other categories of net position. In addition, unrestricted net position may be designated for use by management of the Foundation or have legislative or bond indenture requirements associated with their use. These requirements limit the area of operations for which expenditures of net position may be made and require that unrestricted net position be designated to support future operations in these areas.

The Foundation has adopted a policy of generally utilizing restricted-expendable funds, prior to unrestricted funds when an expense is incurred for purposes for which both are related.

*Revenues*

The Foundation derives its operating revenues primarily from sales and services of goods through fundraising activities; raffle tickets, bizarre and art sales.

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**2. SUMMARY OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES – Continued**

*Classification of Revenues*

The Foundation considers operating revenues and expenses in the statement of revenues, expenses, and changes in net position to be those revenues and expenses that result from exchange transactions or from other activities that are connected directly to the Foundation's primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services. Certain other transactions are reported as non-operating revenues and expenses or in accordance with GASB Statement No. 35.

*Allocation of Costs*

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of revenues, expenses and changes in net position. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

*Income Taxes*

The Foundation for the California State University, Channel Islands is a Not-for-Profit tax-exempt corporation under Internal Revenue Code Section 501(c)(3) and is classified as other than a private foundation. Income taxes are not significant to the financial statements. The Foundation's Forms 990, Return of Organization Exempt from Income Tax, for each of the three tax years ended June 30, 2014, 2013, and 2012, are subject to examination by the IRS, generally for 3 years after they were filed.

*Gifts-In-Kind*

Gifts-in-kind consist of donations of nonmonetary supply items and are recorded at their fair market value at the date of the gift. Total gifts-in-kind consisted of materials and supplies and are reflected as In-kind contributions with a balance of \$67,032 in the accompanying statement of revenues, expenses, and changes in net position.

*Estimates*

The preparation of these financial statements requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates. Management also determines the accounting principles to be used in the preparation of the financial statements. A description of the significant accounting policies employed in the preparation of these financial statements follows.

*Subsequent Events*

The Foundation has evaluated events subsequent to June 30, 2015, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through September 10, 2015, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

**3. CASH AND CASH EQUIVALENTS**

The Foundation's cash and cash equivalents as of June 30, 2015 are classified in the accompanying statement of net position as follows:

Cash and cash equivalents	\$ 937,246
Restricted cash and cash equivalents	<u>3,777,475</u>
Total cash and cash equivalents	<u>\$ 4,714,721</u>

*(a) Cash and Cash Equivalents*

At June 30, 2015, cash and cash equivalents consisted of demand deposits maintained at the bank. Total cash and cash equivalents of \$4,714,721 had a corresponding carrying value balance with the bank of \$4,748,141 at June 30, 2015. The difference is related primarily to outstanding checks in the amount of \$28,087 and deposits in transit of \$129.

*(b) Custodial Credit Risk for Deposits*

Custodial credit risk for deposits is the risk that the Foundation will not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The California Government Code and Education Code do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the provision that a financial institution must secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. This risk is mitigated in that the Foundation's deposits are maintained at financial institutions that are fully insured or collateralized as required by state law.

**4. ACCOUNTS RECEIVABLE**

Accounts Receivable at June 30, 2015 consisted of the following:

	<u>Current</u>	<u>Non-Current</u>	<u>Total</u>
Accounts Receivable - Other	\$ 190,892	\$ -	\$ 190,892
Less allowance for Doubtful Accounts	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 190,892</u>	<u>\$ -</u>	<u>\$ 190,892</u>

The Foundation uses the allowance method of accounting for receivables determined to be potentially uncollectable. In management's opinion, all receivables were collectible at year-end and therefore no allowance has been established.



**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

**5. RELATED PARTY TRANSACTIONS**

The Foundation has entered into certain transactions with the Campus and recognized auxiliary organizations of the Campus relating primarily to payroll reimbursement and commercial food services. The accompanying financial statements include all such transactions for the year ended June 30, 2015:

Related party receivables consist of the following:

	<u>June 30, 2015</u>
California State University, Channel Islands	\$ 21,092
	<u>\$ 21,092</u>

Related party payables consist of the following:

	<u>June 30, 2015</u>
Associated Students of CSU Channel Islands, Inc.	\$ 20
California State University, Channel Islands	370,534
CSU Channel Islands University Glen	<u>2,306</u>
	<u>\$ 372,860</u>

**6. PLEDGES RECEIVABLE**

Pledges receivable are measured using market prices and are stated at fair value. Pledges receivable at June 30, 2015 are as follows:

Less than one year	\$ 827,541
One to five years	<u>1,860,218</u>
Total pledges receivable	2,687,759
Less discount to present value	<u>(228,872)</u>
Net, pledges receivable	<u>\$ 2,458,887</u>

The unamortized discount is based on a risk free rate and additional market risk factor in total 4.8%. In management's opinion, all pledges receivables were collectible at June 30, 2015 and therefore no allowance has been established.

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

**7. RESTRICTED CASH AND INVESTMENTS**

Restricted cash and investments have a combined total of \$15,656,424 at June 30, 2015. Restricted cash as of June 30, 2015 consist of the following:

Cash restricted for endowments	<u>\$ 494,010</u>
--------------------------------	-------------------

Restricted investments as of June 30, 2015 consist of the following:

Fixed income intermediate term investments	\$ 1,907,720
Equity funds	410,716
Mutual funds	235,547
Endowment investments:	
Balanced funds	1,075,270
Equity funds	8,267,526
Fixed income securities	<u>3,265,635</u>
Total Endowment investments	<u>12,608,431</u>
Total Restricted investments	<u>\$ 15,162,414</u>

*Investment Policy*

The Foundation’s investment policy (the Policy) sets forth the guidelines for the investment of all endowments funds of the Foundation. As a general rule, the Policy conforms to the Prudent Investor guidelines Investor guidelines widely used in the investment management industry, the guidelines of Uniform Management of Association for CFA Institute (formerly AIMR), the professional standards established by the Uniform Prudent Management of Institutional Funds Act and the general fiduciary standards described in the Uniform Investment Act.

The long-term investment objective of the policy is to preserve the endowment funds’ capital, protect the purchasing power of the endowment funds and provide cash flows to assist in the funding of the Foundation’s spending goals. With this in mind, the portfolio shall be invested to provide safety through diversification in a portfolio of common, stocks, bonds, cash equivalents and other investments, all of which may reflect varying rates of returns. The return objective will be to outperform the Higher Education Price Index (HEPI) plus 5%.

*Interest rate risk*

Interest rate risk is the risk that the changes in market interest rates will adversely affect the fair value of an investment. In accordance with the Policy, the Foundation manages the risk of market value fluctuations due to overall changes in general levels of interest rates by limiting its average maturity of investments within the portfolios.

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**7. RESTRICTED CASH AND INVESTMENTS - Continued**

*Credit Risk*

Fixed income securities are subject to credit risk, which is the risk that a bond issuer will fail to pay interest or principal in a timely manner, or that negative perceptions of the issuer's ability to make these payments will cause security prices to decline. The circumstances may arise due to a variety of factors, such as financial weakness, bankruptcy, litigation and/or adverse political developments. A bond's credit quality is an assessment of the issuer's ability to pay interest on a bond and ultimately, to pay the principal. Credit quality is evaluated by one of the independent bond rating agencies such as Moody's Investors Service or Standard & Poor's. The lower the rating, the greater the chance that the bond issuer will default or fail to meet its payment obligations. Generally, the lower the bond's credit rating, the higher the yield should be to compensate for the additional risk.

Certain fixed income securities, including obligations of the U.S. Government or those explicitly guaranteed by the U.S. government, are not considered to have risk.

The credit risk profile for fixed income securities at June 30, is as follows:

Fixed Income Securities	2015	Average Credit Rating
U.S. intermediate term bonds	\$ 1 109,201	BBB
U.S. intermediate term bonds	<u>1,104,277</u>	BBB
	2,213,478	
Global intermediate term bonds	<u>\$ 1,052,158</u>	BBB
	1,052,158	
U.S. short term bonds	<u>\$ 2,006,675</u>	AA
	<u>2,006,675</u>	
Total fixed income securities	<u>\$ 5,272,311</u>	

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

**8. INVESTMENTS**

Investments consist of the following at June 30, 2015:

	<u>Fair Value</u>
Equity securities	\$ 8,678,242
Fixed income securities	5,272,309
Mutual funds	<u>1,310,817</u>
Total investments	<u>\$ 15,261,368</u>

Reconciliation to statement of net position

Short-term investments	\$ 98,954
Long-term investments	<u>15,162,414</u>
Total investments	<u>\$ 15,261,368</u>

*Concentration Credit Risk*

The Policy of the Foundation contains certain limitations on the amount that can be invested in any one issuer and is listed in the table above. The Foundation did not have any investments in any other issuer (other than U.S Treasury securities, mutual funds and external investment pools) that represents 5 percent or more of the Foundation's total investments as of the year ended June 30, 2015.

*Custodial Credit Risk*

Custodial credit risk for investment deposits is the risk that the Foundation will not be able to recover its deposits in the event of a failure of a depository institution. In the ordinary course of the Foundation's operations, deposit balances in checking accounts can exceed the Federal Deposit Insurance Corporation insured limits. In accordance with the Foundation's investment policy, all certificates of deposit are FDIC-insured and limited to \$250,000 at any one institution.

Custodial credit risk for investments is the risk that if the counterparty to an investment transaction were to fail, the Foundation would not be able to recover its investment. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to indirect investment in securities through the use of mutual funds and government investment pools. U.S. Treasury issues and Federally Sponsored Enterprise issues are held by Securities Investor Protection Corporation insured brokers and are not registered with the issuer in the Foundation's name.

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

**9. LONG TERM LIABILITIES ACTIVITY**

Long term liability activity for the year ended at June 30, 2015 consisted of the following:

	Beginning Balance	Additions	Reductions	Total
Liability to Beneficiary	<u>\$ 255,028</u>	<u>\$ 38,485</u>	<u>\$ (60,051)</u>	<u>\$ 233,462</u>

Liability to Beneficiary consists of a Charitable Remainder Trust net of discount to present value which provides for payments to the beneficiary as defined with the remainder reverting to the Foundation at maturity.

**10. CLASSIFICATION OF OPERATING EXPENSES**

The University has elected to report operating expenses by functional classification in the statements of revenues, expenses, and changes in net position, but to provide the natural classification of those expenses as an additional disclosure. For the year ended June 30, 2015, operating expenses by natural classification consisted of the following:

	Salaries	Benefits	Fellowships	Other Services	Depreciation	Total
Instruction	\$ -	\$ -	\$ -	\$ 1,176,802	\$ -	\$ 1,176,802
Research	-	-	-	11,000	-	11,000
Public service	-	-	-	44,661	-	44,661
Academic support	-	-	-	57,091	-	57,091
Student services	-	-	-	190,212	-	190,212
Institutional support	-	-	-	395,881	-	395,881
Operation and maintenance of plant	-	-	-	29,686	-	29,686
Student grants and scholarships	-	-	336,966	-	-	336,966
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 336,966</u>	<u>\$1,905,333</u>	<u>\$ -</u>	<u>\$2,242,299</u>

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(CONTINUED)**

**11. TRANSACTIONS WITH RELATED PARTIES**

As discussed in Note 1, the Foundation operates under an agreement with the Trustees as an auxiliary organization of the University. Accordingly, essentially all revenues, and realization of certain position, are dependent upon the continuation of this agreement.

The accompanying financial statements also include the following transactions with the Site Authority and other related parties as of and for the year ended June 30, 2015:

Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 611,985
Payments to University for other than salaries of University personnel	650,877
Accounts (payable to) University	(370,534)
Accounts receivable from University	21,092

**SUPPLEMENTARY INFORMATION**

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION**  
**GASB SCHEDULE OF NET POSITION**  
**JUNE 30, 2015**

Assets:

Current assets:	
Cash and cash equivalents	\$ 937,246
Short-term investments	98,954
Accounts receivable, net	211,984
Leases receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net	813,211
Prepaid expenses and other assets	25,000
Total current assets	2,086,395
Noncurrent assets:	
Restricted cash and cash equivalents	3,777,475
Accounts receivable, net	—
Leases receivable, net of current portion	—
Notes receivable, net of current portion	—
Student loans receivable, net	—
Pledges receivable, net	1,645,676
Endowment investments	12,608,431
Other long-term investments	2,553,983
Capital assets, net	—
Other assets	—
Total noncurrent assets	20,585,565
Total assets	22,671,960
Deferred outflows of resources:	
Unamortized loss on debt refunding	—
Net pension obligation	—
Total deferred outflows of resources	—

Liabilities:

Current liabilities:	
Accounts payable	50,536
Accrued salaries and benefits payable	—
Accrued compensated absences— current portion	—
Unearned revenue	—
Capitalized lease obligations – current portion	—
Long-term debt obligations – current portion	—
Claims Liability for losses and LAE - current portion	—
Depository accounts	150,000
Other liabilities	372,860
Total current liabilities	573,396
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	—
Unearned revenue	—
Grants refundable	—
Capitalized lease obligations, net of current portion	—
Long-term debt obligations, net of current portion	—
Claims Liability for losses and LAE, net of current portion	—
Depository accounts	—
Other postemployment benefits obligation	—
Pension obligation	—
Other liabilities	233,462
Total noncurrent liabilities	233,462
Total liabilities	806,858
Deferred inflows of resources:	
Unamortized gain on debt refunding	—
Non-exchange transactions	—
Service concession arrangements	—
Net pension obligation	—
Total deferred inflows of resources	—

Net Position:

Net investment in capital assets	—
Restricted for:	
Nonexpendable – endowments	6,819,514
Expendable:	
Scholarships and fellowships	971,751
Research	78,612
Loans	—
Capital projects	122,347
Debt service	—
Other	11,671,536
Unrestricted	2,201,342
Total net position	\$ 21,865,102



**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
GASB SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2015**

Revenues:

Operating revenues:

Student tuition and fees (net of scholarship allowances of \$_____)	\$	—
Grants and contracts, noncapital:		
Federal		—
State		—
Local		—
Nongovernmental		—
Sales and services of educational activities		—
Sales and services of auxiliary enterprises (net of scholarship allowances of \$_____)		—
Other operating revenues		159,524
Total operating revenues		<u>159,524</u>

Expenses:

Operating expenses:

Instruction		1,176,802
Research		11,000
Public service		44,661
Academic support		57,091
Student services		190,212
Institutional support		395,881
Operation and maintenance of plant		29,686
Student grants and scholarships		336,966
Auxiliary enterprise expenses		—
Depreciation and amortization		—
Total operating expenses		<u>2,242,299</u>
Operating income (loss)		<u>(2,082,775)</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		300,250
Other federal nonoperating grants, noncapital		—
Gifts, noncapital		2,036,412
Investment income (loss), net		79,217
Endowment income (loss), net		—
Interest Expenses		—
Other nonoperating revenues (expenses)		138,237
Net nonoperating revenues (expenses)		<u>2,554,116</u>
Income (loss) before other additions		471,341

State appropriations, capital

Grants and gifts, capital		—
Additions (reductions) to permanent endowments		196,315
Increase (decrease) in net position		667,656

Net position:

Net position at beginning of year, as previously reported		21,197,446
Restatements		—
Net position at beginning of year, as restated		<u>21,197,446</u>
Net position at end of year	\$	<u>21,865,102</u>

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION**  
**EXPENSES BY NATURAL CLASSIFICATION**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(WITH COMPARATIVE TOTALS FOR 2014)**

	<u>2015</u>	<u>2014</u>
<b>EXPENSES</b>		
Accounting fees and other CSUCI services	\$ 85,000	\$ 85,008
Advertising and promotion	8,493	4,880
Awards and recognition items	19,342	19,265
Bank and credit card fees	7,032	7,661
Books and subscriptions	5,048	2,786
Business meals and hospitality	158,335	108,510
Conferences and meetings	5,572	1,979
Depreciation	-	1,839
Education and training	7,397	5,818
Equipment	6,787	2,939
Grants made	47,750	17,675
Honoraria	18,125	500
Insurance	2,106	1,881
Investment fees	77,071	54,483
Membership dues and fees	3,985	6,423
Office expense	204,153	5,864
OPC chargebacks	9,675	4,770
Outside services	654,499	589,410
Postage	5,869	7,053
Printing	28,147	38,496
Professional fees	165,417	178,708
Rent	18,187	14,927
Scholarships	289,405	316,212
Software	280	7,144
Stipends	2,725	-
Supplies	378,431	405,923
Telephone	600	459
Travel	<u>32,868</u>	<u>33,629</u>
 Total expenses	 <u>\$2,242,299</u>	 <u>\$1,924,242</u>

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2015**

<b>1</b>	<b>Restricted cash and cash equivalents at June 30, 2015:</b>		
	Portion of restricted cash and cash equivalents related to endowments	\$	494,010
	All other restricted cash and cash equivalents		<u>3,283,465</u>
	Total restricted cash and cash equivalents	\$	<u>3,777,475</u>



**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

**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 :

<b>2.3 Restricted current investments at June 30, 2015 related to:</b>	<b>Amount</b>
Add description	\$ 98,954
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
<b>Total restricted current investments at June 30, 2015</b>	<b>\$ 98,954</b>

<b>2.4 Restricted noncurrent investments at June 30, 2015 related to:</b>	<b>Amount</b>
Endowment Investments	\$ 12,608,431
Fixed income securities (Treasury notes, GNMA's)	1,907,720
Mutual funds	235,547
Equity funds	410,716
Add description	—
Add description	—
Add description	—
Add description	—
<b>Total restricted noncurrent investments at June 30, 2015</b>	<b>\$ 15,162,414</b>

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(CONTINUED)**

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

	Balance June 30, 2014	Prior period Adjustments	Reclassifications	Balance June 30, 2014 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2015
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	-	-	-	-	-	-	-	-
Internally generated intangible assets in progress	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-
Total nondepreciable/nonamortizable capital assets	-	-	-	-	-	-	-	-
Depreciable/amortizable capital assets:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-
Personal property:								
Equipment	18,390	-	-	18,390	-	(18,390)	-	-
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	18,390	-	-	18,390	-	(18,390)	-	-
Total capital assets	18,390	-	-	18,390	-	(18,390)	-	-

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(CONTINUED)**

Less accumulated depreciation/amortization:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-
Personal property:								
Equipment	(1,839)	-	-	(1,839)	-	1,839	-	-
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	<u>(1,839)</u>	<u>-</u>	<u>-</u>	<u>(1,839)</u>	<u>-</u>	<u>1,839</u>	<u>-</u>	<u>-</u>
Total capital assets, net	<u>\$ 16,551</u>	<u>-</u>	<u>-</u>	<u>16,551</u>	<u>-</u>	<u>(16,551)</u>	<u>-</u>	<u>-</u>

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

Depreciation and amortization expense related to capital assets	\$ —
Amortization expense related to other assets	<u>—</u>
Total depreciation and amortization	<u>\$ —</u>

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**(CONTINUED)**

**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	\$ —	—	—	—	-	-	—	—	—
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	\$ —	—	—	—	—	—	—	—	—



**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

**5 Future minimum lease payments - capital lease obligations:**

	<u>Principal</u>	<u>Interest</u>	<u>Principal and Interest</u>
Year ending June 30:			
2015	-	-	—
2016	-	-	—
2017	-	-	—
2018	-	-	—
2019	-	-	—
2020 - 2024	-	-	—
2025 - 2029	-	-	—
2030 - 2034	-	-	—
2035 - 2039	-	-	—
2040 - 2044	-	-	—
2045 - 2049	-	-	—
2050 - 2054	-	-	—
2055 - 2059	-	-	—
2060 - 2064	-	-	—
	<hr/>	<hr/>	<hr/>
Total minimum lease payments			—
Less amounts representing interest			—
Present value of future minimum lease payments			—
Less: current portion			—
<b>Capitalized lease obligation, net of current portion</b>			<hr/> <b>\$ —</b> <hr/>

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

**6 Long-term debt obligation schedule**

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

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

**7 Calculation of net position**

	<u>Auxiliary Organizations</u>		<u>Total</u>
	<u>GASB</u>	<u>FASB</u>	<u>Auxiliaries</u>
<b>7.1 Calculation of net position - Net investment in capital assets</b>			
Capital assets, net of accumulated depreciation	\$ —		—
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	—	—	—
Add description	—	—	—
Net position - net investment in capital asset	<u>\$ —</u>	<u>—</u>	<u>—</u>
<b>7.2 Calculation of net position - Restricted for nonexpendable - endowments</b>			
Portion of restricted cash and cash equivalents related to endowments	\$ 494,010		494,010
Endowment investments	12,608,431		12,608,431
Other adjustments: (please list)			
Less: Expendable endowments	(6,282,927)		(6,282,927)
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	<u>\$ 6,819,514</u>	<u>—</u>	<u>6,819,514</u>

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

**8 Transactions with Related Entities**

	<b>Amount</b>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 611,985
Payments to University for other than salaries of University personnel	650,877
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)	(370,534)
Other amounts (payable to) University (enter as negative number)	—
Accounts receivable from University	21,092
Other amounts receivable from University	—

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

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

Annual required contribution (ARC)	\$	—
Contributions during the year		—
		<hr style="border: 1px solid black;"/>
Increase (decrease) in net OPEB obligation (NOO)		—
NOO - beginning of year		—
NOO - end of year	\$	<hr style="border: 1px solid black;"/> <hr style="border: 1px solid black;"/>

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

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

<b>Description</b>	<b>Amount</b>
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	—

**CALIFORNIA STATE UNIVERSITY, CHANNEL ISLANDS FOUNDATION  
OTHER INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2015  
(CONTINUED)**

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

	Net Position Class	Amount Dr. (Cr.)
Net position as of June 30, 2014, as previously reported		\$ 21,197,446
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		\$ 21,197,446

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

	Debit	Credit
Net position class: _____ 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)	—	—