Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0047

2007

Open to Public Inspection

A For the 2007 calendar year, or tax year beginning JUL 1, 2007 and ending JUN 30, 2008

B Check if applicable: [ ] Address change [X] Name change [ ] Initial return [ ] Termination [ ] Amended return [ ] Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
UNIVERSITY AUXILIARY & RESEARCH SERVICES CORPORATION

Number and street (or P.O. box if mail is not delivered to street address) | Room/suite
435 E. CARMEL STREET

City or town, state or country, and ZIP + 4
SAN MARCOS, CA 92078

D Employer identification number
33-0397688

E Telephone number
(760) 750-4700

F Accounting method [ ] Cash [X] Accrual [ ] Other (specify) ▶

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations

H(a) Is this a group return for affiliates? [ ] Yes [X] No

H(b) If "Yes," enter number of affiliates ▶ N/A

H(c) Are all affiliates included? N/A [ ] Yes [ ] No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? [ ] Yes [X] No

I Group Exemption Number ▶ N/A

G Website: ▶WWW.CSUSM.EDU/UARSC

J Organization type (check only one) ▶ [X] 501(c) (3) ◀ (insert no.) [ ] 4947(a)(1) or [ ] 527

K Check here ▶ [ ] if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than $25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

M Check ▶ [ ] if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 44,855,447.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue

1	Contributions, gifts, grants, and similar amounts received:					
a	Contributions to donor advised funds		1a			
b	Direct public support (not included on line 1a)		1b	2,969,301.		
c	Indirect public support (not included on line 1a)		1c			
d	Government contributions (grants) (not included on line 1a)		1d	4,396,539.		
e	Total (add lines 1a through 1d) (cash $ 7,365,840. noncash $)				1e	7,365,840.
2	Program service revenue including government fees and contracts (from Part VII, line 93)				2	6,921,659.
3	Membership dues and assessments				3	
4	Interest on savings and temporary cash investments				4	125,402.
5	Dividends and interest from securities				5	387,068.
6 a	Gross rents SEE STATEMENT 1		6a	309,311.		
b	Less: rental expenses SEE STATEMENT 2		6b	44,374.		
c	Net rental income or (loss). Subtract line 6b from line 6a				6c	264,937.
7	Other investment income (describe ▶)				7	
8 a	Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
		22,135,979.	8a	1,864,618.		
b	Less: cost or other basis and sales expenses	21,862,081.	8b	411,508.		
c	Gain or (loss) (attach schedule)	273,898.	8c	1,453,110.		
d	Net gain or (loss). Combine line 8c, columns (A) and (B)	STMT 3		STMT 4	8d	1,727,008.
9	Special events and activities (attach schedule). If any amount is from gaming, check here ▶ [ ]					
a	Gross revenue (not including $ 88,085. of contributions reported on line 1b)		9a	6,405.		
b	Less: direct expenses other than fundraising expenses		9b	65,867.		
c	Net income or (loss) from special events. Subtract line 9b from line 9a	SEE STATEMENT 5			9c	-59,462.
10 a	Gross sales of inventory, less returns and allowances		10a	5,739,165.		
b	Less: cost of goods sold		10b	5,007,243.		
c	Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	STMT 6			10c	731,922.
11	Other revenue (from Part VII, line 103)				11	
12	**Total revenue.** Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11				12	17,464,374.

Expenses

13	Program services (from line 44, column (B))	13	20,252,078.
14	Management and general (from line 44, column (C))	14	1,539,621.
15	Fundraising (from line 44, column (D))	15	
16	Payments to affiliates (attach schedule)	16	
17	**Total expenses.** Add lines 16 and 44, column (A)	17	21,791,699.

Net Assets

18	Excess or (deficit) for the year. Subtract line 17 from line 12	18	-4,327,325.
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	33,876,647.
20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 7	20	-27,878.
21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	29,521,444.

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12-27-07 LHA **For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.**

G17-18

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash $ 0. noncash $ 0.) If this amount includes foreign grants, check here ▶ ☐	22a				
22b Other grants and allocations (attach schedule) (cash $8292821. noncash $ 0.) If this amount includes foreign grants, check here ▶ ☐	22b	8,292,821.	8,292,821.	STATEMENT 9	
23 Specific assistance to individuals (attach schedule)	23				
24 Benefits paid to or for members (attach schedule)	24				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a	352,136.	264,102.	88,034.	0.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c				
26 Salaries and wages of employees not included on lines 25a, b, and c	26	3,445,012.	3,016,064.	428,948.	
27 Pension plan contributions not included on lines 25a, b, and c	27	158,060.	95,573.	62,487.	
28 Employee benefits not included on lines 25a - 27	28	791,502.	472,616.	318,886.	
29 Payroll taxes	29	309,467.	245,809.	63,658.	
30 Professional fundraising fees	30				
31 Accounting fees	31	43,418.		43,418.	
32 Legal fees	32	4,146.		4,146.	
33 Supplies	33	623,480.	613,441.	10,039.	
34 Telephone	34	50,190.	42,696.	7,494.	
35 Postage and shipping	35	23,158.	17,556.	5,602.	
36 Occupancy	36	143,251.	102,051.	41,200.	
37 Equipment rental and maintenance	37	110,453.	61,471.	48,982.	
38 Printing and publications	38	61,278.	61,218.	60.	
39 Travel	39	459,923.	446,499.	13,424.	
40 Conferences, conventions, and meetings	40	457,683.	430,212.	27,471.	
41 Interest	41				
42 Depreciation, depletion, etc. (attach schedule)	42	282,801.		282,801.	
43 Other expenses not covered above (itemize)					
a	43a				
b	43b				
c	43c				
d	43d				
e	43e				
f	43f				
g SEE STATEMENT 8	43g	6,182,920.	6,089,949.	92,971.	
44 **Total functional expenses.** Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	21,791,699.	20,252,078.	1,539,621.	0.

Joint Costs. Check ▶ ☐ if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ▶ ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs $ N/A ; (ii) the amount allocated to Program services $ N/A ; (iii) the amount allocated to Management and general $ N/A ; and (iv) the amount allocated to Fundraising $ N/A

Part III Statement of Program Service Accomplishments *(See the instructions.)*

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments

What is the organization's primary exempt purpose? ▶ SEE STATEMENT 10 All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a RESEARCH OPPORTUNITIES THAT INCLUDE RESEARCH GRANTS, SCHOLARSHIPS AND STUDENT LOANS. OTHER CAMPUS PROGRAM ACTIVITIES INCLUDING OPERATION OF CAMPUS FOOD SERVICE AND BOOKSTORE. (Grants and allocations $ 8,292,821.) If this amount includes foreign grants, check here ▶ ☐	20,252,078.
b (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
c (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
d (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
e Other program services (attach schedule) (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	20,252,078.

Part IV Balance Sheets *(See the instructions)*

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.			(A) Beginning of year		(B) End of year
Assets					
45 Cash - non-interest-bearing				45	4,973.
46 Savings and temporary cash investments			9,795,606.	46	8,131,128.
47 a Accounts receivable	47a	782,403.			
b Less allowance for doubtful accounts	47b		2,023,078.	47c	782,403.
48 a Pledges receivable	48a	2,213,595.			
b Less: allowance for doubtful accounts	48b		1,947,077.	48c	2,213,595.
49 Grants receivable				49	
50 a Receivables from current and former officers, directors, trustees, and key employees				50a	
b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				50b	
51 a Other notes and loans receivable	51a				
b Less: allowance for doubtful accounts	51b		295,300.	51c	
52 Inventories for sale or use			729,841.	52	1,045,697.
53 Prepaid expenses and deferred charges			244.	53	7,825.
54 a Investments - publicly-traded securities STMT 14 ▶ ☐ Cost ☒ FMV			14,122,701.	54a	15,422,971.
b Investments - other securities ▶ ☐ Cost ☐ FMV				54b	
55 a Investments - land, buildings, and equipment basis	55a				
b Less accumulated depreciation	55b			55c	
56 Investments - other SEE STATEMENT 11			0.	56	1,791,668.
57 a Land, buildings, and equipment basis	57a	2,877,025.			
b Less. accumulated depreciation STMT 12	57b	1,639,263.	7,290,816.	57c	1,237,762.
58 Other assets, including program-related investments (describe ▶ SEE STATEMENT 13)			533,539.	58	768,565.
59 **Total assets** (must equal line 74) Add lines 45 through 58			36,738,202.	59	31,406,587.
Liabilities					
60 Accounts payable and accrued expenses			2,175,752.	60	1,217,418.
61 Grants payable				61	
62 Deferred revenue			685,803.	62	667,725.
63 Loans from officers, directors, trustees, and key employees				63	
64 a Tax-exempt bond liabilities				64a	
b Mortgages and other notes payable				64b	
65 Other liabilities (describe ▶)				65	
66 **Total liabilities.** Add lines 60 through 65			2,861,555.	66	1,885,143.
Net Assets or Fund Balances					
Organizations that follow SFAS 117, check here ▶ ☒ and complete lines 67 through 69 and lines 73 and 74.					
67 Unrestricted			13,828,221.	67	9,422,204.
68 Temporarily restricted			7,347,465.	68	4,612,656.
69 Permanently restricted			12,700,961.	69	15,486,584.
Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74					
70 Capital stock, trust principal, or current funds				70	
71 Paid-in or capital surplus, or land, building, and equipment fund				71	
72 Retained earnings, endowment, accumulated income, or other funds				72	
73 **Total net assets or fund balances.** Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)			33,876,647.	73	29,521,444.
74 **Total liabilities and net assets/fund balances.** Add lines 66 and 73			36,738,202.	74	31,406,587.

Part IV-A **Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** *(See the instructions.)*

a	Total revenue, gains, and other support per audited financial statements			a	21,071,660.
b	Amounts included on line **a** but not on Part I, line 12.				
1	Net unrealized gains on investments	b1	-1,510,198.		
2	Donated services and use of facilities	b2			
3	Recoveries of prior year grants	b3			
4	Other (specify): SEE STATEMENT 15	b4	5,051,617.		
	Add lines **b1** through **b4**			b	3,541,419.
c	Subtract line **b** from line **a**			c	17,530,241.
d	Amounts included on Part I, line 12, but not on line **a**:				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify). SPECIAL EVENTS EXPENSE	d2	-65,867.		
	Add lines **d1** and **d2**			d	-65,867.
e	**Total revenue** (Part I, line 12) Add lines **c** and **d** ▶			e	17,464,374.

Part IV-B **Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

a	Total expenses and losses per audited financial statements			a	26,909,183.
b	Amounts included on line **a** but not on Part I, line 17:				
1	Donated services and use of facilities	b1			
2	Prior year adjustments reported on Part I, line 20	b2			
3	Losses reported on Part I, line 20	b3			
4	Other (specify): SEE STATEMENT 16	b4	5,117,484.		
	Add lines **b1** through **b4**			b	5,117,484.
c	Subtract line **b** from line **a**			c	21,791,699.
d	Amounts included on Part I, line 17, but not on line **a**:				
1	Investment expenses not included on Part I, line 6b	d1			
2	Other (specify)	d2			
	Add lines **d1** and **d2**			d	0.
e	**Total expenses** (Part I, line 17) Add lines **c** and **d** ▶			e	21,791,699.

Part V-A **Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated) *(See the instructions)*

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
SEE STATEMENT 17		293,447.	58,690.	0.

Part V-A Current Officers, Directors, Trustees, and Key Employees *(continued)*

			Yes	No
75 a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 17			
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)	75b		X
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization"	75c		X
	If "Yes," attach a statement that includes the information described in the instructions			
d	Does the organization have a written conflict of interest policy?	75d	X	

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
NONE				

Part VI Other Information *(See the instructions.)*

			Yes	No
76	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS?	77	X	
	If "Yes," attach a conformed copy of the changes			
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	78b		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc , to any other exempt or nonexempt organization?	80a	X	
b	If "Yes," enter the name of the organization ▶ SEE STATEMENT 18 and check whether it is ☐ exempt or ☐ nonexempt			
81 a	Enter direct and indirect political expenditures (See line 81 instructions) 81a 0.			
b	Did the organization file **Form 1120-POL** for this year?	81b		X

Part VI Other Information *(continued)*

			Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X	
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to *quid pro quo* contributions?	83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A	84b		
85 a	*501(c)(4), (5), or (6)* Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less? N/A	85b		
	If "Yes" was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members 85c N/A			
d	Section 162(e) lobbying and political expenditures 85d N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A	85h		
86	*501(c)(7) organizations.* Enter a Initiation fees and capital contributions included on line 12 86a N/A			
b	Gross receipts, included on line 12, for public use of club facilities 86b N/A			
87	*501(c)(12) organizations.* Enter: a Gross income from members or shareholders 87a N/A			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) 87b N/A			
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Part IX	88a		X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI ▶	88b		X
89 a	*501(c)(3) organizations* Enter· Amount of tax imposed on the organization during the year under: section 4911▶ 0. ; section 4912 ▶ 0. ; section 4955 ▶ 0.			
b	*501(c)(3) and 501(c)(4) organizations.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0.			
d	Enter Amount of tax on line 89c, above, reimbursed by the organization ▶ 0.			
e	*All organizations* At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e		X
f	*All organizations* Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f		X
g	*For supporting organizations and sponsoring organizations maintaining donor advised funds.* Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g		X
90 a	List the states with which a copy of this return is filed ▶ CA			
b	Number of employees employed in the pay period that includes March 12, 2007 90b 356			
91 a	The books are in care of ▶ GREG SVATORA, DIRECTOR OF FINANCE Telephone no. ▶ (760)750-4719 Located at ▶ 435 E. CARMEL STREET, SAN MARCOS, CA ZIP + 4 ▶ 92078			
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ▶ N/A See the instructions for exceptions and filing requirements for **Form TD F 90-22.1,** Report of Foreign Bank and Financial Accounts	91b		X

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Part VI | Other Information *(continued)*

		Yes	No
c At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶ N/A	91c		X
92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* Form 1041- Check here ▶ ☐ and enter the amount of tax-exempt interest received or accrued during the tax year ▶	92	N/A	

Part VII | Analysis of Income-Producing Activities *(See the instructions.)*

Note: *Enter gross amounts unless otherwise indicated*	Unrelated business income		Excluded by section 512, 513, or 514		
93 Program service revenue	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	(E) Related or exempt function income
a CAMPUS PROGRAMS					6,921,659.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	125,402.	
96 Dividends and interest from securities			14	387,068.	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property			16	264,937.	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	1,727,008.	
101 Net income or (loss) from special events			01	-59,462.	
102 Gross profit or (loss) from sales of inventory			03	731,922.	
103 Other revenue:					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		3,176,875.	6,921,659.
105 **Total** (add line 104, columns (B), (D), and (E)) ▶					10,098,534.

Note: *Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I*

Part VIII | Relationship of Activities to the Accomplishment of Exempt Purposes *(See the instructions.)*

Line No ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A	VARIOUS PROGRAMS ADMINISTERED BY THE FOUNDATION THAT PROMOTE AND ASSIST IN THE EDUCATIONAL OBJECTIVES OF CALIFORNIA STATE UNIVERSITY SAN MARCOS.

Part IX | Information Regarding Taxable Subsidiaries and Disregarded Entities *(See the instructions.)*

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
N/A	%			
	%			
	%			

Part X | Information Regarding Transfers Associated with Personal Benefit Contracts *(See the instructions.)*

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note: *If "Yes" to* (b), *file Form 8870* and *Form 4720 (see instructions).*

Part XI **Information Regarding Transfers To and From Controlled Entities.** *Complete only if the organization is a controlling organization as defined in section 512(b)(13).* N/A

		Yes	No
106	Did the reporting organization **make** any transfers **to** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.		

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
	Totals			

		Yes	No
107	Did the reporting organization **receive** any transfers **from** a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.		

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
	Totals			

		Yes	No
108	Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?		

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Signature of officer: [signature], TREASURER — Date: 5/14/09

Type or print name and title: GREG SVATORA, DIRECTOR OF FINANCE

Paid Preparer's Use Only

Preparer's signature	ELSA A. ROMERO [signature]	Date 05/12/09	Check if self-employed ☐	Preparer's SSN or PTIN (See Gen Inst X)
Firm's name (or yours if self-employed), address, and ZIP + 4	A K T LLP 312 S. JUNIPER ST., SUITE 100 ESCONDIDO, CA 92025	EIN	Phone no. 760-746-1560	

723184/12-27-07

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)

▶ MUST be completed by the above organizations and attached to their Form 990 or 990-EZ

OMB No 1545-0047

2007

Name of the organization: UNIVERSITY AUXILIARY & RESEARCH SERVICES CORPORATION

Employer identification number: 33 0397688

Part I **Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
GRANT HUBBARD C/O 435 E. CARMEL ST., SAN MARCOS, CA	DIR GRANTS/CONTRACTS 40.00	95,000.	21,850.	
DEBORAH DAVIS C/O 435 E. CARMEL ST., SAN MARCOS, CA	ASSOC. DIR FINANCE 40.00	70,486.	16,212.	
MINERVA GONZALEZ C/O 435 E. CARMEL ST., SAN MARCOS, CA	CAMP-PROGRM DIR 40.00	68,185.	15,683.	
ARCELA NUNEZ-ALVAREZ C/O 435 E. CARMEL ST., SAN MARCOS, CA	NLRC-PROGRAM DIR 40.00	65,425.	15,048.	
ROGER STEIN C/O 435 E. CARMEL ST., SAN MARCOS, CA	ASSOC. EXEC DIRECTOR 40.00	97,141.	22,342.	
Total number of other employees paid over $50,000 ▶	5			

Part II-A **Compensation of the Five Highest Paid Independent Contractors for Professional Services**

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶ 0		

Part II-B **Compensation of the Five Highest Paid Independent Contractors for Other Services**

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over $50,000 for other services ▶ 0		

Part III Statements About Activities (See page 2 of the instructions)

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ $ ______ $ ______ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	1		X
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions)*			
a	Sale, exchange, or leasing of property?	2a		X
b	Lending of money or other extension of credit?	2b		X
c	Furnishing of goods, services, or facilities?	2c		X
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? SEE PART V-A, FORM 990	2d	X	
e	Transfer of any part of its income or assets?	2e		X
3 a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.) SEE STATEMENT 19	3a	X	
b	Did the organization have a section 403(b) annuity plan for its employees?	3b		X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d		X
4 a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a		X
b	Did the organization make any taxable distributions under section 4966? N/A	4b		
c	Did the organization make a distribution to a donor, donor advisor, or related person? N/A	4c		
d	Enter the total number of donor advised funds owned at the end of the tax year ▶		N/A	
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶		N/A	
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶		0.	
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year ▶		0.	

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12-27-07

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

5 [ ] A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).

6 [ ] A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)

7 [ ] A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).

8 [ ] A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).

9 [ ] A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶

10 [X] An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)

11a [ ] An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

11b [ ] A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

12 [ ] An organization that normally receives: **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)

13 [ ] An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:

[ ] Type I [ ] Type II [ ] Type III-Functionally Integrated [ ] Type III-Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents? Yes	No	(e) Amount of support
Total ▶					

14 [ ] An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

Part IV-A **Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**
Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting*

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	6,595,977.	10,763,704.	8,963,643.	8,512,985.	34,836,309.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	14,653,717.	9,719,911.	2,824,694.	3,204,039.	30,402,361.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	1,813,797.	989,996.	666,898.	421,739.	3,892,430.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	23,063,491.	21,473,611.	12,455,235.	12,138,763.	69,131,100.
24 Line 23 minus line 17	8,409,774.	11,753,700.	9,630,541.	8,934,724.	38,728,739.
25 Enter 1% of line 23	230,635.	214,736.	124,552.	121,388.	

26 **Organizations described on lines 10 or 11:** a Enter 2% of amount in column (e), line 24 ▶ 26a 774,575.

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. **Do not file this list with your return.** Enter the total of all these excess amounts ▶ 26b 2,558,796.

c Total support for section 509(a)(1) test Enter line 24, column (e) ▶ 26c 38,728,739.

d Add: Amounts from column (e) for lines: 18 3,892,430. 19 ______ 22 ______ 26b 2,558,796. ▶ 26d 6,451,226.

e Public support (line 26c minus line 26d total) ▶ 26e 32,277,513.

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f 83.3425%

27 **Organizations described on line 12:** a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." **Do not file this list with your return** Enter the sum of such amounts for each year: N/A

(2006) ______ (2005) ______ (2004) ______ (2003) ______

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year: N/A

(2006) ______ (2005) ______ (2004) ______ (2003) ______

c Add: Amounts from column (e) for lines: 15 ______ 16 ______ 17 ______ 20 ______ 21 ______ ▶ 27c N/A

d Add: Line 27a total ______ and line 27b total ______ ▶ 27d N/A

e Public support (line 27c total minus line 27d total) ▶ 27e N/A

f Total support for section 509(a)(2) test Enter amount on line 23, column (e) ▶ 27f N/A

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ 27g N/A %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ 27h N/A %

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. **Do not file this list with your return.** Do not include these grants in line 15.

NONE

Part V **Private School Questionnaire** (See page 9 of the instructions.) N/A
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

			Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
	If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35		

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12-27-07

Part VI-A **Lobbying Expenditures by Electing Public Charities** (See page 11 of the instructions) N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

Check ▶ a ☐ if the organization belongs to an affiliated group. Check ▶ b ☐ if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for all electing organizations
		N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table -			
If the amount on line 40 is - / **The lobbying nontaxable amount is -**			
Not over $500,000 / 20% of the amount on line 40			
Over $500,000 but not over $1,000,000 / $100,000 plus 15% of the excess over $500,000			
Over $1,000,000 but not over $1,500,000 / $175,000 plus 10% of the excess over $1,000,000	41		
Over $1,500,000 but not over $17,000,000 / $225,000 plus 5% of the excess over $1,500,000			
Over $17,000,000 / $1,000,000			
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720.*

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

	Lobbying Expenditures During 4-Year Averaging Period				N/A
Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B **Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.) N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 14 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of:			
(i) Cash	51a(i)		X
(ii) Other assets	a(ii)		X
b Other transactions:			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
(iii) Rental of facilities, equipment, or other assets	b(iii)		X
(iv) Reimbursement arrangements	b(iv)		X
(v) Loans or loan guarantees	b(v)		X
(vi) Performance of services or membership or fundraising solicitations	b(vi)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received: N/A

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ ☐ Yes ☒ No

b If "Yes," complete the following schedule: N/A

(a) Name of organization	(b) Type of organization	(c) Description of relationship

2007 DEPRECIATION AND AMORTIZATION REPORT

FORM 990 PAGE 2 990

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
	MANAGEMENT AND GENERAL											
1				.000	16							282,801.
	* 990 PAGE 2 TOTAL MANAGEMENT AND GENERAL					0.		0.	0.	0.	0.	282,801.
	* GRAND TOTAL 990 PAGE 2 DEPR					0.		0.	0.	0.	0.	282,801.

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04-27-07

(D) - Asset disposed

* ITC, Section 179, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

FORM 990	RENTAL INCOME	STATEMENT 1

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
STUDENT HOUSING	1	309,311.
TOTAL TO FORM 990, PART I, LINE 6A		309,311.

FORM 990	RENTAL EXPENSES	STATEMENT 2

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
RENTAL EXPENSE		44,374.	
- SUBTOTAL -	1		44,374.
TOTAL TO FORM 990, PART I, LINE 6B			44,374.

FORM 990	GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES	STATEMENT 3

DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)
PUBLICLY TRADED SECURITIES	22,135,979.	21,862,081.	0.	273,898.
TO FORM 990, PART I, LINE 8	22,135,979.	21,862,081.	0.	273,898.

FORM 990	GAIN (LOSS) FROM SALE OF OTHER ASSETS	STATEMENT 4

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED
MINERAL RIGHTS	VARIOUS	02/19/08	PURCHASED

NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	1,864,618.	411,508.	0.	0.	1,453,110.
TO FM 990, PART I, LN 8	1,864,618.	411,508.	0.	0.	1,453,110.

FORM 990	SPECIAL EVENTS AND ACTIVITIES	STATEMENT 5

DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME OR (LOSS)
UNIVERSITY BALL	94,490.	88,085.	6,405.	65,867.	-59,462.
TO FM 990, PART I, LINE 9	94,490.	88,085.	6,405.	65,867.	-59,462.

FORM 990	INCOME AND COST OF GOODS SOLD INCLUDED ON PART I, LINE 10	STATEMENT 6

INCOME

1. GROSS RECEIPTS	5,739,165	
2. RETURNS AND ALLOWANCES		
3. LINE 1 LESS LINE 2		5,739,165
4. COST OF GOODS SOLD (LINE 13)	5,007,243	
5. GROSS PROFIT (LINE 3 LESS LINE 4)		731,922

COST OF GOODS SOLD

6. INVENTORY AT BEGINNING OF YEAR		
7. MERCHANDISE PURCHASED	5,007,243	
8. COST OF LABOR		
9. MATERIALS AND SUPPLIES		
10. OTHER COSTS		
11. ADD LINES 6 THROUGH 10		5,007,243
12. INVENTORY AT END OF YEAR		
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12)		5,007,243

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT 7

DESCRIPTION	AMOUNT
UNREALIZED LOSS ON INVESTMENTS	-1,510,198.
PRIOR YEAR BOOK NET ASSET ADJUSTMENT	1,482,320.
TOTAL TO FORM 990, PART I, LINE 20	-27,878.

FORM 990	OTHER EXPENSES	STATEMENT 8

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
EQUIPMENT/FURNISHING	100,084.	98,021.	2,063.	
SERVICE FEES	1,399,624.	1,343,200.	56,424.	
INSURANCE	22,942.	1,596.	21,346.	
CONSULTING/SUBCONTRATS	3,435,583.	3,422,445.	13,138.	
PROGRAMS EXPENSES	430,726.	430,726.		
STIPENDS/HONORARIA	395,682.	395,682.		
TRANSFERS TO ENDOWMENTS	398,279.	398,279.		
TOTAL TO FM 990, LN 43	6,182,920.	6,089,949.	92,971.	

FORM 990 — CASH GRANTS AND ALLOCATIONS TO OTHERS — STATEMENT 9

CLASS OF ACTIVITY/DONEE'S NAME AND ADDRESS	AMOUNT
SCHOLARSHIPS CSU - SAN MARCOS 333 S TWIN OAKS VALLEY ROAD SAN MARCOS, CA 92096	611,683.
CHARITABLE SAN MARCOS UNIVERSITY CORPORATION 435 E CARMEL STREET SAN MARCOS, CA 92078	7,681,138.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22B	8,292,821.

FORM 990 — STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III — STATEMENT 10

EXPLANATION

CALIFORNIA STATE UNIVERSITY SAN MARCOS FOUNDATION PROVIDES FINANCIAL AND PROGRAM ADMINISTRATIVE SUPPORT TO CALIFORNIA STATE UNIVERSITY SAN MARCOS IN ACCORDANCE WITH THE MISSION OF THE UNIVERSITY TO ENHANCE STUDENT LEARNING AND EDUCATIONAL RESEARCH OPPORTUNITIES. SUCH OPPORTUNITIES INCLUDE RESEARCH GRANTS, SCHOLARSHIPS, STUDENT LOANS AND OTHER CAMPUS PROGRAM ACTIVITIES.

FORM 990 — OTHER INVESTMENTS — STATEMENT 11

DESCRIPTION	VALUATION METHOD	AMOUNT
ALTERNATIVE INVESTMENTS	MARKET VALUE	1,791,668.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		1,791,668.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 12

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
BUILDINGS AND EQUIPMENT	2,877,025.	1,639,263.	1,237,762.
TOTAL TO FORM 990, PART IV, LN 57	2,877,025.	1,639,263.	1,237,762.

FORM 990 OTHER ASSETS STATEMENT 13

DESCRIPTION	BEGINNING OF YEAR	END OF YEAR
APPRECIABLE ARTWORK	56,300.	56,300.
OTHER ASSET	4,780.	4,780.
MINERAL RIGHTS	134,891.	0.
DEPOSITS	162,925.	220,950.
OTHER RECEIVABLES	129,338.	478,590.
INVESTMENT INTEREST RECEIVABLE	45,305.	7,945.
TOTAL TO FORM 990, PART IV, LINE 58	533,539.	768,565.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 14

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
EQUITY FUNDS	FMV	9,718,673.			9,718,673.
BOND FUNDS	FMV		5,704,298.		5,704,298.
INSTITUTIONAL INVESTMENTS	FMV	0.			
INSTITUTIONAL ASSET MANAGEMENT	FMV	0.			
TO FORM 990, LINE 54A, COL B		9,718,673.	5,704,298.		15,422,971.

FORM 990	OTHER REVENUE NOT INCLUDED ON FORM 990	STATEMENT 15

DESCRIPTION	AMOUNT
RENTAL EXPENSE NET W/ RELATED REVENUE	44,374.
BOOK STORE EXPENSE NET W/ RELATED REVENUE	5,007,243.
TOTAL TO FORM 990, PART IV-A	5,051,617.

FORM 990	OTHER EXPENSES NOT INCLUDED ON FORM 990	STATEMENT 16

DESCRIPTION	AMOUNT
RENTAL EXPENSE NET W/ RELATED REVENUE	44,374.
SPECIAL EVENTS EXPENSES	65,867.
BOOK STORE EXPENSE NET W/ RELATED REVENUE	5,007,243.
TOTAL TO FORM 990, PART IV-B	5,117,484.

FORM 990 PART V-A - LIST OF CURRENT OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES STATEMENT 17

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
MS. MARTI GRAY C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	SECRETARY/EXEC DIRECTOR 40.00	182,033.	36,407.	0.
MR. GREG SVATORA C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	TREASURER/CFO 40.00	111,414.	22,283.	0.
DR. ANN BERSI C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	DIRECTOR 1.00	0.	0.	0.
DR. BEN CHERRY C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	DIRECTOR 1.00	0.	0.	0.
MR. TRES CONRIQUE C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	DIRECTOR 1.00	0.	0.	0.
MR. WAYNE J. FIELDS C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	VICE CHAIR 1.00	0.	0.	0.
MS. KYM FORGRAVE C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	DIRECTOR 1.00	0.	0.	0.
MR. RICK GITTINGS C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	DIRECTOR 1.00	0.	0.	0.
MR. MALACHI HARPER C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	DIRECTOR 1.00	0.	0.	0.
MS. LINDA HAWK C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	DIRECTOR 1.00	0.	0.	0.
DR. KAREN S. HAYNES C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	DIRECTOR 1.00	0.	0.	0.

MR. NEAL HOSS C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	DIRECTOR 1.00	0.	0.	0.
DR. JACQUELINE A. IBRAHIM C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	DIRECTOR 1.00	0.	0.	0.
MS. TRUDY MANGRUM C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	DIRECTOR 1.00	0.	0.	0.
MR. KEVIN P. SULLIVAN C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	CHAIR 1.00	0.	0.	0.
DR. SHARON D. WHITEHURST-PAYNE C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	DIRECTOR 1.00	0.	0.	0.
DR. ERNEST E. ZOMALT C/O 435 E. CARMEL STREET SAN MARCOS, CA 92078	DIRECTOR 1.00	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V-A		293,447.	58,690.	0.

FORM 990 IDENTIFICATION OF RELATED ORGANIZATIONS STATEMENT 18
PART VI, LINE 80B

NAME OF ORGANIZATION	EXEMPT	NONEXEMPT
SAN MARCOS UNIVERSITY CORPORATION 501(C)(3)	X	
CALIFORNIA STATE UNIVERSITY SAN MARCOS	X	

SCHEDULE A EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS STATEMENT 19
PART III, LINE 3A

SUBSTANTIALLY ALL FOUNDATION DISBURSEMENTS ARE MADE (1) FOR STUDENT SCHOLARSHIPS, (2) GRANTS AND CONTRACTS FOR APROVED PROJECTS, OR (3) FOR OPERATING EXPENSES. THE FINANCIAL AID OFFICE OF THE UNIVERSITY QUALIFIES APPLICANTS FOR SCHOLARSHIPS AND LOANS BASED ON CRITERIA OVER WHICH THE FOUNDATION HAS NO CONTROL. EXPENDITURES ON GRANTS AND CONTRACTS ARE CLOSELY MONITORED BY THE FOUNDATION STAFF TO COMPLY WITH SPONSOR REQUIREMENTS. THE FOUNDATION ACCOUNTS ARE EXAMINED ANNUALLY BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ▶ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

Part II **Additional (Not Automatic) 3-Month Extension of Time.** You must file original and one copy.

Type or print. File by the extended due date for filing the return. See instructions	Name of Exempt Organization UNIVERSITY AUXILIARY & RESEARCH SERVICES CORPORATION	Employer identification number 33-0397688
	Number, street, and room or suite no. If a P O box, see instructions. 435 E. CARMEL STREET	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. SAN MARCOS, CA 92078	

Check type of return to be filed (File a separate application for each return):

[X] Form 990 [ ] Form 990-EZ [ ] Form 990-T (sec 401(a) or 408(a) trust) [ ] Form 1041-A [ ] Form 5227 [ ] Form 8870
[ ] Form 990-BL [ ] Form 990-PF [ ] Form 990-T (trust other than above) [ ] Form 4720 [ ] Form 6069

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ GREG SVATORA, DIRECTOR OF FINANCE
  Telephone No. ▶ (760)750-4719 FAX No ▶
- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ . If this is for the whole group, check this box ▶ [ ] . If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until MAY 15, 2009 .

5 For calendar year ______ , or other tax year beginning JUL 1, 2007 , and ending JUN 30, 2008 .

6 If this tax year is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions.	8a	$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	$
c	**Balance Due.** Subtract line 8b from line 8a Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	8c	$ N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

COPY

Signature ▶ Title ▶ DIRECTOR OF FINANCE Date ▶

723832
04-16-08

A0685255

State of California
Secretary of State

I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That the attached transcript of 4 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

DEC 05 2008

Debra Bowen

DEBRA BOWEN
Secretary of State

Sec/State Form CE-107 (REV 1/2007)

OSP 06 99734

A0685255

ENDORSED - FILED
In the office of the Secretary of State
of the State of California

NOV 24 2008

RESTATED ARTICLES OF INCORPORATION

The undersigned certify that:

1. They are the Chairman of the Board and Secretary, respectively, of the California State University, San Marcos Foundation, a California nonprofit corporation.

2. The following restated Articles of Incorporation of the corporation has been approved by the Board of Directors:

ARTICLES OF INCORPORATION OF UNIVERSITY AUXILIARY AND RESEARCH SERVICES CORPORATION, A California Nonprofit Public Benefit Corporation

ARTICLE I
Name

The name of this corporation is: UNIVERSITY AUXILIARY AND RESEARCH SERVICES CORPORATION.

ARTICLE II
Corporate Status

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes.

ARTICLE III
Purposes

This Corporation is organized and operated solely for the benefit of California State University San Marcos. This corporation is organized as an auxiliary organization under Section 89900, et seq. of the California Education Code, exclusively for educational and charitable purposes within the meaning of Internal Revenue Code Section 501(c)(3) or the corresponding provision of any future United States internal revenue law for the following purposes:

(a) To operate exclusively for purposes within the meaning of the California Revenue and Taxation Code, Section 23701(d) (or corresponding provisions of any future California Revenue Law).

(b) Subject to the direction and approval of the University President or designee, to finance, construct and operate campus facilities and authorized auxiliary functions at California State University San Marcos, for the benefit of students, faculty, staff, and alumni in order to promote and assist the educational program of the University operating as an integrated part of the overall University campus program, and to apply the funds and properties coming into its control toward furthering the educational program carried on or approved by the University President or a designee.

(c) Subject to the direction and approval of the University President or designee, to purchase, own, sell and encumber and otherwise deal in and with such real and personal property as the Board of Directors or members of this corporation may find or consider to be suited to the primary purpose of advancing the welfare of California State University San Marcos, and for promoting the common educational interests of California State University San Marcos, as approved by the University President or a designee.

(d) To do or refrain from doing any lawful act or thing which at anytime may be authorized by the Board of Directors or members of this corporation, so long as the doing or refraining from doing the lawful act will advance the welfare of California State University San Marcos.

ARTICLE IV
Conformity with Law

The corporation shall be an auxiliary organization to California State University San Marcos, and shall conduct its operations in conformity with the California statutes governing such organizations (Chapter 7, commencing with Section 89900, of Part 55, Division 8, Title 3 of the Education Code) and the Regulations adopted by the Board of Trustees of California State University (Subchapter 6, commencing with Section 42400, of Chapter 1, Division 5 of Title 5 of the California Code of Regulations) as required by the Education Code, Section 89900(c).

Despite any other provision in these articles, the corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that do not further the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on by (a) corporation exempt from federal income tax under Internal Revenue Code Section 501 (c)(3) or the corresponding provision of any future United States internal revenue law, or (b) a corporation, contributions to which are deductible under Internal Revenue Code Section 170 (c)(2) or the corresponding provision of any future United States internal revenue law.

ARTICLE V
Exempt Status

No part of the net earnings of this corporation shall inure to the benefit of or be distributable to any of its directors, trustees, officers, private shareholders or members, or to individuals. The corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III hereof.

ARTICLE VI
Limitation on Activities

No substantial part of the activities of this corporation shall consist of lobbying or propaganda, or otherwise attempting to influence legislation; this corporation shall not participate in or intervene in (including the publishing or distributing statements) any political campaign on behalf of any candidate for public office.

ARTICLE VII
Irrevocable Dedication and Dissolution

This corporation irrevocably dedicates its assets for the benefit of California State University San Marcos. On the winding up and dissolution of this corporation, after paying or adequately providing for the debts, obligations, and liabilities, the remaining assets other than trust funds shall be transferred to a successor approved by the President of California State University San Marcos and by the Board of Trustees of California State University which has established its tax exempt status under 501(c)(3) of the Internal Revenue Code (or corresponding provisions of any future federal internal revenue law).

ARTICLE VIII
Officers and Directors

The Officers and number of Directors, their qualifications, powers, duties, terms of office, manner of removal and filling vacancies on the Board, and the manner of calling and holding meetings of Directors, shall be as stated in the Bylaws.

ARTICLE IX
Members

This corporation shall have no members other than the persons constituting its Board of Directors. The Board of Directors shall, under any statute or rule of law, be the members of this corporation and shall have all the rights and powers members would otherwise have.

ARTICLE X
Voting

Each voting member of the Board of Directors shall have one vote. There shall be no proxy voting permitted for the transaction of any of the business of this corporation.

ARTICLE XI
Amendment

The Articles of Incorporation of this corporation may be amended only by resolution of the Board of Directors adopted by a majority vote of the Board of Directors.

* * *

3. The directors are the only members of the corporation.

4. The foregoing Restated Articles of Incorporation has been approved by a resolution duly adopted by the Board of Directors by the required 2/3 vote of the total membership of the Board of Directors.

Each of the undersigned declares under penalty of perjury under the laws of the State of California that the statements set forth in the foregoing certificate are true and correct of his or her own knowledge, and that this declaration was executed on the below date.

Date: September 30, 2008

Kevin P. Sullivan, Chairman of the Board

Dara Frablock, Secretary

OFFICE OF THE SECRETARY OF STATE