

**CAL STATE EAST BAY
EDUCATIONAL FOUNDATION, INC.
(a Component Unit of California State University, East Bay)**

Financial Statements
and Supplementary Information

June 30, 2015 and 2014

(With Independent Auditor's Report Thereon)

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Table of Contents

	<i>Page</i>
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis (Unaudited)	3
Financial Statements:	
Statements of Net Position	8
Statements of Revenues, Expenses, and Changes in Net Position	9
Statements of Cash Flows	10
Notes to Financial Statements	11
Supplementary Information:	
Schedule of Net Position	18
Schedule of Revenues, Expenses, and Changes in Net Position	19
Other Information.....	20
Note to Supplementary Information	26

Walnut Creek

Oakland

LA/Century City

Newport Beach

San Diego

Independent Auditor's Report

The Board of Directors
Cal State East Bay Educational Foundation, Inc.
Hayward, California

Report on the Financial Statements

We have audited the accompanying financial statements of Cal State East Bay Educational Foundation, Inc. (the Educational Foundation) a component unit of California State University, East Bay, as of and for the years ended June 30, 2015 and 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 Cal State Easy Bay Educational Foundation, Inc. as of June 30, 2015 and 2014, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Educational Foundation's basic financial statements. The information for the California State University Chancellor's Office is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2015, on our consideration of the Educational Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Educational Foundation's internal control over financial reporting and compliance.



Sacramento, California
September 22, 2015

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Management's Discussion and Analysis

June 30, 2015 and 2014

(Unaudited)

This section of Cal State East Bay Educational Foundation, Inc.'s (Educational Foundation) annual financial report includes some of management's insights and analyses of the Educational Foundation's financial performance for the years ended June 30, 2015 and June 30, 2014. This discussion has been prepared by management and should be read in conjunction with the financial statements and notes.

Financial Highlights

2015

- Current assets increased by \$1.9 million due to an increase in investments augmented by new gifts received coupled by an increase in gift pledges recorded during the year.
- Operating revenue increased by \$2.2 million as a result of an increase in gifts received primarily for the fund raising campaign towards a capital project.
- Non-operating revenue decreased by \$2.2 million as a result of lower investment returns.

2014

- Current assets increased by \$2.5 million led by gains in investments resulting from the improved financial environment in fiscal year 2014.
- Operating expenses decreased by \$2.1 million due to the business process changes in 2013 as a result of the movement of current use funds to the University.
- Non-operating revenue increased by \$0.8 million resulting from improved investment activity in fiscal year 2014.

Overview of the Basic Financial Statements

The annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*. This standard is applicable to the Educational Foundation because it is a component unit of California State University, East Bay (University). Consistent with the University, the Educational Foundation has adopted the Business-Type Activity (BTA) reporting model to represent its activities.

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

Statements of Net Position: The statements of net position include all assets and liabilities of the Educational Foundation. It is prepared under the accrual basis of accounting, whereby revenues and receivables are recognized when the service is provided and expenses and liabilities are recognized when incurred, regardless of when cash is exchanged. It also identifies major categories of restrictions on the net position of the Educational Foundation.

Statements of Revenues, Expenses, and Changes in Net Position: The statements of revenues, expenses, and changes in net position present the revenues earned and expenses incurred during the year on an accrual basis.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Management's Discussion and Analysis (Continued)

June 30, 2015 and 2014

(Unaudited)

Statements of Cash Flows: The statements of cash flows present the inflows and outflows of cash, summarized by operating, noncapital financing, capital and related financing, and investing activities. The statements are prepared using the direct method of cash flows, and therefore, present gross rather than net amounts for the year's operating activities.

Notes to Financial Statements: The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the Educational Foundation's financial statements. The notes are included immediately following the basic financial statements within this report.

A summary of key financial statement information is presented below:

Condensed Statements of Net Position

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Assets:			
Current assets	\$ 8,362,002	\$ 6,414,052	\$ 3,903,545
Non-current assets	<u>11,398,328</u>	<u>11,355,796</u>	<u>11,796,442</u>
Total Assets	<u>19,760,330</u>	<u>17,769,848</u>	<u>15,699,987</u>
Liabilities:			
Current liabilities	<u>710,792</u>	<u>722,715</u>	<u>660,258</u>
Net Position:			
Restricted:			
Nonexpendable	10,690,777	10,812,559	10,654,335
Expendable	7,954,600	5,806,763	3,895,077
Unrestricted	<u>404,161</u>	<u>427,811</u>	<u>490,317</u>
Total net position	<u>\$ 19,049,538</u>	<u>\$ 17,047,133</u>	<u>\$ 15,039,729</u>

2015

Current assets increased 30% to \$8.3 million led by increases in investments from receipt of new gifts which were added to the investment pool. Current investments climbed 28% to \$6.5 million in fiscal year 2015.

Total non-current assets slightly increased 0.04% to \$11.4 million in fiscal year 2015. A 30% increase in non-current Pledge Receivables was offset by a 1% decrease in non-current investments due to an increase in endowment payouts for fiscal year 2015 coupled with reduced receipts of endowment gifts.

Total current liabilities decreased minimally by 2% to \$0.71 million. This decrease was related to the 4% decrease in agency liabilities.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Management's Discussion and Analysis (Continued)

June 30, 2015 and 2014

(Unaudited)

Net position increased 12% to \$19.0 million in fiscal year 2015. A \$1.2 million increase in restricted for capital projects and a 29% increase to \$4.2 million in restricted for other programs net position were offset by decreases of 1% to \$10.6 million in nonexpendable net position, a 2% decrease to \$2.4 million in restricted for scholarships net position, and a 6% decrease to \$0.4 million in unrestricted net position.

The increase in restricted for capital projects was the result of the fund raising campaign launched in fiscal year 2015 for the construction of the Center for Interdisciplinary Research and Collaborative Learning (CIRCLe) building. The increase in restricted for other programs net position is due mainly to the increase in gift pledges which comprises \$2.3 million of the balance, net of allowances for discounts and doubtful accounts. The remaining balance of which consists of \$.006 million of deferred gift annuity and approximately \$2.0 million of accumulated net investment activities in connection with endowments that fund non-scholarship programs. The decreases in the net positions were due to an increase in the annual payout distribution for the nonexpendable net position, a decrease in the value of investment funds as a result of a decline in the financial environment for the restricted for scholarships net position, and a decrease in net earnings from operating activities for the unrestricted net position.

2014

Current assets increased 64% to \$6.4 million led by increases in investments with the improvement of the financial environment. Current investments climbed 61% to \$5.1 million in fiscal year 2014.

Total non-current assets decreased 4% to \$11.4 million in fiscal year 2014. The decrease was primarily due to a 52% decrease in non-current pledge receivables as several moved from non-current to current in 2014.

Total current liabilities increased 9% to \$0.7 million. This increase was connected to a 9% increase in agency liabilities.

Net position increased 13% to \$17.0 million in fiscal year 2014. A 13% decrease in unrestricted net position was offset by increases of 160% to \$2.5 million in restricted for scholarship net position, a 13% increase to \$3.2 million in restricted for other programs net position, and a 1% increase to \$10.8 million in nonexpendable endowment net position. The restricted for other programs net position is comprised of \$1.3 million of gift pledges, net of allowance for discounts and doubtful accounts, \$0.006 million of deferred gift annuity, and approximately \$2.0 million of accumulated net investment activity in connection to endowments that fund non-scholarship programs. These increases in the restricted net position designations for scholarships and other programs were the result of the investment gains in fiscal year 2014 as the financial environment improved.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Management's Discussion and Analysis (Continued)

June 30, 2015 and 2014

(Unaudited)

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Operating revenues	\$ 3,604,632	\$ 1,400,865	\$ 3,104,322
Operating expenses	<u>1,528,639</u>	<u>1,509,788</u>	<u>3,611,187</u>
Operating income (loss)	2,075,993	(108,923)	(506,865)
Nonoperating revenues (expenses)	<u>(73,588)</u>	<u>2,116,327</u>	<u>1,253,282</u>
Increase in net position	2,002,405	2,007,404	746,417
Net position, beginning of year	<u>17,047,133</u>	<u>15,039,729</u>	<u>14,293,312</u>
Net position, end of year	<u>\$ 19,049,538</u>	<u>\$ 17,047,133</u>	<u>\$ 15,039,729</u>

2015

Operating revenues increased by 157% to \$3.6 million in fiscal year 2015. The increase was mainly due to increases in most categories of gifts received and pledged. Gifts, capital increased to \$1.2 million and gifts, non-capital increased by 183% to \$1.8 million due to proceeds and pledges received from fund raising campaigns mainly for the capital financing of the construction of the Center for Interdisciplinary Research and Collaborative Learning (CIRCLE) building initiated in fiscal year 2015. In-kind contributions increased by 85% and additions to permanent endowment decreased by 36% due to a decrease of gifts received designated for endowment funds in the current fiscal year.

Operating expenses increased by 1% to \$1.53 million mainly due to a \$0.054 million increase in contributions made to the University offset by a \$0.034 million decrease in accounting and administrative expenses incurred for the year, as expected, due to the reduced transaction count utilized for the calculation of allocated costs.

Non-operating revenues/expenses ended the year as a net expense of \$0.074 million. The 104% decrease was the result of investment losses sustained from a decline in the financial environment in fiscal year 2015.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Management's Discussion and Analysis (Continued)

June 30, 2015 and 2014

(Unaudited)

2014

Operating revenues decreased by 55% to \$1.4 million in fiscal year 2014. The decrease was primarily due to decreases seen in all categories of gifts received in 2014. Gifts, non-capital decreased 37% to \$0.6 million, in-kind contributions decreased 81%, and additions to permanent endowments decreased 69% to \$0.6 million in fiscal year 2014. In the previous year the Educational Foundation gifts were bolstered by contributions from the University related to several business process changes. Along with the effect of those one-time contributions, the Educational Foundation experienced decreases in gifts in fiscal year 2014 as a result of a challenging fund raising environment. Educational Foundation management predicts that fund raising efforts in the coming year will yield better results.

Operating expenses decreased by 58% to \$1.5 million primarily as a result of the business process changes completed in fiscal year 2013 that temporarily increased the contributions to support activities of the University expenditures. In alignment with the approved budget, there was a 65% increase to \$0.2 million in the accounting and administrative cost in fiscal year 2014. Prior to fiscal year 2014, support services were provided in a decentralized strategy that used providers of either the University or the California State University, East Bay Foundation, Inc. With the process changes completed in fiscal year 2013, these services transitioned completely to University providers which has resulted in a more consistent and cohesive delivery of services. To allocate costs for some providers the University uses past year transaction counts. Therefore it is expected that the cost of these services will decline in subsequent years as there were numerous transactions related to the process changes completed in fiscal year 2013.

Non-operating revenues/expenses ended the year as a net revenue of \$2.1 million. This 69% increase is primarily due to gains in investment income this year as the financial environment improved.

Request for Information

The financial report is designed to provide a general overview of the Educational Foundation's finances. For questions concerning any information in this report or for additional financial information, contact Sherry Pickering, Director Fiscal Services, California State University East Bay, 25800 Carlos Bee Boulevard, Hayward, California 94542 or call (510) 885-7363.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Statements of Net Position

June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Current assets:		
Cash	\$ 72,278	\$ 387,047
Investments	6,468,577	5,054,674
Accounts receivable	191,598	173,086
Pledges receivable, net	1,629,549	799,245
Total current assets	<u>8,362,002</u>	<u>6,414,052</u>
Noncurrent assets:		
Endowment investments	10,690,777	10,812,559
Pledges receivable, net	707,551	543,237
Total noncurrent assets	<u>11,398,328</u>	<u>11,355,796</u>
Total assets	<u>19,760,330</u>	<u>17,769,848</u>
Liabilities:		
Current liabilities:		
Accounts payable	15,396	1,239
Agency liabilities	695,396	721,476
Total liabilities	<u>710,792</u>	<u>722,715</u>
Net position:		
Restricted for:		
Nonexpendable - endowments	10,690,777	10,812,559
Expendable:		
Scholarships and fellowships	2,454,708	2,511,693
Capital projects	1,238,215	-
Other programs	4,261,677	3,295,070
Unrestricted	404,161	427,811
Total net position	<u>\$ 19,049,538</u>	<u>\$ 17,047,133</u>

See accompanying notes to financial statements.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Statements of Revenues, Expenses, and Changes in Net Position

Years ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenues:		
Operating revenues:		
Gifts, capital	\$ 1,251,250	\$ -
Gifts, noncapital	1,779,864	629,678
In-kind contributions	23,981	12,960
Additions to permanent endowments	385,825	607,598
Other operating revenues	163,712	150,629
Total operating revenues	<u>3,604,632</u>	<u>1,400,865</u>
Expenses:		
Operating expenses:		
Contributions to support activities of University	1,337,721	1,283,404
Accounting and administrative costs	190,918	226,384
Total operating expenses	<u>1,528,639</u>	<u>1,509,788</u>
Operating income (loss)	2,075,993	(108,923)
Non-operating revenues (expenses):		
Investment gains (losses), net	(266,559)	1,985,196
Investment income, net	192,971	131,131
Total non-operating revenues (expenses)	<u>(73,588)</u>	<u>2,116,327</u>
Increase in net position	2,002,405	2,007,404
Net position, beginning of year	<u>17,047,133</u>	<u>15,039,729</u>
Net position, end of year	<u>\$ 19,049,538</u>	<u>\$ 17,047,133</u>

See accompanying notes to financial statements.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Statements of Cash Flows

Years ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Receipts from contributors	\$ 2,446,302	\$ 1,622,711
Payments for contributions to the University	(1,337,721)	(1,269,493)
Payments for accounting and administrative costs	(190,918)	(227,238)
Other operating cash flows	150,823	62,360
Net cash provided by operating activities	<u>1,068,486</u>	<u>188,340</u>
Cash flows from investing activities:		
Purchases of investments	(8,315,497)	(5,577,055)
Sales of investments	6,103,281	5,908,180
Investment income, net	828,961	(276,051)
Net cash provided by (used in) investing activities	<u>(1,383,255)</u>	<u>55,074</u>
Net increase (decrease) in cash	(314,769)	243,414
Cash, beginning of year	<u>387,047</u>	<u>143,633</u>
Cash, ending of year	<u>\$ 72,278</u>	<u>\$ 387,047</u>
Reconciliation of operating income (loss) to net cash		
Provided by operating activities:		
Operating income (loss)	\$ 2,075,993	\$ (108,923)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Changes in operating assets and liabilities:		
Accounts receivable	(966)	(23,343)
Pledges receivable, net	(994,618)	258,149
Accounts payable	14,157	97
Agency liabilities	(26,080)	62,360
Net cash provided by operating activities	<u>\$ 1,068,486</u>	<u>\$ 188,340</u>

See accompanying notes to financial statements.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Notes to Financial Statements

June 30, 2015 and 2014

(1) Organization and Summary of Significant Accounting Policies

(a) Nature of Activities

Cal State East Bay Educational Foundation, Inc. (Educational Foundation) is a California tax-exempt, nonprofit corporation organized in 1963 as the Cal State-Affiliates to support California State University, East Bay (University). The Educational Foundation promotes private sector support for educational activities to supplement state support. Contributions to the Educational Foundation support scholarships and other University programs.

(b) Financial Reporting Entity

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

(c) Basis of Presentation

The basic financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. GAAP 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. Voluntary nonexchange transactions are recognized as revenue as soon as all eligibility requirements have been met.

(d) Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

(e) Cash

The Educational Foundation considers highly liquid investments with a maturity of three months or less to be cash and cash equivalents.

(f) Pledges Receivable

Pledges that are expected to be collected within one year are reflected as current and are recorded at their net realizable value. Pledges that are due in subsequent years are reflected as noncurrent and are discounted to their present value using risk adjusted rates ranging from 2.98% to 3.13%. The discount rates for the years ended June 30, 2015 and June 30, 2014 were 2.98% and 3.13%, respectively. An allowance for uncollectible pledges is provided based on management's judgment, considering such factors as prior collection history, type of contribution, relationship with the donor, and other relevant factors.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Notes to Financial Statements (Continued)

June 30, 2015 and 2014

(g) Investments

Investments are reflected at fair value using quoted market prices. Earnings, gains, and losses are included in the statements of revenues, expenses, and changes in net position as investment gains (losses), net or investment income, net. Earnings, gains, or losses on donor restricted endowments are available or deducted from donor-designated purposes, primarily scholarships, and are presented under non-operating revenues (expenses) in the statements of revenues, expenses, and changes in net position.

(h) Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation. Expenses for maintenance and repairs are charged against operations. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets of three years. The Educational Foundation's property and equipment are fully depreciated and therefore, do not appear in this report.

(i) Agency Liabilities

The Educational Foundation administers monies and investments for the California State University East Bay Alumni Association and other University programs. Such funds are reported as agency liabilities in the statements of net position.

(j) In-kind Contributions

In-kind contributions are composed of miscellaneous tangible items and reported at fair value. All items greater than \$5,000 require a professional appraisal and the remainder are valued by the donor.

(k) Net Position

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

- *Restricted- Expendable:* Net position subject to externally imposed conditions that can be fulfilled by the actions of the Educational Foundation or by the passage of time.
- *Restricted- Nonexpendable:* Net position subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity for the purpose of generating investment income to fund the agreed-upon purpose of the donor's gift.
- *Unrestricted:* All other categories of net position, including those net position designated by the Board or management.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Notes to Financial Statements (Continued)

June 30, 2015 and 2014

(l) Classification of Revenues and Expenses

The Educational Foundation considers operating revenues and expenses in the statements of revenues, expenses, and changes in net position to be those revenues and expenses that result from exchange transactions or from other activities that are connected directly with the Educational Foundation's primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services. Certain other transactions are reported as nonoperating revenues and expenses in accordance with GASB Statement No. 35, Basic Financial Statements-and Management's Discussion and Analysis-for Public Colleges and Universities-an amendment of GASB Statement No. 34. These nonoperating activities include the Educational Foundation's net investment income and interest expense

(m) Services and Facilities

Certain administrative personnel and office facilities provided to the Educational Foundation by the University were subject to reimbursement through the University cost recovery process. As these services and facilities have been priced via an objective valuation process, the related expenses have been reflected in the financial statements of the Educational Foundation as reimbursements to the University.

(n) Income Taxes

The Educational Foundation is exempt from Federal and State corporate income taxes under Internal Revenue Service Code Section 501(c)(3) and California Revenue and Taxation Service Code 23701d. In addition, the Educational Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(1). However, the Educational Foundation remains subject to taxes on any net income which is derived from a trade or business, regularly carried on, and unrelated to its exempt purpose.

The Educational Foundation recognizes accrued interest and penalties associated with uncertain tax positions as part of the income tax provision, when applicable. There are no amounts accrued in the financial statements related to uncertain tax positions.

The Educational Foundation files informational and income tax returns in the United States and various state and local jurisdictions. The Educational Foundation's Federal income tax and informational returns are subject to examination by the Internal Revenue Service and state taxing authorities generally for 3 and 4 years, respectively, after the returns were filed.

(2) Investments

With respect to its investment decision making, the Educational Foundation considers factors such as general economic conditions, possible effects of inflation or deflation, expected total return, availability of other resources, the needs of the University, and preservation of capital. Investment decisions are made in the context of the entire portfolio viewed as a whole.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Notes to Financial Statements (Continued)

June 30, 2015 and 2014

The desired target for distributions from endowment funds for each year will be amounts that, over time, will result in the retention of earnings in the endowments equal to the rate of inflation plus 0% to 5%, after payment of investment, administration fees and distributions. In order to provide stability in distribution amounts over time, the Educational Foundation's approved overall distribution percentage will be no more than 4% times the average of the quarter-end balances of endowment and quasi-endowment values over the preceding twelve quarters.

Investments consist of the following as of June 30:

	<u>2015</u>	<u>2014</u>
Equity securities	\$ 11,832,890	\$ 12,547,066
U.S. Government securities	2,219,025	1,057,483
Mutual funds	611,819	1,067,479
Corporate bonds	1,823,334	523,679
Mortgage securities	-	145,138
Money market funds	672,286	508,794
Commodities	-	17,594
	<u>\$ 17,159,354</u>	<u>\$ 15,867,233</u>

Non-operating revenues (expenses), consists of the following as of June 30:

	<u>2015</u>	<u>2014</u>
Realized and unrealized gains (losses)	\$ (266,559)	\$ 1,985,196
Interest and dividends, net of fees	192,971	131,131
	<u>\$ (73,588)</u>	<u>\$ 2,116,327</u>

Credit Risk

This is the risk that an issuer or other counterparty to a debt instrument will not fulfill its obligations. This is measured by the assignment of ratings by nationally recognized statistical rating organizations. The Educational Foundation's investment policy generally prohibits investments in the following vehicles: private placements, venture capital investments, real estate properties, futures contracts, options, short sales, or margin sales. Investments in cash equivalents, fixed income securities, equity securities and mutual funds are done in a diversified manner that is risk averse with an objective of minimize risk while obtaining a reasonable return. The Educational Foundation's investment policy dictates a diverse asset allocation as follows: domestic equities (40-75%), fixed income (20-55%), cash (0-10%), and alternative investments (0-20%). The investment consultant is provided a maximum and minimum portfolio target for each asset class to ensure proper diversification and to avoid unnecessary risk.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Notes to Financial Statements (Continued)

June 30, 2015 and 2014

Custodial Credit Risk

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

Concentration of Credit Risk

Under the Educational Foundation's Investment Policy, no more than five percent (5%) of the total investments held by the Educational Foundation may be invested in the securities of any one issuer. The Education Foundation was in compliance with this policy in 2015 and 2014. This is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. In order to maximize the rate of return in Educational Foundation's long-term investment portfolio while preserving capital and limiting concentration of credit risk, the Educational Foundation's investment policy dictates a diverse asset allocation as follows: equities (40-75%), fixed income (20-55%), cash (0-10%), and alternative investments (0-20%).

Interest Rate Risk

This is the risk of loss due to the fair value of an investment falling due to interest rates rising. As a means of limiting this exposure, short-term investments are limited to relatively liquid instruments such as certificates of deposit, savings accounts, federally guaranteed notes and bills, money market mutual funds.

The following indicates the credit and interest rate risk of investments as of June 30, 2015. The credit ratings listed are for Moody's Investor Services.

	Moody's Credit Rating	Maturity			Total
		Less than 3 months (90 days)	3 to 12 months (90-360 days)	Over 1 year (360+ days)	
Corporate bonds	A1-Baa2	\$ 80,170	\$ 153,289	\$ 1,589,875	\$ 1,823,334
U.S. Government securities	Aa1-Aaa	85,172	306,739	1,827,115	2,219,026

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Notes to Financial Statements (Continued)

June 30, 2015 and 2014

The following indicates the credit and interest rate risk of investments as of June 30, 2014. The credit ratings listed are for Moody's Investor Services.

	Moody's Credit Rating	Maturity			Total
		Less than 3 months (90 days)	3 to 12 months (90-360 days)	Over 1 year (360+ days)	
Corporate bonds	Aa2-Baa2	\$ -	\$ 144,184	\$ 379,495	\$ 523,679
U.S. Government securities	Aa1-Aaa	-	184,054	873,429	1,057,483
Mortgage securities	Not Rated	-	-	145,138	145,138

(3) Pledges Receivable

Pledges receivable consist of the following at June 30:

	2015	2014
Receivable in less than one year	\$ 1,640,146	\$ 871,295
Receivable in one to five years	782,344	593,291
Less allowance for doubtful accounts	(10,598)	(72,050)
Less discount factor to present value	(74,792)	(50,054)
	<u>\$ 2,337,100</u>	<u>\$ 1,342,482</u>

At June 30, 2015, the Educational Foundation had pledges receivable from members and officers of the Board of Trustees in the amounts of \$570,324, net of allowances for doubtful accounts and discount. These pledges receivable are due at various dates through 2020.

At June 30, 2014, the Educational Foundation had pledges receivable from members and officers of the Board of Trustees in the amounts of \$731,835 net of allowances for doubtful accounts and discount. These pledges receivable are due at various dates through 2019.

(4) Related Parties Transactions

The Educational Foundation may enter into transactions with the other California State University, East Bay Auxiliaries (Associated Students, Inc. of California State University, East Bay and the California State University, East Bay Foundation, Inc. (Foundation) (collectively known as the "Auxiliaries")) as well as transactions with the University itself.

The Educational Foundation reimburses the University, Associated Students and the Foundation for certain services to Educational Foundation. The fees for these services for the years ended June 30, 2015 and June 30, 2014 were \$177,835 and \$208,852, respectively.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Notes to Financial Statements (Continued)

June 30, 2015 and 2014

During the years ended June 30, 2015 and June 30, 2014, the Educational Foundation contributed cash and in-kind gifts of \$1,337,721 and \$1,232,054, respectively to the University. Fees of \$40,317 and \$20,247, respectively, were charged to the University for services rendered in relation to these gifts. These amounts are reported as contributions to support activities of the University and the fees charged to the University reported as other operating revenue in the statements of revenues, expenses, and changes in net position.

Amounts receivable (payable) at June 30:

	<u>2015</u>	<u>2014</u>
California State University, East Bay - payable	<u>\$ -</u>	<u>\$ (950)</u>

(5) Functional Allocation of Expenses

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

(6) Contingencies

The Educational Foundation has grants and contracts with government agencies which are subject to audit. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined. Management believes that any liability which may result from these audits is not material.

Cal State East Bay Educational Foundation, Inc.
Schedule of Net Position
June 30, 2015
(for inclusion in the California State University)

Assets:	
Current assets:	
Cash and cash equivalents	\$ 72,278
Short-term investments	6,468,577
Accounts receivable, net	191,598
Leases receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	1,629,549
Prepaid expenses and other assets	-
Total current assets	<u>8,362,002</u>
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	707,551
Endowment investments	10,690,777
Other long-term investments	-
Capital assets, net	-
Other assets	-
Total noncurrent assets	<u>11,398,328</u>
Total assets	<u>19,760,330</u>
Deferred outflows of resources:	
Unamortized loss on refunding(s)	-
Total deferred outflows of resources	<u>-</u>
Liabilities:	
Current liabilities:	
Accounts payable	15,396
Accrued salaries and benefits payable	-
Accrued compensated absences— current portion	-
Unearned revenue	-
Capitalized lease obligations – current portion	-
Long-term debt obligations – current portion	-
Claims Liability for losses and LAE - current portion	-
Depository accounts	695,396
Other liabilities	-
Total current liabilities	<u>710,792</u>
Noncurrent liabilities:	
Accrued compensated absences, net of current portion	-
Unearned revenue	-
Grants refundable	-
Capitalized lease obligations, net of current portion	-
Long-term debt obligations, net of current portion	-
Claims Liability for losses and LAE, net of current portion	-
Depository accounts	-
Other postemployment benefits obligation	-
Other liabilities	-
Total noncurrent liabilities	<u>-</u>
Total liabilities	<u>710,792</u>
Deferred inflows of resources:	
Deferred inflows from SCAs, grants, and others	-
Total deferred inflows of resources	<u>-</u>
Net Position:	
Net investment in capital assets	-
Restricted for:	
Nonexpendable – endowments	10,690,777
Expendable:	
Scholarships and fellowships	2,454,708
Research	-
Loans	1,238,215
Capital projects	-
Debt service	-
Other	4,261,677
Unrestricted	404,161
Total net position	<u>\$ 19,049,538</u>

See accompanying note to supplementary information.

Cal State East Bay Educational Foundation, Inc.
Schedule of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2015
(for inclusion in the California State University)

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		-
Total operating revenues		-

Expenses:

Operating expenses:

Instruction		-
Research		-
Public service		-
Academic support		-
Student services		-
Institutional support		-
Operation and maintenance of plant		-
Student grants and scholarships		-
Auxiliary enterprise expenses		1,528,639
Depreciation and amortization		-
Total operating expenses		1,528,639
Operating income (loss)		(1,528,639)

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		1,803,845
Investment income (loss), net		192,971
Endowment income (loss), net		(266,559)
Interest Expenses		-
Other nonoperating revenues (expenses)		163,712
Net nonoperating revenues (expenses)		1,893,969
Income (loss) before other additions		365,330

State appropriations, capital

Grants and gifts, capital		-
Additions (reductions) to permanent endowments		1,251,250
Increase (decrease) in net position		385,825

Net position:

Net position at beginning of year, as previously reported		17,047,133
Restatements		-
Net position at beginning of year, as restated		17,047,133
Net position at end of year	\$	19,049,538

See accompanying note to supplementary information.

Cal State East Bay Educational Foundation, Inc.
Other Information
June 30, 2015
(for inclusion in the California State University)

1 Restricted cash and cash equivalents at June 30, 2015:
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, 2015:

	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)	-	-	-	-	-	-	-
Corporate Bonds	687,344	-	687,344	-	1,135,990	1,135,990	1,823,334
Certificates of deposit	-	-	-	-	-	-	-
Mutual funds	230,638	-	230,638	-	381,181	381,181	611,819
Money Market funds	253,432	-	253,432	-	418,854	418,854	672,286
Repurchase agreements	-	-	-	-	-	-	-
Commercial paper	-	-	-	-	-	-	-
Asset backed securities	-	-	-	-	-	-	-
Mortgage backed securities	-	-	-	-	-	-	-
Municipal bonds	-	-	-	-	-	-	-
U.S. agency securities	177,667	-	177,667	-	293,635	293,635	471,302
U.S. treasury securities	658,841	-	658,841	-	1,088,882	1,088,882	1,747,723
Equity securities	4,460,655	-	4,460,655	-	7,372,235	7,372,235	11,832,890
Exchange traded funds (ETFs)	-	-	-	-	-	-	-
Alternative investments:	-	-	-	-	-	-	-
Private equity (including limited partnerships)	-	-	-	-	-	-	-
Hedge funds	-	-	-	-	-	-	-
Managed futures	-	-	-	-	-	-	-
Real estate investments (including REITs)	-	-	-	-	-	-	-
Commodities	-	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-	-
Other alternative investment types	-	-	-	-	-	-	-
Other external investment pools (excluding SWIFT)	-	-	-	-	-	-	-
Other major investments:	-	-	-	-	-	-	-
Total investments	<u>6,468,577</u>	<u>-</u>	<u>6,468,577</u>	<u>-</u>	<u>10,690,777</u>	<u>10,690,777</u>	<u>17,159,354</u>
Less endowment investments (enter as negative number)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,690,777)</u>	<u>(10,690,777)</u>	<u>(10,690,777)</u>
Total investments	<u><u>6,468,577</u></u>	<u><u>-</u></u>	<u><u>6,468,577</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>6,468,577</u></u>

2.2 Investments held by the University under contractual agreements at June 30, 2015:

Portion of investments in note 2.1 held by the University under contractual agreements at June 30, 2015:

-

2.3 Restricted current investments at June 30, 2015 related to:

Total restricted current investments at June 30, 2015

Amount
\$ -

2.4 Restricted noncurrent investments at June 30, 2015 related to:

Endowment investment

Amount
\$ 10,690,777

Total restricted noncurrent investments at June 30, 2015

Amount
\$ 10,690,777

Cal State East Bay Educational Foundation, Inc.
Other Information (Continued)
June 30, 2015
(for inclusion in the California State University)

3.1 Composition of capital assets at June 30, 2015:

	Balance June 30, 2015	Prior period Adjustments	Reclassifications	Balance June 30, 2015 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2015
Nondepreciable/nonamortizable capital assets:								
Land and land improvements	\$ -	-	-	-	-	-	-	-
Works of art and historical treasures	-	-	-	-	-	-	-	-
Construction work in progress (CWIP)	-	-	-	-	-	-	-	-
Intangible assets:								
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyrights and trademarks	-	-	-	-	-	-	-	-
Internally generated intangible assets in progress	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Total intangible assets	-	-	-	-	-	-	-	-
Total nondepreciable/nonamortizable capital assets	-	-	-	-	-	-	-	-
Depreciable/amortizable capital assets:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-
Personal property:								
Equipment	-	-	-	-	-	-	-	-
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	112,000	-	-	112,000	-	-	-	112,000
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Total intangible assets	112,000	-	-	112,000	-	-	-	112,000
Total depreciable/amortizable capital assets	112,000	-	-	112,000	-	-	-	112,000
Total capital assets	112,000	-	-	112,000	-	-	-	112,000
Less accumulated depreciation/amortization:								
Buildings and building improvements	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-
Personal property:								
Equipment	-	-	-	-	-	-	-	-
Library books and materials	-	-	-	-	-	-	-	-
Intangible assets:								
Software and websites	(112,000)	-	-	(112,000)	-	-	-	(112,000)
Rights and easements	-	-	-	-	-	-	-	-
Patents, copyright and trademarks	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Other intangible assets:								
Total intangible assets	(112,000)	-	-	(112,000)	-	-	-	(112,000)
Total accumulated depreciation/amortization	(112,000)	-	-	(112,000)	-	-	-	(112,000)
Total capital assets, net	\$ -	-	-	-	-	-	-	-

See accompanying note to supplementary information.

Cal State East Bay Educational Foundation, Inc.
Other Information (Continued)
June 30, 2015
(for inclusion in the California State University)

3.2 Detail of depreciation and amortization expense for the year ended June 30, 2015:

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

4 Long-term liabilities activity schedule:

	Balance June 30, 2015	Prior period adjustments	Reclassifications	Balance June 30, 2015 (restated)	Additions	Reductions	Balance June 30, 2015	Current portion	Long-term portion
Accrued compensated absences	\$ -	-	-	-	-	-	-	-	-
Capitalized lease obligations:									
Gross balance	-	-	-	-	-	-	-	-	-
Unamortized premium / (discount) on capitalized lease obligations	-	-	-	-	-	-	-	-	-
Total capitalized lease obligations	-	-	-	-	-	-	-	-	-
Long-term debt obligations:									
Revenue Bonds	-	-	-	-	-	-	-	-	-
Other bonds (non-Revenue Bonds)	-	-	-	-	-	-	-	-	-
Commercial Paper	-	-	-	-	-	-	-	-	-
Note Payable related to SRB	-	-	-	-	-	-	-	-	-
Other:									
Total long-term debt obligations	-	-	-	-	-	-	-	-	-
Unamortized bond premium / (discount)	-	-	-	-	-	-	-	-	-
Total long-term debt obligations, net	-	-	-	-	-	-	-	-	-
Total long-term liabilities	\$ -	-	-	-	-	-	-	-	-

5 Future minimum lease payments - capital lease obligations:

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

See accompanying note to supplementary information.

Cal State East Bay Educational Foundation, Inc.
Other Information (Continued)
June 30, 2015
(for inclusion in the California State University)

6 Long-term debt obligation schedule

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

7 Calculation of net position

	Auxiliary Organizations		Total
	GASB	FASB	Auxiliaries
7.1 Calculation of net position - Net investment in capital assets			
Capital assets, net of accumulated depreciation	\$ -	-	-
Capitalized lease obligations - current portion	-	-	-
Capitalized lease obligations, net of current portion	-	-	-
Long-term debt obligations - current portion	-	-	-
Long-term debt obligations, net of current portion	-	-	-
Portion of outstanding debt that is unspent at year-end	-	-	-
Other adjustments: (please list)	-	-	-
Net position - net investment in capital asset	\$ -	-	-
7.2 Calculation of net position - Restricted for nonexpendable - endowments			
Portion of restricted cash and cash equivalents related to endowments	\$ -	-	-
Endowment investments	10,690,777	-	10,690,777
Other adjustments: (please list)	-	-	-
Net position - Restricted for nonexpendable - endowments per SNP	\$ 10,690,777	-	10,690,777

See accompanying note to supplementary information.

Cal State East Bay Educational Foundation, Inc.
Other Information (Continued)
June 30, 2015
(for inclusion in the California State University)

8 Transactions with Related Entities

	Amount
Payments to University for salaries of University personnel working on contracts, grants, and other program:	\$ -
Payments to University for other than salaries of University personnel	177,835
Payments received from University for services, space, and programs	40,317
Gifts-in-kind to the University from discretely presented component units	12,368
Gifts (cash or assets) to the University from discretely presented component units	1,313,740
Accounts (payable to) University (enter as negative number)	-
Other amounts (payable to) University (enter as negative number)	-
Accounts receivable from University	-
Other amounts receivable from University	-

9 Other Postemployment Benefits Obligation (OPEB)

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

10 Pollution remediation liabilities under GASB Statement No. 49:

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

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

	Net Position Class	Amount
		Dr. (Cr.)
Net position as of June 30, 2014, as previously reported	\$	17,047,133
Prior period adjustments:		-
Net position as of June 30, 2014, as restated	\$	17,047,133

See accompanying note to supplementary information.

Cal State East Bay Educational Foundation, Inc.
 Other Information (Continued)
 June 30, 2015
 (for inclusion in the California State University)

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

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

See accompanying note to supplementary information.

CAL STATE EAST BAY EDUCATIONAL FOUNDATION, INC.

Note to Supplementary Information

June 30, 2015 and 2014

(a) Basis of Presentation

These schedules are prepared in accordance with the instructions listed in an Administrative Directive, dated June 24, 2003, Financial Reporting Requirements for Auxiliary Organizations, from the California State University Office of the Chancellor and as a result, do not purport to represent financial statements prepared in accordance with generally accepted accounting principles applicable to governmental not-for-profit organizations.