

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

**FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**



**WINDES & MCCLAUGHEY
ACCOUNTANCY CORPORATION**
*Certified Public Accountants
& Consultants*

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

**FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of University – Student Union Board
California State University, Los Angeles:

We have audited the accompanying statements of financial position of University - Student Union Board, California State University, Los Angeles (a nonprofit organization – “the Union”) as of June 30, 2008 and 2007, and the related statements of activities, and cash flows for the years then ended. These financial statements are the responsibility of the University – Student Union Board’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Union’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of University - Student Union Board, California State University, Los Angeles as of June 30, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules of net assets, revenues, expenses, and changes in net assets, and other information as of and for the year ended June 30, 2008 on pages 15 through 25 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Long Beach, California
September 18, 2008

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

STATEMENTS OF FINANCIAL POSITION

	June 30,	
	2008	2007
ASSETS		
ASSETS		
Cash and cash equivalents	\$ 3,694,933	\$ 2,870,230
Accounts receivable, net	—	140
Accounts receivable from affiliates, net	30,152	29,892
Interest receivable	71,374	32,386
Prepaid expenses and deposits	11,797	18,873
Equipment, net	7,998	9,141
Notes receivable, net	110,964	—
TOTAL ASSETS	\$ 3,927,218	\$ 2,960,662
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 33,295	\$ 62,026
Accrued liabilities	82,708	110,504
Accounts payable to affiliates	8,188	9,877
Deferred employee benefits	489,523	416,474
	613,714	598,881
COMMITMENTS (Notes 5 and 7)		
NET ASSETS		
Unrestricted	3,313,504	2,361,781
	3,313,504	2,361,781
TOTAL LIABILITIES AND NET ASSETS	\$ 3,927,218	\$ 2,960,662

The accompanying notes are an integral part of these financial statements.

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

STATEMENTS OF ACTIVITIES

	For the Year Ended	
	June 30,	
	<u>2008</u>	<u>2007</u>
CHANGES IN UNRESTRICTED NET ASSETS		
SUPPORT AND REVENUES		
Student fees	\$ 2,800,000	\$ 1,376,450
University support	315,238	321,882
Interest income	124,137	129,545
Other	<u>156,755</u>	<u>128,520</u>
Total Support and Revenues	<u>3,396,130</u>	<u>1,956,397</u>
EXPENSES		
Program Services:		
Student programs	<u>1,501,259</u>	<u>1,274,519</u>
Total Program Services	<u>1,501,259</u>	<u>1,274,519</u>
Supporting Services:		
Institutional support	635,486	530,586
Building operations	<u>287,199</u>	<u>227,289</u>
Total Supporting Services	<u>922,685</u>	<u>757,875</u>
Total Expenses	<u>2,423,944</u>	<u>2,032,394</u>
PRIOR SERVICE COST	<u>20,463</u>	<u>409,268</u>
CHANGES IN UNRESTRICTED NET ASSETS	951,723	(485,265)
UNRESTRICTED NET ASSETS AT BEGINNING OF YEAR	<u>2,361,781</u>	<u>2,847,046</u>
UNRESTRICTED NET ASSETS AT END OF YEAR	<u>\$ 3,313,504</u>	<u>\$ 2,361,781</u>

The accompanying notes are an integral part of these financial statements.

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

STATEMENTS OF CASH FLOWS

	For the Year Ended	
	June 30,	
	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 951,723	(\$ 485,265)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	1,143	1,143
Change in operating assets and liabilities:		
Accounts receivable and accounts receivable from affiliates	(120)	(11,893)
Interest receivable	2,448	699
Prepaid expenses and deposits	7,076	(339)
Accounts payable and accounts payable to affiliates	(30,420)	(2,777)
Accrued liabilities	(27,796)	(11,647)
Deferred employee benefits	73,049	416,474
Net Cash Provided By (Used In) Operating Activities	<u>977,103</u>	<u>(93,605)</u>
CASH FLOWS FROM INVESTING ACTIVITY		
Notes receivable	(152,400)	—
Net Cash Used In Investing Activity	<u>(152,400)</u>	<u>—</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	824,703	(93,605)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>2,870,230</u>	<u>2,963,835</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 3,694,933</u>	<u>\$ 2,870,230</u>

The accompanying notes are an integral part of these financial statements.

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**

NOTE 1 – Organization

The University - Student Union Board, California State University, Los Angeles (a California State University Auxiliary Organization) (the Union), is a nonprofit auxiliary organization to California State University, Los Angeles (the University). The Union operates the Student Union building, as well as sponsors various campus activities that complement the instructional program and initiatives of the University campus.

NOTE 2 – Summary of Significant Accounting Policies

Financial Statement Presentation

The Union applies Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Union is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. As of June 30, 2008, the Union had no temporarily or permanently restricted net assets.

Use of Estimates and Assumptions

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Cash and Cash Equivalents and Concentration of Credit Risk

For the purpose of the statements of cash flows, the Union considers all highly liquid investments purchased with maturity of three months or less to be cash equivalents.

At June 30, 2008 and throughout the year, the Union maintained cash balances with its financial institutions in excess of federally insured limits.

The Union also invests in the State of California Local Agency Investment Fund (LAIF), which is considered a cash equivalent for financial statement purposes. The Union had \$3,405,965 invested in LAIF at June 30, 2008. This account is not federally insured.

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Accounts Receivable

Accounts receivable, including accounts receivable from affiliates, are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to net assets and a credit to an allowance account based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance and a credit to accounts receivable. Management provided a reserve for uncollectible accounts of \$90 and \$25,995 at June 30, 2008 and 2007, respectively.

Equipment

Equipment is stated at cost. Depreciation is provided on the straight-line method over the estimated useful life of the asset.

Functional Allocation of Expenses

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

Tax Status

The Union has received tax-exempt status from the Internal Revenue Service and California Franchise Tax Board under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the Revenue and Taxation Code, respectively. In addition, the Union has been determined by the Internal Revenue Service not to be a “private foundation.”

Recent Accounting Pronouncements

In June 2006, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes: an Interpretation of FASB Statement No. 109* (FIN No. 48). FIN No. 48 requires that management determines whether a tax position is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Once it is determined that a position meets this recognition threshold, the position is measured to determine the amount of benefit to be recognized in the financial statements. FIN No. 48 is effective for the Union for the year ending June 30, 2009. The Union is currently evaluating the effect, if any, of the adoption of FIN No. 48.

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**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncements (Continued)

In September 2006, the FASB issued Statement of Financial Accounting Standard No. 157, *Fair Value Measurements*, (SFAS 157). This standard defines fair value, establishes a framework for measuring fair value in accounting principles generally accepted in the United States of America, and expands disclosure about fair value measurements. This pronouncement applies to the fair value requirements as applicable in other accounting standards that require or permit fair value measurements. Accordingly, this statement does not require any new fair value measurement. In February 2008, the FASB issued FASB Staff Position No. 157-2, *Effective Date of FASB Statement No. 157*, which delays the effective date of SFAS 157 until January 1, 2009 for all non-financial assets and liabilities, except those that are recognized and disclosed at fair value in the financial statements on a recurring basis. SFAS 157 is effective for fiscal years beginning after November 15, 2007 for financial assets and liabilities as well as non-financial assets and liabilities excluded from the deferral above. The Union is currently evaluating the requirements of SFAS 157 and has not yet determined the impact on the financial statements.

Post-Retirement Health Care Plan

Effective in 2007, the Union adopted SFAS No. 158, *Employers' Accounting for Defined Benefit Pension and Other Post-Retirement Plans* in connection with the deferred employee benefit plan. (See Note 7.) The standard requires organizations to recognize the funded status of a benefit plan, measured as the difference between plan assets at fair value and the benefit obligation, in the statement of financial position, with an offsetting charge or credit to net assets. Gains or losses and prior service costs or credits that arise during the period but are not recognized as components of net period benefit cost will be recognized each year as a separate charge or credit to net assets.

NOTE 3 – Equipment

Equipment consists of the following:

	June 30,	
	2008	2007
Audio visual equipment	\$ 7,139	\$ 7,139
Computer equipment	5,001	5,001
Office equipment	6,505	6,505
Autos	11,426	11,426
	30,071	30,071
Less accumulated depreciation	(22,073)	(20,930)
	\$ 7,998	\$ 9,141

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CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**

NOTE 4 – Note Receivable

The Union advanced University Auxiliary Services, Inc. (UAS), an affiliate, \$152,400 for tenant improvements taken place in the University Student Union Building for the year ended June 30, 2008. Under the terms of the advance, UAS must repay the Union an annual payment of \$15,200 beginning September 1, 2009 through September 1, 2018.

The note receivable is scheduled to be collected as follows:

	<u>June 30, 2008</u>
Due after one year through five years	\$ 76,200
Due after five years through ten years	<u>76,200</u>
	152,400
Less 6% imputed discount factor to present value	(<u>41,436</u>)
	<u>\$ 110,964</u>

NOTE 5 – Commitments and Related-Party Transactions

Commitments

On December 1, 1996, revenue bonds were issued by the Trustees of the California State University and Colleges for the renovation of the University's Student Union Building. These bonds mature March 1, 2027. In October 2005, the California State University and Colleges issued the Systemwide Revenue Bonds series 2005C to replace the existing University-Student Union Building. These bonds mature November 1, 2038. Legal title to the Student Union Building is vested, along with the related debt, with the Trustees. Accordingly, both the building and debt are carried on the books of the Trustees and excluded from the Union's financial statements.

The Union has entered into an agreement with the Office of the Chancellor of the California State University that expires on June 30, 2010 and provides, among other things, that the excess of the student fees (after satisfying certain reserve requirements and servicing the principal and interest payments on the revenue bonds) is available for payment of expenses incurred in the operation of the Union. Pursuant to this agreement, the Union received \$2,800,000 and \$1,376,450 to fund its operation for the fiscal years 2008 and 2007, respectively.

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**

NOTE 5 – Commitments and Related-Party Transactions (Continued)

Related-Party Transactions

Associated Students of California State University, Los Angeles, Inc. (ASI), an affiliate, subleases space from the Union in a separate building on campus. Payment is based on the calculation of \$0.42 per square foot adjusted annually to reflect a general employee compensation increase and costs of supplies and services. The subleased space consists of 1,492 square feet of usable space at the Basement level, D Wing portion of King Hall, designated as Building No. 3 on the University Master Plan. The space includes Rooms 136, 137 and 138. The total annual payment was \$7,514 for the years ended June 30, 2008 and 2007.

ASI reimburses the Union for certain events. For the years ended June 30, 2008 and 2007, these reimbursements were \$21,592 and \$19,094, respectively.

The Union is responsible for employing personnel to perform the administrative duties for ASI. ASI reimburses the Union for wages paid and benefits paid along with an administrative fee. Total administrative fees received were \$4,550 and \$4,200 for the years ended June 30, 2008 and 2007, respectively.

ASI also reimburses the Union for a student personnel position to provide graphic services. Total reimbursement for the years ended June 30, 2008 and 2007 was \$18,806 and \$18,232, respectively.

Accounting and financial services for the Union were provided by the University under a contractual agreement at an agreed-upon fee of \$67,440 for the years ended June 30, 2008 and 2007.

Organization advisement and program coordination were provided to the University under a contractual agreement at an agreed upon fee of \$16,650 per month. The Union received \$199,800 for the years ended June 30, 2008 and 2007, which is included in University support in the statements of activities.

Human resource management services for the Union were provided by the University at an agreed-upon fee of \$5,000 for the years ended June 30, 2008 and 2007.

Systems support services were also provided by the University at an agreed-upon fee of \$28,996 and \$26,878 for the years ended June 30, 2008 and 2007, respectively.

Collection of student union fees was provided by the University under a contractual agreement. Payment is .75% of the student union fees collected. Total fees were \$46,219 and \$44,489 for the years ended June 30, 2008 and 2007, respectively.

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**

NOTE 5 – Commitments and Related-Party Transactions (Continued)

Related-Party Transactions (Continued)

Administrative and program developing services of the Student Resource Center for the University were provided by the Union under a contractual agreement at an agreed-upon fee of \$115,438 for the years ended June 30, 2008 and 2007, which is included in University support in the statement of activities.

California State University, Los Angeles Alumni Association, an Affiliate, subleases space from the Union. The subleased space consists of 1,710 square feet of usable space on the first floor of the University Student Union Building. No payment was made for the year ended June 30, 2008. The sublease will be effective when the sublessee moves into the subleased space in August 2008.

Payroll services for California State University, Los Angeles Foundation (the Foundation) were provided by the Union for the year ended June 30, 2008. The Foundation owes \$2,921 at June 30, 2008.

Design work was performed by the Union for an agency holder of an affiliate, University Auxiliary Services, Inc. (UAS).

The following table summarizes accounts receivable and accounts payable to affiliated organizations:

	June 30, 2008	
	Accounts Receivable	Accounts Payable
Associated Students of California State University, Los Angeles, Inc.	\$ 26,747	—
California State University, Los Angeles University Auxiliary Services, Inc.	484	—
California State University, Los Angeles Foundation	2,921	—
California State University, Los Angeles	—	\$ 8,188
	\$ 30,152	\$ 8,188

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**

NOTE 5 – Commitments and Related-Party Transactions (Continued)

Related-Party Transactions (Continued)

	June 30, 2007	
	Accounts Receivable	Accounts Payable
California State University, Los Angeles Associated Students, Inc.	\$ 25,546	–
California State University, Los Angeles University Auxiliary Services, Inc.	3,433	\$ 1,155
California State University, Los Angeles	10,182	8,722
	39,161	9,877
Allowance for doubtful accounts, attributable to related parties	(9,269)	–
	\$ 29,892	\$ 9,877

NOTE 6 – Pension Plan

The Union provides pension benefits through the Teachers Insurance and Annuity Association – College Retirement Equities Fund (the Pension Plan), a defined contribution plan, to all eligible employees (as defined by the Pension Plan agreement). The Pension Plan consists of two parts. Part one consists of contributions made by the Union of 7% of the employee’s compensation and part two includes contributions from both the employer and employee under the provisions of Section 403(b) of the Internal Revenue Code. Under part two of the Pension Plan, the Union will match contributions up to a maximum of 5% of an employee’s compensation. Contributions from employees and the Union’s matching contributions are fully vested. Contributions from the Union for the 7% contribution become vested on a five-year graded scale, with 100% vesting occurring after five years. The Union’s total pension expense for the years ending June 30, 2008 and 2007 was \$110,038 and \$95,553, respectively. The Union’s policy is to fund pension costs as incurred.

NOTE 7 – Deferred Employee Benefits

Effective June 1, 2007, the Union sponsors a defined benefit postretirement plan (the DB Plan) that provides lifetime postretirement medical coverage to employees who retire at age fifty-five or older with at least ten years of service.

The Union intends to contribute the maximum monthly health premium administered by the CalPERS medical program. The Union holds no plan assets in connection with the program.

**UNIVERSITY - STUDENT UNION BOARD
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**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**

NOTE 7 – Deferred Employee Benefits (Continued)

The following tables provide a reconciliation of the DB Plan's benefit obligations and a statement of the funded status as of June 30, 2008:

Changes in Benefit Obligation

	<u>2008</u>	<u>2007</u>
Benefit obligation at July 1 – 2008; June 1 – 2007	\$ 416,474	\$ 410,973
Service cost	41,428	3,433
Interest cost	24,957	2,068
Actuarial loss	<u>6,664</u>	<u>—</u>
Benefit obligation at June 30	<u>489,523</u>	<u>416,474</u>
Funded status, at end of year	(<u>\$ 489,523</u>)	(<u>\$ 416,474</u>)
Measurement date	June 30, 2008	June 30, 2007

Amount Recognized in the Statement of Financial Position Consists of:

	<u>2008</u>	<u>2007</u>
Liabilities	(\$ 489,523)	(\$ 416,474)

Amount Recognized in Changes in Unrestricted Net Assets Consists of:

	<u>2008</u>	<u>2007</u>
Prior service cost	\$ 388,805	\$ 409,628

Components of Net Periodic Benefit Cost and Other Amounts:

	<u>2008</u>	<u>2007</u>
Service cost	\$ 41,428	\$ 3,433
Interest cost	24,957	2,068
Amortization of prior service cost	<u>20,463</u>	<u>1,705</u>
Net periodic benefit cost	<u>\$ 86,848</u>	<u>\$ 7,206</u>

**UNIVERSITY - STUDENT UNION BOARD
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**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**

NOTE 7 – Deferred Employee Benefits (Continued)

Other Changes In Plan Assets and Benefit Obligations Recognized in Changes in Unrestricted Net Assets:

Prior service cost	\$ 409,268	\$ 410,973
Amortization of prior service cost	<u>20,463</u>	<u>1,705</u>
Total recognized in unrestricted net assets	<u>\$ 388,805</u>	<u>\$ 409,268</u>

The estimated prior service cost for the deferred employee benefit plan that will be amortized from unrestricted net assets into net periodic cost over the next fiscal year is \$20,463.

Assumptions

Weighted-average assumptions used to determine benefit obligations at June 30:

	<u>2008</u>	<u>2007</u>
Discount rate	6.00%	6.00%
General inflation	N/A	N/A
Long-term rate of return on plan assets	N/A	N/A

Assumed health care cost trend at June 30:

Net periodic benefit cost:

Health care cost trend rate assumed for next year	8.20%	9.00%
Rate to which the cost trend is assumed to decline (the ultimate trend rate)	5.50%	5.50%
Year that the rate reaches the ultimate trend rate	2020	2012

Accumulated postretirement benefit obligation:

Health care cost trend rate assumed for next year	8.20%	9.00%
Rate to which the cost trend is assumed to decline (the ultimate trend rate)	5.50%	5.50%
Year that the rate reaches the ultimate trend rate	2020	2012

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2008 AND 2007**

NOTE 7 – Deferred Employee Benefits (Continued)

Cash Flows

Estimated Future Benefit Payments

The following are the contributions expected to be paid to the Plan, not taking into account future cost of living adjustments:

For the Year Ending June 30,	
2009	\$ 988
2010	2,262
2011	3,282
2012	4,439
2013	5,376
2014-2019	<u>54,237</u>
	<u>\$ 70,584</u>

No benefits have been paid out for the years ending June 30, 2008 and 2007.

NOTE 8 – Subsequent Event

In July and August 2008, the Union advanced UAS \$337,600 for additional tenant improvements to be repaid in monthly installments beginning in September 2009 through various dates through 2023.

SUPPLEMENTARY FINANCIAL INFORMATION

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

**SUPPLEMENTARY FINANCIAL INFORMATION
SCHEDULE OF NET ASSETS**

JUNE 30, 2008

(For inclusion in the California State University)

ASSETS:

CURRENT ASSETS:

Cash and cash equivalents	\$ 288,968
Short-term investments	3,405,965
Accounts receivable, net	101,526
Leases receivable, current portion	0
Notes receivable, current portion	7,306
Pledges receivable, net	0
Prepaid expenses and other assets	11,797
Total Current Assets	3,815,562

NONCURRENT ASSETS:

Restricted cash and cash equivalents	0
Accounts receivable, net	0
Leases receivable, net of current portion	0
Notes receivable, net of current portion	103,658
Student loans receivable, net	0
Pledges receivable, net	0
Endowment investments	0
Other long-term investments	0
Capital assets, net	7,998
Other assets	0
Total Noncurrent Assets	111,656

TOTAL ASSETS	3,927,218
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LIABILITIES:

CURRENT LIABILITIES:

Accounts payable	41,483
Accrued salaries and benefits payable	6,063
Accrued compensated absences, current portion	4,724
Deferred revenue	0
Capitalized lease obligations – current portion	0
Long-term debt obligations – current portion	0
Self-insurance claims liability – current portion	0
Other liabilities	0
Total Current Liabilities	52,270

See Accompanying Independent Auditors' Report

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

**SUPPLEMENTARY FINANCIAL INFORMATION
SCHEDULE OF NET ASSETS**

JUNE 30, 2008

(For inclusion in the California State University)

(Continued)

NONCURRENT LIABILITIES

Accrued compensated absences, net of current portion	71,921
Deferred revenue	0
Grants refundable	0
Capitalized lease obligations, net of current portion	0
Long-term debt obligations, net of current portion	0
Self-insurance claims liabilities, net of current portion	0
Depository accounts	0
Other liabilities	<u>489,523</u>
Total Noncurrent Liabilities	<u>561,444</u>

TOTAL LIABILITIES

613,714

NET ASSETS

Invested in capital assets, net of related debt	7,998
Restricted for:	
Nonexpendable – endowments	0
Expendable:	
Scholarships and fellowships	0
Research	0
Loans	0
Capital projects	0
Debt service	0
Other	0
Unrestricted	<u>3,305,506</u>

TOTAL NET ASSETS

\$ 3,313,504

See Accompanying Independent Auditors' Report

**UNIVERSITY - STUDENT UNION BOARD
CALIFORNIA STATE UNIVERSITY, LOS ANGELES**

**SUPPLEMENTARY FINANCIAL INFORMATION
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008
(For inclusion in the California State University)**

REVENUES:

Operating revenues:	
Student tuition and fees (net of scholarship allowances of \$ 0)	\$ 2,800,000
Grants and contracts, noncapital:	
Federal	0
State	0
Local	
Nongovernmental	0
Sales and services of educational activities	0
Sales and services of auxiliary enterprises (net of scholarship allowances of \$0)	315,238
Other operating revenues	0
Total Operating Revenues	<u>3,115,238</u>

EXPENSES:

Operating expenses:	
Instruction	0
Research	0
Public service	0
Academic support	0
Student services	1,501,259
Institutional support	634,343
Operation and maintenance of plant	287,199
Student grants and scholarships	0
Auxiliary enterprise expenses	0
Depreciation and amortization	1,143
Total Operating Expenses	<u>2,423,944</u>

OPERATING INCOME (LOSS) 691,294

NONOPERATING REVENUES (EXPENSES):

State appropriations, noncapital	0
Federal financial aid grants, noncapital	0
State and local financial aid grants, noncapital	0
Nongovernmental and other financial aid grants, noncapital	0
Gifts, noncapital	0
Investment income, net	124,137
Endowment income	0
Interest expense	0
Other nonoperating revenues	136,292
Net Nonoperating Revenues (Expenses)	<u>260,429</u>

INCOME BEFORE OTHER ADDITIONS 951,723

State appropriations, capital	0
Grants and gifts, capital	0
Additions to permanent endowments	0
Increase (decrease) in net assets	<u>951,723</u>

NET ASSETS:

NET ASSETS AT BEGINNING OF YEAR, AS PREVIOUSLY REPORTED 2,361,781

RESTATEMENTS 0

NET ASSETS AT END OF YEAR, AS RESTATED \$ 3,313,504

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1. RESTRICTED CASH AND CASH EQUIVALENTS AT JUNE 30, 2008

Portion of restricted cash and cash equivalents related to endowments	\$	0
All other restricted cash and cash equivalents		<u>0</u>
Total restricted cash and cash equivalents	\$	<u>0</u>

2. COMPOSITION OF INVESTMENTS AT JUNE 30, 2008

	<u>Current</u>	<u>Noncurrent Unrestricted</u>	<u>Noncurrent Restricted</u>	<u>Total Noncurrent</u>	<u>Total</u>
State of California Surplus					
Money Investment Fund (SMIF)	\$ 0	0	0	0	0
State of California Local Agency Investment Fund (LAIF)	3,405,965	0	0	0	3,405,965
Wachovia Short-Term Fund	0	0	0	0	0
Wachovia Medium-Term Fund	0	0	0	0	0
Wachovia Equity Fund	0	0	0	0	0
Debt securities	0	0	0	0	0
Equity securities	0	0	0	0	0
Fixed income securities (Treasury notes, GNMA's)	0	0	0	0	0
Real Estate	0	0	0	0	0
Certificates of deposit	0	0	0	0	0
Notes receivable	0	0	0	0	0
Mutual Funds	0	0	0	0	0
Collateralized mortgage obligations:					
Inverse floaters	0	0	0	0	0
Interest-only strips	0	0	0	0	0
Agency pass-through	0	0	0	0	0
Private pass-through	0	0	0	0	0
Other investments:					
Other	0	0	0	0	0
Total investments	<u>3,405,965</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,405,965</u>
Less endowment investments	(0)	0	0	(0)	(0)
Total investments	<u>\$ 3,405,965</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,405,965</u>

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2.1. RESTRICTED NONCURRENT INVESTMENTS AT JUNE 30, 2008 RELATED TO:

	<u>Amount</u>
	\$ 0
	<u>0</u>
Total restricted noncurrent investments at June 30, 2008	<u>\$ 0</u>

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3. COMPOSITION OF CAPITAL ASSETS AT JUNE 30, 2008:

	<u>Balance June 30, 2007</u>	<u>Prior-Period Adjustments</u>	<u>Reclassifications</u>	<u>Balance June 30, 2007 (restated)</u>
Nondepreciable capital assets				
Land and land improvements	\$ 0	0	0	0
Works of art and historical treasures	0	0	0	0
Construction work in progress (CWIP)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total nondepreciable capital assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Depreciable capital assets				
Buildings and building improvements	0	0	0	0
Improvements, other than buildings	0	0	0	0
Infrastructure	0	0	0	0
Leasehold improvements	0	0	0	0
Personal property:				
Equipment	30,071	0	0	30,071
Library books and materials	0	0	0	0
Intangible assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total depreciable capital assets	<u>30,071</u>	<u>0</u>	<u>0</u>	<u>30,071</u>
Total cost	<u>30,071</u>	<u>0</u>	<u>0</u>	<u>30,071</u>
Less accumulated depreciation				
Buildings and building improvements	0	0	0	0
Improvements, other than buildings	0	0	0	0
Infrastructure	0	0	0	0
Leasehold improvements	0	0	0	0
Personal property:				
Equipment	(20,930)	0	0	(20,930)
Library books and materials	0	0	0	0
Intangible assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total accumulated depreciation	<u>(20,930)</u>	<u>0</u>	<u>0</u>	<u>(20,930)</u>
Net capital assets	<u>\$ 9,141</u>	<u>0</u>	<u>0</u>	<u>9,141</u>

Detail of depreciation and amortization expense for the year ended June 30, 2008:

Depreciation and amortization expense related to capital assets	\$ 1,143
Amortization expense related to other assets	<u>0</u>
Total depreciation and amortization	<u>\$ 1,143</u>

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<u>Additions</u>	<u>Reductions</u>	<u>Transfers of Completed CWIP</u>	<u>Balance June 30, 2008</u>
0	0	0	0
0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	()	0	30,071
0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>()</u>	<u>0</u>	<u>30,071</u>
<u>0</u>	<u>()</u>	<u>0</u>	<u>30,071</u>
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
(1,143)		0	(22,073)
0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(1,143)</u>	<u></u>	<u>0</u>	<u>(22,073)</u>
<u>(1,143)</u>	<u>0</u>	<u>0</u>	<u>7,998</u>

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4. LONG-TERM LIABILITIES ACTIVITY SCHEDULE

	<u>Balance</u> <u>June 30, 2007</u>	<u>Prior-Period</u> <u>Adjustments</u>	<u>Reclassifications</u>	<u>Balance</u> <u>June 30, 2007</u> <u>(restated)</u>
Accrued compensated absences	\$ 74,357	0	0	74,357
Capitalized lease obligations:				
Gross balance	0	0	0	0
Unamortized premium (discount) on capitalized lease obligations	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total capitalized lease obligations	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Long-term debt obligations:				
Revenue Bonds	0	0	0	0
Other bonds (non-Revenue Bonds)	0	0	0	0
Commercial Paper	0	0	0	0
Other:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total long-term debt obligations	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unamortized bond premium/(discount)	0	0	0	0
Unamortized loss on refunding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total long-term debt obligations, net	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total long-term liabilities	<u>\$ 74,357</u>	<u>0</u>	<u>0</u>	<u>74,357</u>

<u>Additions</u>	<u>Reduction</u>	<u>Balance June 30, 2008</u>	<u>Current Portion</u>	<u>Long-Term Portion</u>
72,209	(69,921)	76,645	4,724	71,921
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>72,209</u>	<u>(69,921)</u>	<u>76,645</u>	<u>4,724</u>	<u>71,921</u>

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5. FUTURE MINIMUM LEASE PAYMENTS

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal and Interest</u>
2009	\$ 0	0	0
2010	0	0	0
2011	0	0	0
2012	0	0	0
2013	0	0	0
2014 - 2018	0	0	0
2019 - 2023	0	0	0
2024 - 2028	0	0	0
2029 - 2033	0	0	0
2034 - 2038	0	0	0
2039 - 2043	0	0	0
2044 - 2048	0	0	0
2049 - 2053	0	0	0
2054 - 2058	<u>0</u>	<u>0</u>	<u>0</u>
Total minimum lease payments			<u>0</u>
Less amounts representing interest			<u>0</u>
Present value of future minimum lease payments			0
Less current portion			<u>0</u>
Capitalized lease obligation, net of current portion			<u><u>\$ 0</u></u>

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6. LONG-TERM DEBT OBLIGATION SCHEDULE

<u>Year Ending June 30,</u>	<u>Revenue Bonds</u>			<u>All Other Long-Term Debt Obligations</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Principal and Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal and Interest</u>
2009	\$ 0	0	0	0	0	0
2010	0	0	0	0	0	0
2011	0	0	0	0	0	0
2012	0	0	0	0	0	0
2013	0	0	0	0	0	0
2014 - 2018	0	0	0	0	0	0
2019 - 2023	0	0	0	0	0	0
2024 - 2028	0	0	0	0	0	0
2029 - 2033	0	0	0	0	0	0
2034 - 2038	0	0	0	0	0	0
2039 - 2043	0	0	0	0	0	0
2044 - 2048	0	0	0	0	0	0
2049 - 2053	0	0	0	0	0	0
2054 - 2058	0	0	0	0	0	0
Total	<u>\$ 0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

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7. CALCULATION OF NET ASSETS - INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT

	<u>Auxiliary Organizations</u>		<u>Total</u>
	<u>GASB</u>	<u>FASB</u>	<u>Auxiliaries</u>
Capital assets, net of accumulated depreciation	\$ 0	7,998	7,998
Capitalized lease obligations, current portion	0	0	0
Capitalized lease obligations - net of current portion	0	0	0
Long-term debt obligations - current portion	0	0	0
Long-term debt obligations - net of current portion	0	0	0
Portion of outstanding debt that is unspent at year-end	0	0	0
Other:	<u>0</u>	<u>0</u>	<u>0</u>
Net assets - invested in capital assets, net of related debt	<u>\$ 0</u>	<u>7,998</u>	<u>7,998</u>

8. TRANSACTIONS WITH RELATED ENTITIES

	<u>Amount</u>
Reimbursements to University for salaries of University personnel working on contracts, grants, and other programs	\$ 0
Reimbursements to University for other than salaries of University personnel	198,394
Payments received from University for services, space and programs	315,238
Gifts-in-kind to the University from Auxiliary Organizations	0
Amounts (payable to) University	(8,188)
Amounts receivable from University	0

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9. THE NATURE AND AMOUNT OF THE PRIOR-PERIOD ADJUSTMENT(S) RECORDED TO BEGINNING NET ASSETS

	Net Asset Class	Amount Dr. (Cr.)
Net assets as of June 30, 2007, as previously reported		\$ 2,361,781
Prior-period adjustments:		0
Net assets as of June 30, 2007, as restated		\$ 2,361,781

PROVIDE A DETAILED BREAKDOWN OF THE JOURNAL ENTRIES BOOKED TO RECORD EACH PRIOR-PERIOD ADJUSTMENT

	Debit	Credit
Net asset class: _____		
1) (breakdown of adjusting journal entry)	\$ 0	0
Net asset class: _____		
2) (breakdown of adjusting journal entry)	0	0
Net asset class: _____		
3) (breakdown of adjusting journal entry)	0	0

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