

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD  
STUDENT UNION**

**FINANCIAL REPORT  
(Audited)**

**JUNE 30, 2013**

## **C O N T E N T S**

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Certified Public Accountants  
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Private Companies Practice Section

NANCY C. BELTON

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
**California State University, Bakersfield**  
**Student Union**  
Bakersfield, California

### Report on the Financial Statements

We have audited the accompanying financial statements of **California State University, Bakersfield Student Union**, which comprise the statements of financial position as of June 30, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our 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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

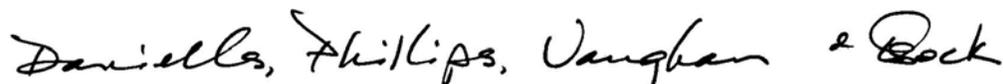
### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **California State University, Bakersfield Student Union** as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of expenses by natural classifications, and schedules for inclusion in the California State University, are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The statements of activities by fund and schedule of Student Union Revenue Bond, Series A is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.



Bakersfield, California  
September 19, 2013

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD  
STUDENT UNION**

**STATEMENTS OF FINANCIAL POSITION  
June 30, 2013 and 2012**

	2013	2012
<b>ASSETS</b>		
Current Assets		
Cash	\$ 546,262	\$ 282,282
Due from related parties (Note 5)	14,031	6,121
Other	12,583	6,601
<b>Total current assets</b>	<b>572,876</b>	295,004
Property and Equipment		
Equipment	588,121	588,121
Leasehold improvements	276,092	262,272
Construction in process	22,132	-
	<b>886,345</b>	850,393
Less: accumulated depreciation	271,194	185,940
	<b>615,151</b>	664,453
	<b>\$ 1,188,027</b>	<b>\$ 959,457</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable	\$ 25,844	\$ 7,928
Due to related parties (Note 5)	401,221	128,434
<b>Total current liabilities</b>	<b>427,065</b>	136,362
Net Assets		
Unrestricted	760,962	823,095
	<b>\$ 1,188,027</b>	<b>\$ 959,457</b>

See Notes to Financial Statements.

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD  
STUDENT UNION**

**STATEMENTS OF ACTIVITIES  
Years Ended June 30, 2013 and 2012**

	2013	2012
Changes in Unrestricted Net Assets:		
Revenues and gains:		
Fees (Note 3)	<b>\$ 1,993,669</b>	\$ 1,759,506
Sales of auxiliary enterprises:		
Facility rental	79,525	48,400
Membership fees	56,895	46,421
Other	24,213	14,476
Contracted space rentals	23,750	37,469
Food and drink	10,000	20,000
<b>Total sales of auxiliary enterprises</b>	<b>194,383</b>	166,766
Other:		
In-kind contribution (Note 2)	1,395,270	1,395,270
<b>Total revenues and gains</b>	<b>3,583,322</b>	3,321,542
Expenses of auxiliary enterprises:		
Program services	2,557,188	2,537,955
General and administrative	1,088,267	879,971
<b>Total expenses of auxiliary enterprises</b>	<b>3,645,455</b>	3,417,926
(Decrease) in net assets	<b>(62,133)</b>	(96,384)
Net assets, beginning of year	<b>823,095</b>	919,479
Net assets, end of year	<b>\$ 760,962</b>	\$ 823,095

See Notes to Financial Statements.

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD  
STUDENT UNION**

**STATEMENTS OF CASH FLOWS  
Years Ended June 30, 2013 and 2012**

	<b>2013</b>	<b>2012</b>
Cash Flows from Operating Activities		
(Decrease) in net assets	<b>\$ (62,133)</b>	\$ (96,384)
Adjustments to reconcile net change in unrestricted net assets to net cash provided by (used in) operating activities:		
Depreciation	<b>85,254</b>	82,641
(Increase) in:		
Due from related parties	<b>(7,910)</b>	(239)
Other	<b>(5,982)</b>	(4,346)
Increase (decrease) in:		
Accounts payable	<b>17,916</b>	(16,017)
Due to related parties	<b>272,787</b>	(91,439)
<b>Net cash provided by (used in) operating activities</b>	<b>299,932</b>	(125,784)
Cash Flows from Investing Activities		
Purchase of capital assets -		
<b>Net cash (used in) investing activities</b>	<b>(35,952)</b>	(8,934)
<b>Net increase (decrease) in cash</b>	<b>263,980</b>	(134,718)
Cash:		
Beginning	<b>282,282</b>	417,000
Ending	<b>\$ 546,262</b>	\$ 282,282

See Notes to Financial Statements.

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION

## NOTES TO FINANCIAL STATEMENTS

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### **Note 1. Nature of Activities and Significant Accounting Policies**

*Nature of activities:* The California State University, Bakersfield Student Union (the "Student Union"), functions to benefit the student body of the California State University, Bakersfield by operating a campus union facility. The Student Union was incorporated on March 9, 1994, and opened its facility in May 1994. In May 2009 the Student Union opened its Student Recreation Center.

A summary of the Student Union's significant accounting policies follows:

*Accounting policies:* The Student Union accounts for its financial transactions in accordance with the policies and procedures of the California State University Auxiliary Organization's Accounting and Reporting System. The accounting policies of the Student Union conform to accounting principles generally accepted in the United States of America.

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

*Cash:* The Student Union maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Student Union has not experienced any losses in such accounts. The Student Union believes it is not exposed to any significant credit risk on cash.

*Property and equipment:* Property and equipment is stated at cost. Depreciation of property and equipment is computed on the straight-line method over estimated useful lives of three to ten years. All acquisitions of property and equipment in excess of \$5,000 and all expenses for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized.

*Income taxes:* The Student Union is generally exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and related state code sections. As a non-profit organization, the Student Union is subject to unrelated business income tax (UBIT), if applicable. For the tax years ended June 30, 2013 and 2012, the Student Union did not owe any UBIT. See Note 6 for further information regarding income taxes and UBIT.

The Student Union has adopted the accounting standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Student Union may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods.

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD

## STUDENT UNION

### NOTES TO FINANCIAL STATEMENTS

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Management evaluated the Student Union's tax position and concluded that they had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

*Compensated Absences:* Employees of the Student Union are entitled to paid vacation, paid sick days, and personal days off, depending on job classification, length of service, and other factors. Accrued vacation of \$61,330 and \$37,198 for the years ended June 30, 2013 and 2012, respectively, have been recorded as liabilities in the statements of financial position. Paid sick days and personal days off have not been accrued, as employees are not entitled to sick days or personal days off pay upon termination of employment.

*Advertising:* The Student Union expenses advertising costs as they are incurred. Advertising expenditures totaled \$2,930 and \$1,664 for the years ended June 30, 2013 and 2012, respectively.

*Subsequent Events:* The Student Union has evaluated subsequent events through September 19, 2013, the date on which the financial statements were available to be issued. There are no subsequent events considered material by management that would require disclosure in the financial statements.

#### **Note 2. Lease Commitments/In-Kind Contributions**

The Student Union leases the campus union facility and the recreation center facility under a non-cancelable operating agreement and lease with the Trustees of the California State University. The lease expires on June 30, 2014. In exchange for managing and operating the campus union and recreation center facilities, the Student Union pays no rent. The estimated fair market value of this rent is \$1,395,270 for each of the years ended June 30, 2013 and 2012 and has been recognized as an in-kind contribution and an operating expense in the statements of activities.

In addition, the Student Union has entered into various lease agreements for the maintenance of facilities and equipment under non-cancellable agreements through June 2014. The total minimum rental commitment as of June 30, 2013 is \$14,600. Total rental expense was \$1,395,857 and \$1,395,912 for the years ended June 30, 2013 and 2012, respectively.

#### **Note 3. Student Union Fees**

In November 1992, California State University, Bakersfield issued bonds to finance the construction, repair and maintenance of the Student Union Building. As specified in the bond resolution, the bonds are secured by the future revenue streams generated by the Student Union, therefore student fees are remitted to service the bonds. Section 5.02(d) of the Bond Resolution provides authorization for surplus fees (as defined) to be remitted to the Student Union for purpose of operating the Student Union. In accordance with the Bond Resolution, the Student Union received student fees in the amounts of \$1,993,669 and \$1,759,506 for the years ending June 30, 2013 and 2012, respectively.

# CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION

## NOTES TO FINANCIAL STATEMENTS

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### **Note 4. Operating Lease**

The Student Union leases office space to various organizations under non-cancellable agreements through June 2014. The total minimum rental income as of June 30, 2013 is \$23,679.

### **Note 5. Transactions with Related Parties**

Student Union salaries are paid by California State University, Bakersfield and billed to the Student Union. Accounting and other services are provided to the Student Union by California State University, Bakersfield. The Student Union had a non-cancelable agreement with the University for the University to provide custodial services to the Student Union for \$17,421 per month which expired June 30, 2013. The Student Union and the University are currently in the process of renegotiating this contract. Additionally, the Student Union has a non-cancelable agreement with the University for the University to provide landscape maintenance services to the Student Union for \$11,600 annually through December 2013.

California State University, Bakersfield, Foundation (the Foundation) functions to benefit the student body of California State University, Bakersfield by operating various campus programs. The Foundation provides program services for student services for the Children's Center. The Student Union pays the California State University Bakersfield and/or the Foundation for these services as provided by the Student Body.

California State University, Bakersfield, Associated Students, Inc. (Associated Students) functions to benefit the student body of California State University, Bakersfield by operating various campus programs. The Student Union pays the Associated Students for these services as provided by the Student Body.

California State University, Bakersfield, Auxiliary for Sponsored Programs Administration, (Sponsored Programs Administration) functions to benefit the student body of California State University, Bakersfield by administering grants on behalf of the Campus. The Student Union pays the Sponsored Programs Administration for these services as provided by the Student Body.

The Associated Students, Inc. and the University lease office space from the Student Union. (See Note 4)

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD  
STUDENT UNION**

**NOTES TO FINANCIAL STATEMENTS**

Transactions for the years ended June 30, 2013 and 2012 with related parties are reflected in the accompanying financial statements as follows:

	2013	2012
Revenue:		
Rental income	\$ 23,131	\$ 31,622
Expense:		
Services from other agencies	1,596,161	1,793,775
Due from related parties:		
University (CSU)	11,844	4,235
Sponsored Programs Administration	1,555	1,442
Associated Students, Inc.	580	404
Foundation	52	40
Due to related parties:		
University (CSU)	400,259	128,434
Foundation	959	-
Associated Students, Inc.	3	-

**Note 6. Unrelated Business Income Tax Matters**

The Internal Revenue Service ("IRS") and certain state taxing authorities are revisiting what, if any, products and services provided by nonprofit organizations are subject to unrelated business income tax ("UBIT"). There is currently very little guidance in the IRS Code on what activities should be subject to UBIT. The IRS has indicated that they are studying the issue and may issue additional guidance. As a result, at this time there is uncertainty regarding whether the Student Union should pay income tax on certain types of net taxable income from activities that may be considered by taxing authorities as unrelated to the purpose for which the Student Union was granted non-taxable status. The Student Union has not filed any tax returns in the past for potential taxable activities. The taxing authorities have the ability to assess taxes, penalties and interest for any years for which no tax return was filed. In the opinion of management, any liability resulting from taxing authorities imposing income taxes on the net taxable income from activities deemed to be unrelated to the Student Union's non-taxable status is not expected to have a material effect on the Student Union's financial position or results of operations. The Student Union is no longer subject to U.S. federal, state or local income tax examinations by tax authorities for years before 2009.

## **SUPPLEMENTARY INFORMATION**

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD  
STUDENT UNION**

**EXPENSES BY NATURAL CLASSIFICATION  
Years Ended June 30, 2013 and 2012**

	2013		
	Program Services	General and Administrative	Total
Rent	\$ 1,395,270	\$ 587	\$ 1,395,857
Salaries and taxes	504,342	505,753	1,010,095
Utilities	398,044	40,137	438,181
Benefits	-	224,512	224,512
Services from other agencies	-	142,850	142,850
Supplies	114,907	8,973	123,880
Repairs and maintenance	102,662	-	102,662
Depreciation	-	85,254	85,254
Insurance	-	37,782	37,782
Expendable equipment	-	17,153	17,153
Professional fees	-	16,185	16,185
Travel	13,824	-	13,824
Dues and subscriptions	9,598	-	9,598
Telephone	6,169	3,256	9,425
Conference and meetings	5,753	-	5,753
Printing and publications	3,689	1,094	4,783
Bad debt	-	4,731	4,731
Advertising	2,930	-	2,930
	<b>\$ 2,557,188</b>	<b>\$ 1,088,267</b>	<b>\$ 3,645,455</b>

## 2012

Program Services	General and Administrative	Total
\$ 1,395,270	\$ 642	\$ 1,395,912
501,764	439,360	941,124
365,892	8,802	374,694
-	198,522	198,522
-	76,735	76,735
98,769	23,823	122,592
152,623	3,890	156,513
-	82,641	82,641
-	22,796	22,796
-	3,795	3,795
-	7,595	7,595
3,234	-	3,234
7,282	-	7,282
5,690	8,745	14,435
1,285	-	1,285
4,482	2,625	7,107
-	-	-
1,664	-	1,664
<u>\$ 2,537,955</u>	<u>\$ 879,971</u>	<u>\$ 3,417,926</u>

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD  
STUDENT UNION**

**STATEMENTS OF ACTIVITIES BY FUND  
Years Ended June 30, 2013 and 2012**

	<b>2013</b>		
	<b>Student Union</b>	<b>Student Recreation Center</b>	<b>Total</b>
<b>Changes in Unrestricted Net Assets:</b>			
<b>Revenues and gains:</b>			
Fees	<b>\$ 493,669</b>	<b>\$ 1,500,000</b>	<b>\$ 1,993,669</b>
<b>Sales of auxiliary enterprises:</b>			
Facility rental	<b>68,269</b>	<b>11,256</b>	<b>79,525</b>
Membership fees	<b>-</b>	<b>56,895</b>	<b>56,895</b>
Other	<b>5,799</b>	<b>18,414</b>	<b>24,213</b>
Contracted space rentals	<b>23,750</b>	<b>-</b>	<b>23,750</b>
Food and drink	<b>10,000</b>	<b>-</b>	<b>10,000</b>
<b>Total sales of auxiliary enterprises</b>	<b>107,818</b>	<b>86,565</b>	<b>194,383</b>
<b>Other:</b>			
In-kind contribution	<b>268,320</b>	<b>1,126,950</b>	<b>1,395,270</b>
<b>Total revenues and gains</b>	<b>869,807</b>	<b>2,713,515</b>	<b>3,583,322</b>
<b>Expenses of auxiliary enterprises:</b>			
Program services	<b>332,396</b>	<b>2,224,792</b>	<b>2,557,188</b>
General and administrative	<b>531,223</b>	<b>557,044</b>	<b>1,088,267</b>
<b>Total expenses of auxiliary enterprises</b>	<b>863,619</b>	<b>2,781,836</b>	<b>3,645,455</b>
Increase (decrease) in net assets	<b>6,188</b>	<b>(68,321)</b>	<b>(62,133)</b>
Net assets, beginning of year	<b>255,900</b>	<b>567,195</b>	<b>823,095</b>
Net assets, end of year	<b>\$ 262,088</b>	<b>\$ 498,874</b>	<b>\$ 760,962</b>

2012		
Student Union	Student Recreation Center	Total
\$ 409,506	\$ 1,350,000	\$ 1,759,506
25,815	22,585	48,400
-	46,421	46,421
-	14,476	14,476
32,469	5,000	37,469
20,000	-	20,000
78,284	88,482	166,766
268,320	1,126,950	1,395,270
756,110	2,565,432	3,321,542
372,367	2,165,588	2,537,955
411,814	468,157	879,971
784,181	2,633,745	3,417,926
(28,071)	(68,313)	(96,384)
283,971	635,508	919,479
\$ 255,900	\$ 567,195	\$ 823,095

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD  
STUDENT UNION**

**SCHEDULE OF STUDENT UNION REVENUE BONDS, SERIES A  
JUNE 30, 2013  
(UNAUDITED)**

The revenue Bond Act of 1947 provides the CSU Trustees with the ability to issue revenue bonds to fund five specific self-supporting programs and the health facilities program. The statute has enabled the Trustees to finance student housing, student unions, parking facilities, health facilities, continuing education facilities, and auxiliary organization facilities.

The Systemwide Revenue Bond (SRB) program, formerly the Housing Revenue Bond program, was approved by the Trustees in fiscal year 2003. This program provides funding for various construction projects, including student residence and dining hall facilities, continuing education buildings, student unions, parking facilities, health facilities, and auxiliary organization facilities at designated campuses within the System as specified by the individual bond documents. It is designed to provide lower cost debt and greater flexibility to finance revenue bond projects of the System. Rather than relying on specific pledged revenues to support specific debt obligations, this program pools several sources of revenue as the pledge for the revenue producing projects.

The University participates in the SRB program and its allocated share of outstanding SRB debt as of June 30, 2013 is \$22,020,888, which has been used to finance the Student Union and Student Recreation Center. These assets are reported and depreciated on the University's financial statements.

SRB debt obligations of the University as of June 30, 2013 consist of the following:

<u>Description</u>	<u>Interest Rate</u>	<u>Fiscal Year Maturity Date</u>	<u>Original Issue Amount</u>	<u>Amount Outstanding at June 30, 2013</u>
Systemwide revenue bonds:				
Series 2008A (Student Union)	3.50-5.00%	2038/2039	\$ 22,385,000	\$ 20,890,000
Series 2012A (Student Union)	0.39-5.00%	2022/2023	895,000	895,000
			Total	21,785,000
			Unamortized bond premium	235,888
			Total SRB debt obligations	<u>\$ 22,020,888</u>

SRB debt principal obligations and related interest mature in the following fiscal years:

<u>Year ending June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 490,000	\$ 1,047,418	\$ 1,537,418
2015	510,000	1,027,446	1,537,446
2016	540,000	1,005,525	1,545,525
2017	555,000	981,975	1,536,975
2018	580,000	959,900	1,539,900
2019-2023	3,350,000	4,350,300	7,700,300
2024-2028	3,655,000	3,499,475	7,154,475
2029-2033	4,690,000	2,463,750	7,153,750
2034-2038	6,020,000	1,131,250	7,151,250
2039	1,395,000	34,875	1,429,875
Total	<u>\$ 21,785,000</u>	<u>\$ 16,501,914</u>	<u>\$ 38,286,914</u>

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD  
STUDENT UNION**

**SCHEDULE OF STUDENT UNION REVENUE BONDS, SERIES A  
JUNE 30, 2012  
(UNAUDITED)**

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As specified in the bond resolution, the bonds outstanding at June 30, 2013 are secured by the future revenue streams generated by the Student Union, rather than by the constructed assets.

The original capitalized cost of buildings, improvements and equipment at completion of construction was recorded by the California State University. These assets are leased to the California State University, Bakersfield Student Union. The lease, which expires June 30, 2014, provides for no annual rental fee.

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION**

**Schedule of Net Position**

**June 30, 2013**

**(for inclusion in the California State University)**

**Assets:**

Current assets:

Cash and cash equivalents	\$ 546,262
Short-term investments	-
Accounts receivable, net	26,614
Leases receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other assets	-
<b>Total current assets</b>	<b>572,876</b>

Noncurrent assets:

Restricted cash and cash equivalents	-
Accounts receivable, net	-
Leases receivable, net of current portion	-
Notes receivable, net of current portion	-
Student loans receivable, net	-
Pledges receivable, net	-
Endowment investments	-
Other long-term investments	-
Capital assets, net	615,151
Other assets	-
<b>Total noncurrent assets</b>	<b>615,151</b>
<b>Total assets</b>	<b>1,188,027</b>

Deferred outflows of resources:

Unamortized loss on refunding(s)	-
<b>Total deferred outflows of resources</b>	<b>-</b>

**Liabilities:**

Current liabilities:

Accounts payable	25,844
Accrued salaries and benefits payable	-
Accrued compensated absences - current portion	61,330
Deferred revenue	-
Capitalized lease obligations – current portion	-
Long-term debt obligations – current portion	-
Self-insurance claims liability – current portion	-
Depository accounts	-
Other liabilities	339,891
<b>Total current liabilities</b>	<b>427,065</b>

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	-
Self-insurance claims liability, net of current portion	-
Depository accounts	-
Other postemployment benefits obligation	-
Other liabilities	-
<b>Total noncurrent liabilities</b>	<b>-</b>
<b>Total liabilities</b>	<b>427,065</b>

Deferred inflows of resources:

Deferred service concession arrangement receipts	-
<b>Total deferred inflows of resources</b>	<b>-</b>

**Net Position:**

Net investment in capital assets	615,151
Restricted for:	
Nonexpendable - endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Other	-
Unrestricted	145,811
<b>Total net position</b>	<b>\$ 760,962</b>

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION**

**Schedule of Revenues, Expenses, and Changes in Net Position**

**Year Ended June 30, 2013**

**(for inclusion in the California State University)**

Revenues:	
Operating revenues:	
Student tuition and fees (net of scholarship allowances of \$0)	\$ 1,993,669
Grants and contracts, noncapital:	
Federal	-
State	-
Local	-
Nongovernmental	-
Sales and services of educational activities	-
Sales and services of auxiliary enterprises (net of scholarship allowance of \$0)	194,383
Other operating revenues	1,395,270
Total operating revenues	<u>3,583,322</u>
Expenses:	
Operating expenses:	
Instruction	-
Research	-
Public service	-
Academic support	-
Student services	3,560,201
Institutional support	-
Operation and maintenance of plant	-
Student grants and scholarships	-
Auxiliary enterprise expenses	-
Depreciation and amortization	85,254
Total operating expenses	<u>3,645,455</u>
Operating income (loss)	<u>(62,133)</u>
Nonoperating revenues (expenses):	
State appropriations, noncapital	-
Federal financial aid grants, noncapital	-
State financial aid grants, noncapital	-
Local financial aid grants, noncapital	-
Nongovernmental and other financial aid grants, noncapital	-
Other federal nonoperating grants, noncapital	-
Gifts, noncapital	-
Investment income (loss), net	-
Endowment income (loss), net	-
Interest Expenses	-
Other nonoperating revenues (expenses)	-
Net nonoperating revenues (expenses)	<u>-</u>
Income (loss) before other additions	<u>(62,133)</u>
State appropriations, capital	-
Grant and gifts, capital	-
Additions (reductions) to permanent endowments	-
Increase (decrease) in net position	(62,133)
Net position:	
Net position at beginning of year, as previously reported	823,095
Restatements	-
Net position at beginning of year, as restated	<u>823,095</u>
Net position at end of year	<u>\$ 760,962</u>

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION  
OTHER INFORMATION  
JUNE 30, 2013  
(for inclusion in the California State University)**

**1 Restricted cash and cash equivalents at June 30, 2013**

Portion of restricted cash and cash equivalents related to endowments	\$ -
All other restricted cash and cash equivalents	-
Total restricted cash and cash equivalents	\$ -

**2.1 Composition of investments at June 30, 2013:**

	Current Unrestricted	Current Restricted	Total Current	Noncurrent Unrestricted	Noncurrent Restricted	Total Noncurrent	Total
State of California Surplus Money Investment Fund (SMIF)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State of California Local Agency Investment Fund (LAIF)	-	-	-	-	-	-	-
Wachovia Short Term Fund	-	-	-	-	-	-	-
Wachovia Medium Term Fund	-	-	-	-	-	-	-
Wachovia Equity Fund	-	-	-	-	-	-	-
CSU Consolidated Investment Pool (includes SWIFT and 0948 SMIF)	-	-	-	-	-	-	-
Common Fund - Short Term Fund	-	-	-	-	-	-	-
Common Fund - Others	-	-	-	-	-	-	-
Debt securities	-	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-	-
Fixed income securities (Treasury notes, GNMA's)	-	-	-	-	-	-	-
Land and other real estate	-	-	-	-	-	-	-
Certificates of deposit	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-
Mutual funds	-	-	-	-	-	-	-
Money Market funds	-	-	-	-	-	-	-
Collateralized mortgage obligations:							
Inverse floaters	-	-	-	-	-	-	-
Interest-only strips	-	-	-	-	-	-	-
Agency pass-through	-	-	-	-	-	-	-
Partnership interests (includes private pass-through)	-	-	-	-	-	-	-
Alternative investments	-	-	-	-	-	-	-
Hedge funds	-	-	-	-	-	-	-
Other major investments	-	-	-	-	-	-	-
Total investments	-	-	-	-	-	-	-
Less endowment investments (enter as negative number)	-	-	-	-	-	-	-
Total investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION  
OTHER INFORMATION (continued)  
JUNE 30, 2013  
(for inclusion in the California State University)**

**2.2 Investments held by the University under contractual agreements at June 30, 2013:**

Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2013:

\$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ -

**2.3 Restricted current investments at June 30, 2013 related to:  
Total restricted current investments at June 30, 2013**

Amount  
\$ -

**2.4 Restricted noncurrent investments at June 30, 2013 related to:  
Endowment investment  
Total restricted noncurrent investments at June 30, 2013**

Amount  
\$ -  
\$ -

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION**  
**OTHER INFORMATION (Continued)**  
**JUNE 30, 2013**  
**(for inclusion in the California State University)**

**3.1 Composition of Capital Assets at June 30, 2013:**

	Balance June 30, 2012	Prior period Adjustments	Reclassifications	Balance June 30, 2012 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2013
<b>Non-Depreciable/nonamortizable Capital Assets:</b>								
Land and land improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Works of art and historical treasures	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	-	-	-	-	22,132	-	-	22,132
Intangible assets:								
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-
Internally generated intangible assets in progress	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Total intangible assets	-	-	-	-	-	-	-	-
<b>Total nondepreciable/nonamortizable capital assets</b>	-	-	-	-	22,132	-	-	22,132
<b>Depreciable/amortizable Capital Assets:</b>								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	262,272	-	-	262,272	13,820	-	-	276,092
Personal property:								
Equipment	588,121	-	-	588,121	-	-	-	588,121
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Total intangible assets	-	-	-	-	-	-	-	-
<b>Total depreciable/amortizable capital assets</b>	850,393	-	-	850,393	13,820	-	-	864,213
<b>Total capital assets</b>	850,393	-	-	850,393	35,952	-	-	886,345

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION  
OTHER INFORMATION (Continued)  
JUNE 30, 2013  
(for inclusion in the California State University)**

**3.1 Composition of Capital Assets at June 30, 2013 (con't):**

**Less Accumulated Depreciation/Amortization:**

Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Leasehold improvements	(86,740)	-	-	(86,740)	(27,370)	-	-	-	(114,110)
Personal property:									
Equipment	(99,200)	-	-	(99,200)	(57,884)	-	-	-	(157,084)
Library books and materials	-	-	-	-	-	-	-	-	-
Intangible assets:									
Software and websites	-	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-	-
<b>Total accumulated depreciation/amortization</b>	<u>(185,940)</u>	<u>-</u>	<u>-</u>	<u>(185,940)</u>	<u>(85,254)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(271,194)</u>
<b>Total capital assets, net</b>	<u>\$ 664,453</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 664,453</u>	<u>\$ (49,302)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 615,151</u>

**3.2 Details of depreciation expense for the year ended June 30, 2013:**

Depreciation and amortization expense related to capital assets	\$ 85,254
Amortization expense related to other assets	-
<b>Total depreciation and amortization</b>	<u>\$ 85,254</u>

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION**  
**OTHER INFORMATION (Continued)**  
**JUNE 30, 2013**  
**(for inclusion in the California State University)**

**4 Long-term liabilities activity schedule**

	Balance June 30, 2012	Prior period Adjustments	Reclassifications	Balance June 30, 2012 (restated)	Additions	Reductions	Balance June 30, 2013	Current Portion	Long-Term Portion
Accrued compensated absences	\$ 37,198	\$ -	\$ -	\$ 37,198	\$ 46,716	\$ (22,584)	\$ 61,330	\$ 61,330	\$ -
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	-	-	-	-	-	-	-	-	-
Total long-term debt obligation	-	-	-	-	-	-	-	-	-
Unamortized bond premium / (discount)	-	-	-	-	-	-	-	-	-
Unamortized loss on refunding	-	-	-	-	-	-	-	-	-
Total long-term debt obligations, net	-	-	-	-	-	-	-	-	-
Total long-term liabilities	\$ 37,198	\$ -	\$ -	\$ 37,198	\$ 46,716	\$ (22,584)	\$ 61,330	\$ 61,330	\$ -

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION**  
**OTHER INFORMATION (Continued)**  
**JUNE 30, 2013**  
(for inclusion in the California State University)

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

Year ending June 30:	Principal	Interest	Principal and Interest
2014	\$ -	\$ -	\$ -
2015	-	-	-
2016	-	-	-
2017	-	-	-
2018	-	-	-
2019 - 2023	-	-	-
2024 - 2028	-	-	-
2029 - 2033	-	-	-
2034 - 2038	-	-	-
2039 - 2043	-	-	-
2044 - 2048	-	-	-
2049 - 2053	-	-	-
2054 - 2058	-	-	-
2059 - 2063	-	-	-
<hr/>			
Total minimum lease payments			-
Less amounts representing interest			<hr/> -
Present value of future minimum lease payments			-
Less: current portion			<hr/> -
<b>Capitalized lease obligations, net of current portion</b>			<hr/> <b>\$ -</b> <hr/>

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION**  
**OTHER INFORMATION (Continued)**  
**JUNE 30, 2013**  
**(for inclusion in the California State University)**

**6 Long-term debt obligations schedule**

Year Ending June 30:	Revenue Bonds			All Other Long-Term Debt Obligations			Total		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-
2019 - 2023	-	-	-	-	-	-	-	-	-
2024 - 2028	-	-	-	-	-	-	-	-	-
2029 - 2033	-	-	-	-	-	-	-	-	-
2034 - 2038	-	-	-	-	-	-	-	-	-
2039 - 2043	-	-	-	-	-	-	-	-	-
2044 - 2048	-	-	-	-	-	-	-	-	-
2049 - 2053	-	-	-	-	-	-	-	-	-
2054 - 2058	-	-	-	-	-	-	-	-	-
2059 - 2063	-	-	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION**  
**OTHER INFORMATION (Continued)**  
**JUNE 30, 2013**  
(for inclusion in the California State University)

**7 Calculation of net assets position**

	Auxiliary Organizations		Total Auxiliaries
	GASB	FASB	
<b>7.1 Calculation of net position - Net investment in capital assets</b>			
Capital assets, net of accumulated depreciation	\$ -	\$ 615,151	\$ 615,151
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)	-	-	-
Net position - net investment in capital asset	\$ -	\$ 615,151	\$ 615,151

**7.2 Calculation of net assets - Restricted for nonexpendable - endowments**

Portion of restricted cash and cash equivalents related to endowments	\$ -	\$ -	\$ -
Endowment investments	-	-	-
Other adjustments: (please list)	-	-	-
<b>Net assets - Restricted for nonexpendable - endowments per SNP</b>	\$ -	\$ -	\$ -

**8 Transactions with Related Entities**

	Amount
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ 923,741
Payments to University for other than salaries of University personnel	672,420
Payments received from University for services, space, and programs	-
Gifts-in-kind to the University from Auxiliary Organizations	-
Gifts (cash or assets) to the University from recognized Auxiliary Organizations	-
Accounts (payable to) University (enter as negative number)	(338,929)
Other amounts (payable to) University (enter as negative number)	(61,330)
Accounts receivable from University	11,844
Other amounts receivable from University	-

**CALIFORNIA STATE UNIVERSITY, BAKERSFIELD STUDENT UNION**  
**OTHER INFORMATION (Continued)**  
**JUNE 30, 2013**  
(for inclusion in the California State University)

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

Annual required contribution (ARC)	\$	-
Contributions during the year		-
		<hr/>
Increase (decrease) in net OPEB obligation (NOO)		-
NOO - beginning of year		-
NOO - end of year	\$	-
		<hr/> <hr/>

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

Description	Amount
	\$ -
Total pollution remediation liabilities	-
Less: current portion	-
	<hr/>
Pollution remediation liabilities, net of current portion	\$ -
	<hr/> <hr/>

**11 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, 2012 as previously reported		\$ 823,095
Prior period adjustments:		-
Net assets as of June 30, 2012, as restated		<hr/> <hr/> \$ 823,095

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

	Debit	Credit
N/A - No restatements -		