California State University, Channel Islands Financing Authority

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

June 30, 2026 and 2025

CohnReznick

California State University, Channel Islands
Financing Authority

Index

	PAGE
Independent Auditor's Report	2
Management's Discussion and Analysis	5
Financial Statements	
Statement of Net Position	10
Statement of Revenues, Expenses and Changes in Net Position	11
Statement of Cash Flows	12
Notes to Financial Statements	13
Supplementary Information	
GASB Schedule of Net Position	19
GASB Schedule of Revenues, Expenses and Changes in Net Position	21
Other Information	23
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	25

Independent Auditor's Report

The Board of Directors
The California State University, Channel Islands Financing Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of California State University, Channel Islands Financing Authority (the "Financing Authority"), a component unit of California State University, Channel Islands as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Financing Authority's basic financial statements as listed in the index.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the business-type activities of the Financing Authority as of June 30, 2026, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Financing Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Financing Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Financing Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Financing Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 to 8 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Financing Authority's basic financial statements. The GASB schedule of net position, GASB schedule of revenues, expenses and changes in net position, and other information are presented for purposes of additional analysis as required by an Administrative Directive dated June 24, 2003, *Financial Reporting Requirements for Auxiliary Organizations*, from the California State University Office of the Chancellor, 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, 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 and other information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Financing Authority's June 30, 2025 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 18, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2025 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2026 on our consideration of the Financing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Financing Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Financing Authority's internal control over financial reporting and compliance.



Los Angeles, California
September 17, 2026

California State University, Channel Islands
Financing Authority

Management's Discussion and Analysis
For the Year Ended June 30, 2026
(Unaudited)

This section of the California State University, Channel Islands Financing Authority (the "Financing Authority") annual financial report presents our discussion and analysis of the financial performance of the Financing Authority for the fiscal year ended June 30, 2026. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes.

Overview of 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*, No. 38, *Certain Financial Statement Note Disclosures*, and No. 103, *Financial Reporting Model Improvements*. For reporting purposes, the Financing Authority is considered a special-purpose government engaged only in business-type activities, which best represent the activities of the Financing Authority.

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 Financing Authority.

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 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 Financing Authority.

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.

California State University, Channel Islands
Financing Authority

Management's Discussion and Analysis
For the Year Ended June 30, 2026
(Unaudited)

Financial Summary

The Financing Authority's condensed summary of revenues, expenses, and changes in net position for the years ended June 30, 2026 and 2025 is as follows:

	2026	2025	$ Change	% Change
Operating revenues				
Other operating revenues: Special tax	$ 882,457	$ 853,726	$ 28,731	3.4%
Total operating revenues	882,457	853,726	28,731	3.4%
Operating expenses				
General, administrative, and other operating costs	16,695	2,127	14,568	684.9%
Total operating expenses	16,695	2,127	14,568	684.9%
Operating income	865,762	851,599	14,163	1.7%
Other nonoperating revenues (expenses)				
Capital subsidy transfer to CSUCI SA - Special Tax	(865,762)	(851,599)	(14,163)	1.7%
Changes in net position	-	-	-	0.0%
Beginning net position	-	-	-	0.0%
Ending net position	$ -	$ -	$ -	0.0%

The Financing Authority's summary of net position as of June 30, 2026 and 2025 is as follows:

	2026	2025	$ Change	% Change
Assets				
Current assets	$ 24,386	$ 41,264	$ (16,878)	-40.9%
Total assets	$ 24,386	$ 41,264	$ (16,878)	-40.9%
Liabilities				
Current liabilities	$ 24,386	$ 41,264	$ (16,878)	-40.9%
Total liabilities	$ 24,386	$ 41,264	$ (16,878)	-40.9%
Net position				
Unrestricted	-	-	-	0.0%
Total net position	$ -	$ -	$ -	0.0%

Detailed Analysis

Assets

The current assets represent cash and a receivable for special taxes expected to be paid to the Financing Authority by the County of Ventura.

Liabilities

The current liability is balanced against assets since it is a pass-through entity.

Net Position

Special taxes received from the County of Ventura are transferred to the California State University Channel Islands Site Authority. The Financing Authority functions as a pass-through entity and therefore has no net position.

Operating Revenues and Nonoperating Expenses

Operating revenues and nonoperating expenses come from sources that are connected directly to the Financing Authority's business function, which is to provide financing for public capital improvements serving California State University, Channel Islands. The Financing Authority currently receives special taxes from housing originally financed by the Financing Authority. The Financing Authority then transfers the income less general, administrative, and other operating costs to California State University Channel Islands Site Authority who is paying the debt.

Operating Revenues

The operating revenues are comprised of special taxes collected by the County of Ventura from privately-owned single-family homes and townhomes in University Glen and then reapportioned to the Financing Authority. The increase in revenue of $29 thousand is primarily due to the $17 thousand scheduled increase in the special tax assessed and $12 thousand interest apportionment income received from County of Ventura retro to 2023.

Operating Expenses

General, administrative and operating costs are comprised of professional fees and assessment fees from the County of Ventura. The remaining funds are then transferred to California State University Channel Islands Site Authority. The increase of $14 thousand relates to additional professional fees charged in the current year.

Nonoperating Revenues (Expenses)

The Financing Authority transfers special tax receipts, net of related administrative costs, to the California State University, Channel Islands Site Authority for the payment of debt obligations associated with public capital improvements. Beginning in the current year, these transfers are presented as nonoperating

expenses because they support the Site Authority's capital-related debt obligations. This change in presentation resulted in $865 thousand in the current year and $852 thousand in the prior year nonoperating expenses.

During fiscal year 2026, the Financing Authority adopted GASB Statement No. 103, *Financial Reporting Model Improvements*. As a result, transfers of special tax proceeds to the Site Authority for capital-related obligations are presented as nonoperating capital subsidy transfers rather than operating expenses. The adoption affected classification and presentation only and had no impact on change in net position or ending net position.

Significant Capital Assets and Long-Term Financing Activity

The Financing Authority does not have capital assets or outstanding long-term debt.

Currently Known Facts, Decisions, and Conditions

Management is not aware of any currently known facts, decisions, conditions, or events that are expected to have a significant effect on the Financing Authority's financial position or results of operations for the subsequent fiscal year.

Basic Financial Statements

California State University, Channel Islands
Financing Authority

Statement of Net Position
June 30, 2026
With Summarized Totals at June 30, 2025

Assets

	2026	2025
Current assets		
Accounts receivable - property tax	$ 24,386	$ 41,264
Total current assets	24,386	41,264
Total assets	$ 24,386	$ 41,264

Liabilities and Net Position

Current liabilities		
Due to California State University, Channel Islands Site Authority	$ 24,386	$ 41,264
Total current liabilities	24,386	41,264
Total liabilities	24,386	41,264
Net position		
Unrestricted	-	-
Total net position	$ -	$ -

See Notes to Financial Statements.

California State University, Channel Islands
Financing Authority

Statement of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2026
With Summarized Totals for the Year Ended June 30, 2025

	2026	2025
Operating revenues		
Other operating revenues: Special tax	$ 882,457	$ 853,726
Total operating revenues	882,457	853,726
Operating expenses		
General, administrative, and other operating costs	16,695	2,127
Total operating expenses	16,695	2,127
Operating income	865,762	851,599
Other nonoperating revenues (expenses):		
Capital-related subsidy transfer to CSUCI SA - Special Tax	(865,762)	(851,599)
Increase in net position	-	-
Net position, beginning of year	-	-
Net position, end of year	$ -	$ -

See Notes to Financial Statements.

California State University, Channel Islands
Financing Authority

Statement of Cash Flows
Year Ended June 30, 2026
With Summarized Totals for the Year Ended June 30, 2025

	2026	2025
Cash flows from operating activities		
Cash receipts from taxes	$ 882,457	$ 853,726
Cash paid to suppliers	(16,695)	(8,202)
Net cash provided by operating activities	865,762	845,524
Cash flows from noncapital financing activities		
Special taxes	(865,762)	(851,599)
Net cash used in noncapital financing activities	(865,762)	(851,599)
Net decrease in cash and cash equivalents	-	(6,075)
Cash and cash equivalents at beginning of year	-	6,075
Cash and cash equivalents at end of year	$ -	$ -
Reconciliation of operating income to net cash provided by operating activities		
Operating income	865,762	851,599
Change in assets and liabilities		
Accounts receivable - property tax	16,878	(25,835)
Accounts payable	-	(6,075)
Due to related party	(16,878)	25,835
Net cash provided by operating activities	$ 865,762	$ 845,524

See Notes to Financial Statements.

Note 1 - Organization

The California State University, Channel Islands Financing Authority (the "Financing Authority") was formed on May 10, 2000 under and pursuant to a Joint Powers Authority formed by and between the Trustees of the California State University (the "CSU Trustees") and the California State University, Channel Islands Site Authority (the "Site Authority"). The Financing Authority's purpose is to provide financing for public capital improvements serving the California State University, Channel Islands (the "Campus").

The Financing Authority is authorized to issue revenue bonds to be used to finance and refinance the cost of constructing various public improvements on property transferred to the CSU Trustees and will be managed by the Site Authority. The West Campus consists of developed space on 42 acres of what was formerly the Camarillo State Hospital. This portion of the Campus is centered on academic uses and houses the Campus.

The Financing Authority is an integral part of the Campus, and the financial transactions of the Financing Authority are also included in the financial statements of the Campus as a discretely presented component unit.

Note 2 - Summary of significant accounting policies

Accounting method
The accompanying financial statements are prepared on the accrual basis of accounting.

Basis of presentation
The accompanying financial statements of the Financing Authority 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.

The financial statements include a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows. The Financing Authority is considered a special-purpose government. The Financing Authority records revenue primarily from property taxes and, accordingly, has chosen to present its financial statements using the reporting model for special-purpose governments engaged only in business-type activities. This model allows all financial information for the Financing Authority to be reported in a single column in each of the financial statements. In accordance with the business-type activities reporting model, the Financing Authority prepares its statement of cash flows using the direct method.

Election of applicable FASB statements
The Financing Authority has elected to follow private-sector 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 Financing Authority also has the option of following subsequent private-sector guidance subject to the same limitation. The Financing Authority has elected not to follow subsequent private-sector guidance.

Financial reporting entity

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

Classification of revenues and expenses

Operating revenues and expenses for the Financing Authority are those revenues and expenses that result from providing services and producing and delivering goods in connection with the Financing Authority's principal ongoing operations. Operating revenues generally consist of charges to customers for services provided. Operating expenses include the cost of sales and services, administrative expenses, depreciation and amortization, and other expenses associated with the operation and maintenance of the Financing Authority.

Nonoperating revenues and expenses are revenues and expenses that do not result from the Financing Authority's principal ongoing operations. Nonoperating revenues and expenses include investment income, interest expense and other financing-related costs, gains and losses on the disposal of capital assets, noncapital subsidies, contributions to term or permanent endowments, and other activities that meet the definition of nonoperating revenues and expenses under generally accepted accounting principles for state and local governments

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 Financing Authority maintains its cash and cash equivalents in bank accounts which, at times, may exceed federally insured limits. The Financing Authority has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash. As of June 30, 2026, the Financing Authority's bank deposits were fully insured by the Federal Deposit Insurance Corporation.

Revenue recognition

Special tax revenue is recognized in accordance with GASB guidance for derived tax revenues and other nonexchange transactions. Revenue is recognized in the period for which the taxes are levied, provided the underlying exchange or eligibility requirements have been satisfied.

Income taxes

The Financing Authority was formed pursuant to Articles 1 - 4, Chapter 5, division 7, title 1 of the Government Code of the State of California and, as a governmental entity, is not subject to federal or state income taxes.

Property taxes

All jurisdictions within California derive their taxing authority from the State Constitution and various legislative provisions contained in the State Government Codes and Revenue and Taxation Codes. Property is originally assessed at 100% of full cash or market value at the date of transfer or completion of construction pursuant to Article XIII(A) of the California State Constitution and statutory provisions by the County Assessor and State Board of Equalization.

Pursuant to the Mello-Roos Community Facilities Act of 1982, the Financing Authority formed Community Facilities District No. 2000-1 (the "District") on November 6, 2000 to assist in financing the development of the Campus. The District is authorized to incur a maximum of $50,000,000 of indebtedness to provide for the cost of certain public facilities and services. The District may levy and collect a special tax within the district to repay such indebtedness. The special taxes are payable and are collected in the same manner and time as are general and ad valorem taxes on real property.

Property taxes are levied on both real and personal property. Secured property taxes become a lien on the property on January 1 or the date on which title to the property transfers or improvements to the property are completed. Secured property taxes are levied July 1 and payable in two equal installments the first is generally due on November 1 and delinquent with penalties after December 10; the second is generally due on February 1 and delinquent with penalties after April 10. Special tax revenues are recognized in the period in which they are levied, net of amounts determined to be uncollectible.

Supplemental property tax assessments/refunds associated with changes in assessed valuations due to transfers of title and completed property improvements are levied in two equal installments and have variable due dates based on the date of title transfer and/or completion of the property improvements.

Use of 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.

Comparative totals
The financial statements include certain prior-year summarized comparative information in total but not by net position class. 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 Financing Authority's financial statements for the year ended June 30, 2025 from which the summarized information was derived.

Special taxes
The Financing Authority transfers special tax receipts (the Mello-Roos property tax receipts) along with any interest earned after paying any related fees to the Site Authority. The transferred amount is used to pay the Site Authority's lease obligations.

Fair value measurements
The Financing Authority reports its fair value measurements using a three-level hierarchy that prioritizes the inputs used to measure fair value in accordance with GASB 72, *Fair Value Measurement and Application*. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal or most advantageous market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity.

Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. GASB 72 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy, established by Generally Accepted Accounting Principles, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The three levels of inputs used to measure fair value are as follows:

Level 1 **-** Quoted prices for identical assets or liabilities in active markets to which Financing Authority has access at the measurement date.

Level 2 **-** Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include;

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets in markets that are not active;
- observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
- inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3 **-** Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The carrying amounts of accounts receivable approximate fair value because of the terms and relatively short maturity of these financial instruments.

The carrying amounts of liabilities approximate fair value because of the relatively short maturity of these financial instruments.

When available, Financing Authority measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Financing Authority had no assets or liabilities measured at fair value on a recurring basis at June 30, 2026.

New accounting pronouncement

Effective for the fiscal year beginning July 1, 2025, the Financing Authority implemented the provisions of GASB Statement No. 103, *Financial Reporting Model Improvements* ("GASB 103"). This Statement establishes improvements to the financial reporting model, including changes related to management's discussion and analysis and the presentation of unusual or infrequent items. As a result, the Financing Authority revised its management's discussion and analysis to conform to the new requirements. In addition, comparative amounts, where applicable, have been reclassified to conform to the current year presentation. The adoption of this Statement did not have a material impact on the Financing Authority's financial statements.

Effective for the fiscal year beginning July 1, 2025, the Financing Authority implemented the provisions of GASB Statement No. 104, Disclosure of Certain Capital Assets ("GASB 104"). This Statement requires additional disclosures of certain capital assets, including separate disclosures of certain-right-to-use assets, subscription assets, intangible assets, and capital assets held for sale, when applicable. The adoption of this statement did not have a material impact on the Financing Authority's financial statements. Management evaluated the requirements of GASB Statement No. 104. The Financing Authority had no right-to-use assets, subscription assets, intangible assets, or capital assets held for sale requiring separate disclosure as of June 30, 2026.

Note 3 - Due to CSUCI Site Authority

At June 30, 2026, the Financing Authority reported $24,386 due to the Site Authority, representing accrued special-tax receipts not yet transferred. The Site Authority is expected to use the proceeds for upcoming capital-related lease obligations.

Note 4 - Related party transactions

Substantially all of the transactions entered into by the Financing Authority are with the Site Authority.

Note 5 - Contingencies

From time to time, the Financing Authority may have claims against it arising from its normal operations. Currently, there are no claims or litigation against the Financing Authority.

Supplementary Information

California State University, Channel Islands
Financing Authority

GASB Schedule of Net Position
June 30, 2026
(for Inclusion in the California State University)

Assets:		
Current assets:		
Cash and cash equivalents	$	-
Short-term investments		-
Accounts receivable, net		24,386
Lease receivable, current portion		-
P3 receivable, current portion		-
Notes receivable, current portion		-
Pledges receivable, net		-
Prepaid expenses and other current assets		-
Total current assets		**24,386**
Noncurrent assets:		
Restricted cash and cash equivalents		-
Accounts receivable, net		-
Lease receivable, net of current portion		-
P3 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		-
Total noncurrent assets		**-**
Total assets	**$**	**24,386**
Deferred outflows of resources:		
Unamortized loss on debt refunding	$	-
Net pension liability		-
Net OPEB liability		-
Leases		-
P3		-
Others		-
Total deferred outflows of resources	**$**	**-**

California State University, Channel Islands
Financing Authority

GASB Schedule of Net Position
June 30, 2026
(for Inclusion in the California State University)

Liabilities:		
Current liabilities:		
Accounts payable	$	24,386
Accrued salaries and benefits		-
Accrued compensated absences, current portion		-
Unearned revenues		-
Lease liabilities, current portion		-
SBITA liabilities - current portion		-
P3 liabilities - current portion		-
Long-term debt obligations, current portion		-
Claims liability for losses and loss adjustment expenses, current portion		-
Depository accounts		-
Other liabilities		-
Total current liabilities		24,386
Noncurrent liabilities:		
Accrued compensated absences, net of current portion		-
Unearned revenues		-
Grants refundable		-
Lease liabilities, net of current portion		-
SBITA liabilities, net of current portion		-
P3 liabilities, 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		-
Total liabilities	$	24,386
Deferred inflows of resources:		
P3 service concession arrangements	$	-
Net pension liability		-
Net OPEB liability		-
Unamortized gain on debt refunding		-
Nonexchange transactions		-
Lease		-
P3		-
Others		-
Total deferred inflows of resources	$	-
Net position:		
Net investment in capital assets	$	-
Restricted for:		
Nonexpendable – endowments		-
Expendable:		
Scholarships and fellowships		-
Research		-
Loans		-
Capital projects		-
Debt service		-
Others		-
Unrestricted		-
Total net position	**$**	**-**

California State University, Channel Islands
Financing Authority

GASB Schedule of Revenues, Expenses and Changes in Net Position
June 30, 2026
(for Inclusion in the California State University)

Revenues:		
Operating revenues:		
Student tuition and fees, gross	$	-
Scholarship allowances (enter as negative)		-
Student Financial Aid Grants:		
Federal Financial Aid Grants		-
State Financial Aid Grants		-
Local Financial Aid Grants		-
Nongovernmental and Other Financial Aid Grants		-
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		882,457
Total operating revenues		**882,457**
Expenses:		
Operating expenses:		
Instruction		-
Research		-
Public service		-
Academic support		-
Student services		-
Institutional support		16,695
Operation and maintenance of plant		-
Student grants and scholarships		-
Auxiliary enterprise expenses		-
Depreciation and amortization		-
Total operating expenses		**16,695**
Operating income (loss)		**865,762**

California State University, Channel Islands
Financing Authority

GASB Schedule of Revenues, Expenses and Changes in Net Position
June 30, 2026
(for Inclusion in the California State University)

NonCapital Subsidies	
State appropriations	-
Gifts	-
Other Noncapital Subsidies received/(provided)	-
Federal Noncapital Subsidies received/(provided)	-
Total NonCapital Subsidies Provided:	**-**
Operating Income (loss) and Noncapital Subsidies:	**865,762**
Nonoperating revenues (expenses):	
Federal Subsidies, capital received/(provided)	-
State appropriations, capital	-
Capital Subsidies received/(provided)	(865,762)
Grants and gifts, capital	-
Investment income (loss), net	-
Endowment income (loss), net	-
Interest Revenue	-
Interest Expense	-
Gains or losses on capital assets	-
Additions/reductions to permanent endowments	-
Net nonoperating revenues (expenses)	**(865,762)**
Income (loss) before other revenues (expenses)	**-**
Net position:	
Net position at beginning of year, as previously reported	-
Restatements	-
Net position at beginning of year, as restated	**-**
Net position at end of year	**$ -**

California State University, Channel Islands
Financing Authority

Other Information
June 30, 2026
(for Inclusion in the California State University)

1 Cash and cash equivalents: Not applicable

Portion of restricted cash and cash equivalents related to endowments	$ -
All other restricted cash and cash equivalents	-
Noncurrent restricted cash and cash equivalents	**-**
Current cash and cash equivalents	-
Total	$ -

2.1 Composition of investments: Not applicable

2.2 Fair value hierarchy in investments: Not applicable

2.3 Investments held by the University under contractual agreements: Not applicable

3.1 Capital Assets, excluding ROU assets: Not applicable

3.2 Detail of depreciation and amortization expense: Not applicable

4 Long-term liabilities: Not applicable

5 Future minimum payments schedule - leases, SBITA, P3: Not applicable

6 Future minimum payments schedule - Long-term debt obligations: Not applicable

7 Transactions with related entities: Not applicable

8 Restatements: Not applicable

California State University, Channel Islands
Financing Authority

Other Information
June 30, 2026
(for Inclusion in the California State University)

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	-	-	-	-	-	16,695	-	**16,695**
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	-	-	-	-
Auxiliary enterprise expenses	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-		-	-	-	-	-
Total operating expenses	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 16,695**	**$ -**	**$ 16,695**

10 Deferred outflows/inflows of resources: Not applicable

11 Other nonoperating revenues (expenses): Not applicable

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Directors
California State University, Channel Islands Financing Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the business-type activities of California State University, Channel Islands Financing Authority (the "Financing Authority"), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Financing Authority's basic financial statements, and have issued our report thereon dated September 17, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Financing Authority's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Financing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Financing Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Financing Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CohnReznick LLP

Los Angeles, California
September 17, 2026

CohnReznick

Independent Member of Nexia

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