

**CALIFORNIA STATE UNIVERSITY  
CHANNEL ISLANDS  
UNIVERSITY GLEN CORPORATION**

**Financial Statements and Supplementary  
Information for the Year Ended June 30, 2011  
and Independent Auditors' Report**

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS  
UNIVERSITY GLEN CORPORATION  
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## **EXECUTIVE SUMMARY**

September 22, 2011

To the Board of Directors of  
California State University Channel Islands  
University Glen Corporation  
Camarillo, California

We have audited the financial statements of California State University Channel Islands University Glen Corporation as of June 30, 2011, and for the year then ended and issued our report thereon dated September 22, 2011. In connection with our audit of the financial statements, we made a study and evaluation of the internal control structure to establish a basis for reliance thereon in determining the nature, timing and extent of our auditing procedures necessary for expressing our opinions on the financial statements. As a result of our audit and our study and evaluation of the internal control structure made for the limited purpose described above, we have issued a report to management on Page 2 of this letter.

The following information summarizes our findings resulting from the above-described audit tests and is intended solely for the use of the Auxiliary Organizations' management, the California State University Board of Trustees, and the California State University Channel Islands University Glen Corporation.

**FINANCIAL SUMMARY:**

Our independent auditors' report dated September 22, 2011 on the financial statements of University Glen Corporation as of and for the year ended June 30, 2011 contains an unqualified opinion. The following summary of selected financial data for 2011 should be read in conjunction with our audit report and the accompanying financial statements:

Revenues	\$ 2,024,447
Expenses	\$ 3,226,035
Total assets	\$ 538,574
Net assets	\$ 230,709

**REPORT ON INTERNAL CONTROL TESTS AND SPECIFIC CONTROL ITEMS:**

Our tests, performed in accordance with the objectives described on Page 1 of this letter, did not reveal any instances of noncompliance.

**REPORT ON INTERNAL CONTROL STRUCTURE:**

Our consideration of internal control was for the limited purpose described in Page 1 of this letter and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. However, as discussed in Exhibit I as a separate attachment, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

Yours truly,

*Vorwin, Hahn + Co.*

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
California State University Channel Islands  
University Glen Corporation  
Camarillo, California

We have audited the accompanying statement of net assets of California State University Channel Islands University Glen Corporation as of June 30, 2011, and the related statements of revenues, expenses, and changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of University Glen Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the University Glen Corporation's financial statements and, in our report dated September 23, 2010, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides 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 Glen Corporation as of June 30, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Management's Discussion and Analysis (MD&A) and supplemental schedules on pages 15 through 29 are presented for the purpose of additional analysis and are not a required part of the basic financial statements. These schedules are the responsibility of University Glen Corporation's management. Such supplemental schedules have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

*Vasin, Heyn + Co.*

September 22, 2011

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2011**

This section of California State University Channel Islands University Glen Corporation (University Glen Corporation) annual financial report presents our discussion and analysis of the financial performance of University Glen Corporation for the fiscal year ended June 30, 2011. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes.

**Introduction to the Financial Statements**

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

The financial statements include the statement of net assets; the statement of revenues, expenses, and changes in net assets; 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 University Glen Corporation.

**Statement of Net Assets** – The statement of net assets 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 assets of University Glen Corporation.

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

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

**Analytical Overview**

**Summary**

The following discussion highlights management's understanding of the key financial aspects of University Glen Corporation's financial activities. Included are an analysis of current year activities and balances, and a summary of operations.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2011**

University Glen Corporation's summary of net assets as of June 30, 2011 and 2010 are as follows:

	Year ended June 30,	
	2011	2010
<b>Assets:</b>		
Current assets	\$ 495,353	\$ 797,324
Other noncurrent assets	43,221	7,375
Total assets	538,574	804,699
<b>Liabilities:</b>		
Current liabilities	196,285	527,524
Other noncurrent liabilities	111,580	87,256
Total liabilities	307,865	614,780
<b>Net assets</b>		
Restricted, expendable	-	-
Unrestricted	230,709	189,919
Total net assets	\$ 230,709	\$ 189,919

*Assets*

Total assets decreased by \$266K compared to prior year. The variance is attributed to the decrease in third party receivables.

*Liabilities*

Total liabilities decreased by \$307K compared to the prior year. This variance is due to a decrease in third party payables, specifically to the CSU Channel Islands Site Authority. A transition correction in the amount of \$392K was made in the prior year which inflated current liabilities.

*Net Assets*

Total net assets increased by \$41K compared to the prior year. Although relatively flat compared to prior year, the commencement of commercial service operations has been a positive development.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2011**

University Glen Corporation's condensed summary of revenues, expenses, and changes in net assets for the years ended June 30, 2011 and 2010 is as follows:

	Year ended June 30,	
	2011	2010
<b>Operating Revenues:</b>		
Management Fees	\$ 562,130	\$ 1,078,782
Grants	-	100,000
Food Service Sales, Net	1,444,190	(2,468)
Misc. Income	<u>18,127</u>	<u>5,356</u>
Total Operating Revenues	2,024,447	1,181,670
<b>Operating Expenses</b>		
Salaries	2,012,129	910,335
Other Operating Expenses	<u>1,213,906</u>	<u>1,209,216</u>
Total Operating Expenses	3,226,035	2,119,551
Operating Income (loss)	(1,201,588)	(937,881)
<b>Nonoperating Revenues (expenses):</b>		
Investment Income (loss)	2,653	7,822
Payroll Services	<u>1,239,725</u>	<u>553,097</u>
Nonoperating Revenues (expenses), net	1,242,378	560,919
Increase (decrease) in net assets	40,790	(376,962)
Beginning Net Assets	<u>189,919</u>	<u>566,881</u>
Ending Net Assets	<u>\$ 230,709</u>	<u>\$ 189,919</u>

**Operating Revenues and Expenses**

Operating revenues and expenses come from sources that are connected directly to University Glen Corporation's business function. Revenues come from the management fees agreement with Site Authority, food service sales, and miscellaneous income.

*Operating Revenues*

Total revenues increased by \$1.5M compared to prior year due to the commencement of commercial service operations (food service and catering sales).



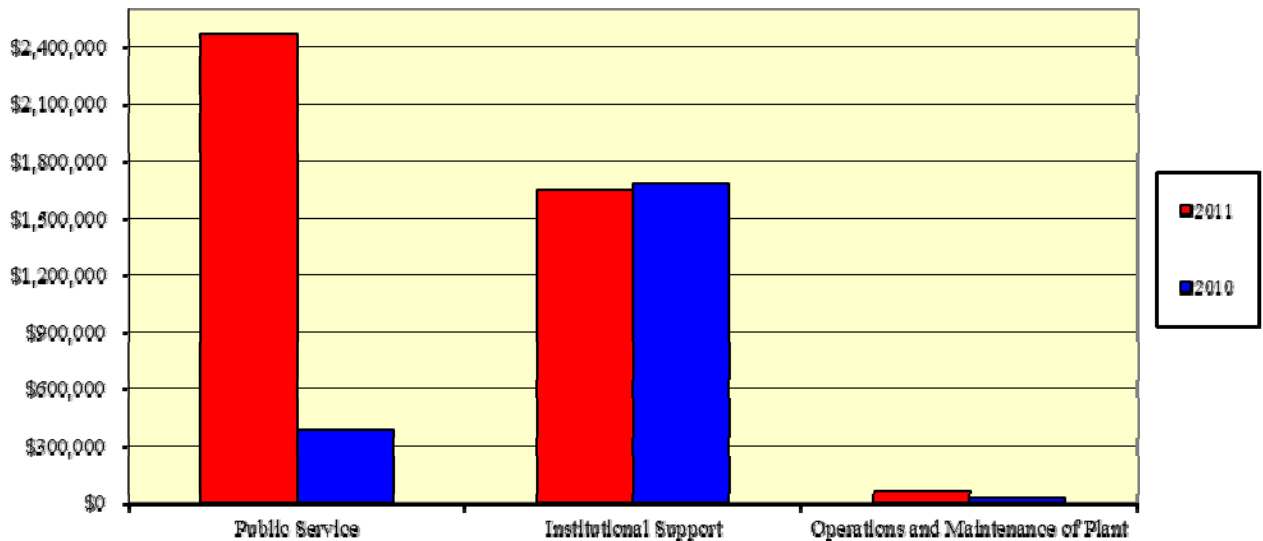
**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED JUNE 30, 2011**

*Operating Expenses*

Total operating expenses increased by \$1.1M compared to prior year. The increase is attributed to normal operating costs associated with commercial service operations, and its subsequent increase in salaries, benefits and burden, food costs, and miscellaneous supplies and equipment.

The following chart presents the distribution of resources in support of University Glen Corporation's mission for fiscal years 2011 and 2010:

**Comparative Distribution of Resources for Fiscal Years ended 2011 and 2010  
(By Functional Program)**



Expenses include categories such as salaries, and supplies and other services. In this discussion and analysis, expenses are reported by functional program such as instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant, student grants, and scholarships.

**Non-operating Revenues (Expenses)**

Non-operating revenues (expenses) come from sources that are not part of University Glen Corporation's primary business functions. Included in this classification are categories such as investment income, payroll services, and transfers to Site Authority.

Payroll Service income increased by \$687K compared to prior year. The increase is the result of new hires in commercial food services operations and in student assistants hired to run Associated Students programming activities.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**  
**(WITH COMPARATIVE TOTALS FOR 2010)**

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
Current assets		
Cash	\$ 235,844	\$ 283,519
Accounts receivable	1,160	-
Related party receivables	231,333	513,805
Inventory	<u>27,016</u>	<u>-</u>
Total current assets	495,353	797,324
Non-current assets		
Capital assets, net	<u>43,221</u>	<u>7,375</u>
Total non-current assets	<u>43,221</u>	<u>7,375</u>
Total assets	<u>538,574</u>	<u>804,699</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	46,139	65,189
Accrued salaries and benefits	87,038	10,748
Accrued compensated absences	-	3,846
Deferred revenue	1,680	-
Loan payable	6,886	-
Related party payables	<u>54,542</u>	<u>447,741</u>
Total current liabilities	196,285	527,524
Noncurrent liabilities		
Accrued compensated absences	81,253	38,046
Loan payable	30,327	-
Related party payables	<u>-</u>	<u>49,210</u>
Total noncurrent liabilities	<u>111,580</u>	<u>87,256</u>
Total liabilities	<u>307,865</u>	<u>614,780</u>
<b>NET ASSETS</b>		
Expendable:		
Unrestricted	<u>230,709</u>	<u>189,919</u>
Total net assets	<u>\$ 230,709</u>	<u>\$ 189,919</u>

See accompanying auditors' report and  
notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(WITH COMPARATIVE TOTALS FOR 2010)**

	<u>2011</u>	<u>2010</u>
<b>REVENUES</b>		
Operating revenues		
Management fees	\$ 562,130	\$ 1,078,782
Grants	-	100,000
Food service sales, net	1,444,190	(2,468)
Miscellaneous income	<u>18,127</u>	<u>5,356</u>
Total operating revenues	2,024,447	1,181,670
<b>EXPENSES</b>		
Operating expenses		
Salaries	2,012,129	910,335
Other operating expenses	<u>1,213,906</u>	<u>1,209,216</u>
Total operating expenses	<u>3,226,035</u>	<u>2,119,551</u>
Operating income (loss)	(1,201,588)	(937,881)
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment income (loss)	2,653	7,822
Payroll services	<u>1,239,725</u>	<u>553,097</u>
Net nonoperating revenues and expenses	<u>1,242,378</u>	<u>560,919</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	40,790	(376,962)
<b>NET ASSETS - beginning of year</b>	<u>189,919</u>	<u>566,881</u>
<b>NET ASSETS - end of year</b>	<u>\$ 230,709</u>	<u>\$ 189,919</u>

See accompanying auditors' report and  
notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(WITH COMPARATIVE TOTALS FOR 2010)**

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities:		
Management fees	\$ 565,633	\$ 920,256
Commercial services	2,055,873	9,866
Payments to suppliers	(1,894,768)	(1,168,534)
Payments to employees	(2,012,129)	(855,529)
Other receipts (payments)	<u>8,227</u>	<u>110,780</u>
Net Cash Provided (Used) by Operating Activities	(1,277,164)	(983,161)
Cash flows from noncapital financing activities:		
Reimbursements from related parties	1,255,952	626,897
Other receipts (payments)	<u>10,750</u>	<u>26,219</u>
Net Cash Provided (Used) by noncapital financing activities	1,266,702	653,116
Cash flows from investing activities:		
Purchases of fixed assets	<u>(37,213)</u>	<u>(7,469)</u>
Net Cash Provided (Used) by Investing Activities	<u>(37,213)</u>	<u>(7,469)</u>
Net increase (decrease) in cash and cash equivalents	(47,675)	(337,514)
Cash and cash equivalents at beginning of year	<u>283,519</u>	<u>621,033</u>
Cash and cash equivalents at end of year	<u>\$ 235,844</u>	<u>\$ 283,519</u>
Reconciliation of net operating income (loss) to net cash provided by (used by) operating activities		
Operating income (loss)	(1,201,588)	(937,881)
Adjustments to reconcile net operating income (loss) to net cash provided by (used by) operating activities:		
Depreciation	1,367	94
(Increase) decrease in:		
Accounts receivable	(1,160)	-
Related party receivables	282,472	(158,526)
Inventory	(27,016)	-
Increase (decrease) in:		
Accounts payable	(19,050)	37,968
Accrued salaries and benefits	76,290	10,748
Accrued compensated absences	(3,846)	(21,167)
Deferred revenue	1,680	-
Loan payable	6,886	-
Related party payables	<u>(393,199)</u>	<u>85,603</u>
Net Cash Provided (Used) by Operating Activities	<u>\$(1,277,164)</u>	<u>\$ (983,161)</u>

See accompanying auditors' report and notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011**

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

*Nature of Organization*

California State University Channel Islands University Glen Corporation (University Glen Corporation) was created on March 18, 2002, pursuant to the General Nonprofit Corporation Law of the State of California and was organized to promote and assist education, administration and related services of the California State University Channel Islands. University Glen Corporation operates as an auxiliary organization of the California State University, Channel Islands (University) under an operating agreement with the Trustees of the California State University (the Trustees), which extends through June 30, 2012.

*Basis of Accounting and Presentation*

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

*Election of Applicable FASB Statements*

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

*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.

*Income Taxes*

University Glen Corporation is a Not-for-Profit tax-exempt corporation under Internal Revenue Code Section 501(c)(3). Accordingly, income taxes are not significant to the financial statements.

*Estimates*

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

*Subsequent Events*

University Glen Corporation has evaluated events subsequent to June 30, 2011, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through September 22, 2011, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011  
(CONTINUED)**

**2. CASH AND CASH EQUIVALENTS**

University Glen Corporation's cash and cash equivalents as of June 30, 2011 are classified in the accompanying statement of net assets as follows:

	<u>Total</u>
Cash and cash equivalents	\$ 235,844
Restricted cash and cash equivalents	<u>-</u>
Total cash and cash equivalents	<u>\$ 235,844</u>

(a) *Cash and Cash Equivalents*

At June 30, 2011, cash and cash equivalents consisted of demand deposits maintained at the bank. Total cash and cash equivalents of \$235,844 had a corresponding carrying value balance with the bank \$271,827 at June 30, 2011. The differences related primarily to deposits in transit and outstanding checks.

(b) *Custodial Credit Risk for Deposits*

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

**3. RELATED PARTY TRANSACTIONS**

Related party receivables consist of the following:

	<u>June 30, 2011</u>
Associated Students of CSU Channel Islands, Inc.	\$ 34,377
CSU Channel Islands	68,718
CSU Channel Islands Site Authority	<u>128,238</u>
	<u>\$ 231,333</u>

Related party payables consist of the following:

	<u>June 30, 2011</u>
Associated Students of CSU Channel Islands, Inc.	\$ 405
CSU Channel Islands	39,304
CSU Channel Islands Site Authority	<u>12,154</u>
	<u>\$ 51,863</u>

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011  
(CONTINUED)**

**4. LONG TERM LIABILITIES ACTIVITY**

Long term liability activity for the year ended at June 30, 2011 consisted of the following:

	Total	
	Current	Noncurrent
Compensated Absences	\$ -	\$ 81,253
Vehicle Loan Payable	6,886	30,327
Total	\$ 6,886	\$ 111,580

**5. CLASSIFICATION OF OPERATING EXPENSES**

University Glen Corporation has elected not to report operating expenses by functional classification in the statements of revenues, expenses, and changes in net assets, but to provide the natural classification of those expenses as an additional disclosure. For the year ended June 30, 2011, operating expenses by natural classification consisted of the following:

	Salaries	Benefits	Fellowships	Supplies & Services	Depreciation	Total
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public service	637,579	209,939	-	655,583	1,367	1,504,468
Academic support	-	-	-	-	-	-
Student services	-	-	-	-	-	-
Institutional support	779,263	385,348	-	488,096	-	1,652,707
Operation and maintenance of plant	-	-	-	68,860	-	68,860
Student grants and scholarships	-	-	-	-	-	-
Total	\$1,416,842	\$ 595,287	\$ -	\$ 1,212,539	\$ 1,367	\$ 3,226,035

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2011  
(CONTINUED)**

**6. TRANSACTIONS WITH RELATED PARTIES**

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

The accompanying financial statements also include the following transactions with the Site Authority and other related parties as of and for the year ended June 30, 2011:

	<u>Amount</u>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ -
Payments to Associated Students, Inc. for other than salaries of Associated Students, Inc. personnel	6,492
Payments to Site Authority for other than salaries of Site Authority personnel	443,809
Payments to University for other than salaries of University personnel	420,492
Payments received from Associated Students, Inc. for services, space, and program	355,053
Payments received from Foundation for services, space, and program	30,406
Payments received from Site Authority for services, space, and program	2,397,880
Payments received from University for services, space, and program	328,533
Accounts receivable from Associated Students, Inc.	34,377
Accounts receivable from Site Authority	128,955
Accounts receivable from University	68,718



**SUPPLEMENTARY INFORMATION**

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
**GASB STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**

Assets:

Current assets:	
Cash and cash equivalents	\$ 235,844
Short-term investments	—
Accounts receivable, net	232,493
Leases receivable, current portion	—
Notes receivable, current portion	—
Pledges receivable, net	—
Prepaid expenses and other assets	27,016
Total current assets	495,353
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	43,221
Other assets	—
Total noncurrent assets	43,221
Total assets	538,574

Liabilities:

Current liabilities:	
Accounts payable	46,139
Accrued salaries and benefits payable	87,038
Accrued compensated absences— current portion	—
Deferred revenue	1,680
Capitalized lease obligations – current portion	—
Long-term debt obligations – current portion	6,886
Self-insurance claims liability - current portion	—
Depository accounts	—
Other liabilities	54,542
Total current liabilities	196,285
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	81,253
Deferred revenue	—
Grants refundable	—
Capitalized lease obligations, net of current portion	—
Long-term debt obligations, net of current portion	30,327
Self-insurance claims liabilities, net of current portion	—
Depository accounts	—
Other postemployment benefits obligation	—
Other liabilities	—
Total noncurrent liabilities	111,580
Total liabilities	307,865

Net assets:

Invested in capital assets, net of related debt	6,008
Restricted for:	
Nonexpendable – endowments	—
Expendable:	
Scholarships and fellowships	—
Research	—
Loans	—
Capital projects	—
Debt service	—
Other	—
Unrestricted	224,701
Total net assets	\$ 230,709

See accompanying auditors' report and  
notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
**GASB STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

Revenues:	
Operating revenues:	
Student tuition and fees (net of scholarship allowances of \$_____)	\$ —
Grants and contracts, noncapital:	
Federal	—
State	—
Local	—
Nongovernmental	—
Sales and services of educational activities	—
Sales and services of auxiliary enterprises (net of scholarship allowances of \$_____)	—
Other operating revenues	<u>2,024,447</u>
Total operating revenues	<u>2,024,447</u>
Expenses:	
Operating expenses:	
Instruction	—
Research	—
Public service	1,503,101
Academic support	—
Student services	—
Institutional support	1,652,707
Operation and maintenance of plant	68,860
Student grants and scholarships	—
Auxiliary enterprise expenses	—
Depreciation and amortization	<u>1,367</u>
Total operating expenses	<u>3,226,035</u>
Operating income (loss)	<u>(1,201,588)</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	2,653
Endowment income (loss), net	—
Interest Expenses	—
Other nonoperating revenues (expenses)	<u>1,239,725</u>
Net nonoperating revenues (expenses)	<u>1,242,378</u>
Income (loss) before other additions	40,790
State appropriations, capital	—
Grants and gifts, capital	—
Additions (reductions) to permanent endowments	<u>—</u>
Increase (decrease) in net assets	40,790
Net assets:	
Net assets at beginning of year, as previously reported	189,919
Restatements	—
Net assets at beginning of year, as restated	<u>189,919</u>
Net assets at end of year	<u>\$ 230,709</u>

See accompanying auditors' report and notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION  
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<b>1</b>	<b>Restricted cash and cash equivalents at June 30, 2011:</b>	
	Portion of restricted cash and cash equivalents related to endowments	\$ -
	All other restricted cash and cash equivalents	-
		<hr/>
	Total restricted cash and cash equivalents	\$ -
		<hr/>

See accompanying auditors' report and  
notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
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**(CONTINUED)**

2.1 **Composition of investments at June 30, 2011:**

	<u>Current Unrestricted</u>	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	-	-	-	-	-	-	-
US Bank SWIFT pool	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-
Private pass-through	-	-	-	-	-	-	-
Other major investments:							
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Add description	-	-	-	-	-	-	-
Total investments	-	-	-	-	-	-	-
Less endowment investments (enter as negative number)	-	-	-	-	-	-	-
Total investments	-	-	-	-	-	-	-

See accompanying auditors' report and  
notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION  
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FOR THE YEAR ENDED JUNE 30, 2011  
(CONTINUED)**

**2.2 Investments held by the University under contractual agreements at June 30, 2011:**

Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2011 :

<b>2.3 Restricted current investments at June 30, 2011 related to:</b>	<u>Amount</u>
Add description	\$ —
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
<b>Total restricted current investments at June 30, 2011</b>	<u><u>\$ —</u></u>

<b>2.4 Restricted noncurrent investments at June 30, 2011 related to:</b>	<u>Amount</u>
Endowment investment	\$ —
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
Add description	—
<b>Total restricted noncurrent investments at June 30, 2011</b>	<u><u>\$ —</u></u>

See accompanying auditors' report and notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
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**(CONTINUED)**

3.1 Composition of capital assets at June 30, 2011:

	Balance June 30, 2010	Prior period Adjustments	Reclassifications	Balance June 30, 2010 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2011
Nondepreciable/nonamortizable capital assets:								
Land and land improvements	\$ -	-	-	-	-	-	-	-
Works of art and historical treasures	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	-	-	-	-	-	-	-	-
Intangible assets:								
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-
Internally generated intangible assets in progress	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-
Total nondepreciable/nonamortizable capital assets	-	-	-	-	-	-	-	-
Depreciable/amortizable capital assets:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-
Personal property:								
Equipment	7,469	-	-	7,469	37,213	-	-	44,682
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-
Total depreciable/amortizable capital assets	7,469	-	-	7,469	37,213	-	-	44,682
Total capital assets	7,469	-	-	7,469	37,213	-	-	44,682

See accompanying auditors' report and  
notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(CONTINUED)**

Less accumulated depreciation/amortization:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-
Personal property:								
Equipment	(94)	-	-	(94)	(1,367)	-	-	(1,461)
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	-	-	-	-	-	-	-	-
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	(94)	-	-	(94)	(1,367)	-	-	(1,461)
Total capital assets, net	\$ 7,375	-	-	7,375	35,846	-	-	43,221

**3.2 Detail of depreciation and amortization expense for the year ended June 30, 2011:**

Depreciation and amortization expense related to capital assets	\$ 1,367
Amortization expense related to other assets	—
Total depreciation and amortization	\$ 1,367

See accompanying auditors' report and  
notes to financial statements.



**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(CONTINUED)**

4 Long-term liabilities activity schedule:

	Balance June 30, 2010	Prior period adjustments	Reclassifications	Balance June 30, 2010 (restated)	Additions	Reductions	Balance June 30, 2011	Current portion	Long-term portion
Accrued compensated absences	\$ 41,892	—	—	41,892	39,361	-	81,253	—	81,253
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	—	—	—	—	-	-	—	—	—
Other:									
Vehicle loan	—	—	—	—	37,213	-	37,213	6,886	30,327
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Add description	—	—	—	—	-	-	—	—	—
Total long-term debt obligations	—	—	—	—	37,213	-	37,213	6,886	30,327
Unamortized bond premium / (discount)	—	—	—	—	-	-	—	—	—
Unamortized loss on refunding	—	—	—	—	-	-	—	—	—
Total long-term debt obligations, net	—	—	—	—	37,213	—	37,213	6,886	30,327
Total long-term liabilities	\$ 41,892	—	—	41,892	76,574	—	118,466	6,886	111,580

See accompanying auditors' report and  
notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
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**(CONTINUED)**

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

	<u>Principal</u>	<u>Interest</u>	<u>Principal and Interest</u>
Year ending June 30:			
2012	-	-	—
2013	-	-	—
2014	-	-	—
2015	-	-	—
2016	-	-	—
2017 - 2021	-	-	—
2022 - 2026	-	-	—
2027 - 2031	-	-	—
2032 - 2036	-	-	—
2037 - 2041	-	-	—
2042 - 2046	-	-	—
2047 - 2051	-	-	—
2052 - 2056	-	-	—
2057 - 2061	-	-	—
	<hr/>	<hr/>	<hr/>
Total minimum lease payments			—
Less amounts representing interest			—
Present value of future minimum lease payments			<hr/>
Less: current portion			—
<b>Capitalized lease obligation, net of current portion</b>			<hr/> <b>\$</b> <hr/>

See accompanying auditors' report and  
notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
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**FOR THE YEAR ENDED JUNE 30, 2011**  
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6 Long-term debt obligation schedule

	Revenue Bonds			All other long-term debt obligations			Total		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
Year ending June 30:									
2012	\$ -	-	-	6,886	1,367	8,253	6,886	1,367	8,253
2013	-	-	-	3,543	584	4,127	3,543	584	4,127
2014	-	-	-	7,291	962	8,253	7,291	962	8,253
2015	-	-	-	7,575	678	8,253	7,575	678	8,253
2016	-	-	-	7,869	384	8,253	7,869	384	8,253
2017 - 2021	-	-	-	4,049	78	4,127	4,049	78	4,127
2022 - 2026	-	-	-	-	-	-	-	-	-
2027 - 2031	-	-	-	-	-	-	-	-	-
2032 - 2036	-	-	-	-	-	-	-	-	-
2037 - 2041	-	-	-	-	-	-	-	-	-
2042 - 2046	-	-	-	-	-	-	-	-	-
2047 - 2051	-	-	-	-	-	-	-	-	-
2052 - 2056	-	-	-	-	-	-	-	-	-
2057 - 2061	-	-	-	-	-	-	-	-	-
Total	\$ -	-	-	37,213	4,053	41,266	37,213	4,053	41,266

See accompanying auditors' report and  
notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
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**FOR THE YEAR ENDED JUNE 30, 2011**  
**(CONTINUED)**

**7 Calculation of net assets**

	<u>Auxiliary Organizations</u>		<u>Total</u>
	<u>GASB</u>	<u>FASB</u>	<u>Auxiliaries</u>
<b>7.1 Calculation of net assets - Invested in capital assets, net of related debt</b>			
Capital assets, net of accumulated depreciation	\$ 43,221	—	43,221
Capitalized lease obligations - current portion	—	—	—
Capitalized lease obligations, net of current portion	—	—	—
Long-term debt obligations - current portion	(6,886)	—	(6,886)
Long-term debt obligations, net of current portion	(30,327)	—	(30,327)
Portion of outstanding debt that is unspent at year-end	—	—	—
Other adjustments: (please list)			
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Net assets - invested in capital assets, net of related debt	<u>\$ 6,008</u>	<u>—</u>	<u>6,008</u>
<b>7.2 Calculation of net assets - Restricted for nonexpendable - endowments</b>			
Portion of restricted cash and cash equivalents related to endowments	\$ —	—	—
Endowment investments	—	—	—
Other adjustments: (please list)			
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Add description	—	—	—
Net assets - Restricted for nonexpendable - endowments per SNA	<u>\$ —</u>	<u>—</u>	<u>—</u>

See accompanying auditors' report and notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
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**(CONTINUED)**

**8 Transactions with Related Entities**

	<b>Amount</b>
Payments to University for salaries of University personnel working on contracts, grants, and other programs	\$ —
Payments to University for other than salaries of University personnel	870,793
Payments received from University for services, space, and programs	3,111,872
Gifts-in-kind to the University from Auxiliary Organizations	—
Gifts (cash or assets) to the University from recognized Auxiliary Organizations	(51,863)
Accounts (payable to) University (enter as negative number)	—
Other amounts (payable to) University (enter as negative number)	232,050
Accounts receivable from University	—
Other amounts receivable from University	—

See accompanying auditors' report and  
notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION  
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FOR THE YEAR ENDED JUNE 30, 2011  
(CONTINUED)**

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

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

See accompanying auditors' report and  
notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION  
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FOR THE YEAR ENDED JUNE 30, 2011  
(CONTINUED)**

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

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

See accompanying auditors' report and  
notes to financial statements.

**CALIFORNIA STATE UNIVERSITY CHANNEL ISLANDS UNIVERSITY GLEN CORPORATION**  
**OTHER INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
**(CONTINUED)**

**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, 2010, as previously reported	\$	189,919
Prior period adjustments:		
1 (list description of each adjustment)		—
2 (list description of each adjustment)		—
3 (list description of each adjustment)		—
4 (list description of each adjustment)		—
5 (list description of each adjustment)		—
6 (list description of each adjustment)		—
7 (list description of each adjustment)		—
8 (list description of each adjustment)		—
9 (list description of each adjustment)		—
10 (list description of each adjustment)		—
Net assets as of June 30, 2010, as restated	\$	189,919

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

	Debit	Credit
Net asset class: _____		
1 (breakdown of adjusting journal entry)	\$ —	—
Net asset class: _____		
2 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
3 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
4 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
5 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
6 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
7 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
8 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
9 (breakdown of adjusting journal entry)	—	—
Net asset class: _____		
10 (breakdown of adjusting journal entry)	—	—

See accompanying auditors' report and  
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