

New Mexico State University, Arrowhead Center, Inc

2007-2008

# Financial Statements For the Years Ended June 30 2008 and 2007



Live, Learn and Thrive.™

**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

**Financial Statements**  
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**June 30, 2008 and 2007**

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**ARROWHEAD CENTER, INC.**  
*Board of Directors and Corporation Officers*

**2008 Directors**

Steve Anaya  
Kevin Boberg  
Jeffrey Brandon  
Garrey Carruthers  
Steve Castillo  
Waded Cruzado-Salas  
Lowell Catlett  
Vimal Chaitanya  
Blake Curtis  
Jay Jordan  
Bruce Kite  
Jim Manatt  
Michael Martin  
Sherman McCorkle  
Roy Miller  
Robert Moulton  
Van Romero  
Jennifer Taylor  
Steve Vierck  
Rick Wadley  
Fred Mondragon  
Michael Cheney  
Gregory Fant  
Ben Woods

**Officers**

Garrey Carruthers – President  
Vimal Chaitanya – Vice President  
Jennifer Taylor – Treasurer  
Jeff Brandon – Secretary  
Kevin Boberg – Chief Executive Officer

## Independent Auditors' Report

T 505-830-6200  
F 505-830-6282

Board of Directors  
Arrowhead Center, Inc. and  
Mr. Hector Balderas  
New Mexico State Auditor

We have audited the accompanying basic financial statements of Arrowhead Center, Inc. (Center) (a blended component unit of New Mexico State University) as of and for the year ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of the Center's management. Our responsibility is to express an opinion on these financial statements based on our audit. The 2007 financial statements of Arrowhead Center, Inc. were audited by other auditors whose report, dated November 14, 2007, expressed an unqualified opinion on those statements.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Center as of June 30, 2008, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Board of Directors  
Arrowhead Center, Inc. and  
Mr. Hector Balderas  
New Mexico State Auditor

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2008 on our consideration of the Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 5-7 is not a required part of the financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

*Moss Adams LLP*

Albuquerque, New Mexico  
November 12, 2008

**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

*Management's Discussion and Analysis*  
*For the Year Ended June 30, 2008*

(Unaudited)

This discussion and analysis of Arrowhead Center, Inc. (Arrowhead) and its financial performance provides an overview of Arrowhead's financial activities for the fiscal years ended June 30, 2008, 2007 and 2006. All accounting transactions for fiscal years 2008, 2007 and 2006 are considered to be governmental activities for purposes of applying the Governmental Accounting Standards Board's accounting standards.

**Financial Highlights**

- Arrowhead's net assets increased \$491,160 as a result of the acquisition of the leasing activities of Genesis Center, an operation previously overseen by New Mexico State University's Vice President for Research. In 2007, Arrowhead's net assets increased \$82,707 as a result of the acquisition of the Research Park Corporation and its daily operations.
- Operating revenue increased by \$16,701 and operating expenses increased by \$82,266, resulting in a shift from net operating income in fiscal year 2007 to net operating loss in fiscal year 2008. During 2007 operating revenue increased by \$310,400 and operating expenses increased by \$211,373, which caused a shift from net operating loss in fiscal year 2006 to net operating income in fiscal year 2007.
- The cash position increased by \$482,192. During the prior year, the cash position increased by \$47,546. The increase in 2008 is primarily due to the acquisition of the leasing activities.

**Using This Annual Report**

This annual report contains the following financial statements: Statement of Net Assets (Deficit), Statement of Revenues, Expenses, and Changes in Net Assets (Deficit), and Statement of Cash Flows. Arrowhead's address is: Arrowhead Center, Inc., MSC 3CR, P.O. Box 30001, Las Cruces, NM 88003.

**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

*Management's Discussion and Analysis*  
*For the Year Ended June 30, 2008*

**Overview of the Financial Statements**

The Statement of Net Assets (Deficit) of Arrowhead provides information about Arrowhead's overall financial status. The Statement of Revenues, Expenses, and Change in Net Assets (Deficit) provides information about the operating revenues and expenses and the non-operating revenues and expenses of Arrowhead. The Statement of Cash Flows provides information about the sources and uses of cash.

**Reporting on Arrowhead's Activities**

**Financial Highlights**

Arrowhead's condensed financial information as of, and for, the years ended June 30, 2008, 2007 and 2006 are provided in the following table:

	2008	2007	2006
Current assets	\$ 551,677	\$ 47,546	\$ -
Other assets	30,000	-	-
<b>Total assets</b>	<u>\$ 581,677</u>	<u>\$ 47,546</u>	<u>\$ -</u>
Current liabilities	86,451	43,480	78,641
Non-current liabilities	-	-	-
Net assets (deficit)	495,226	4,066	(78,641)
<b>Total liabilities and net assets</b>	<u>\$ 581,677</u>	<u>\$ 47,546</u>	<u>\$ -</u>
Operating revenues	\$ 409,693	\$ 392,992	\$ 82,592
Operating expenses	424,975	342,709	131,336
<b>Operating income (loss)</b>	<u>(15,282)</u>	<u>50,283</u>	<u>(48,744)</u>
Non-operating revenue	506,442	32,424	-
<b>Change in net assets (deficit)</b>	<u>491,160</u>	<u>82,707</u>	<u>(48,744)</u>
Net assets (deficit), beginning of year	4,066	(78,641)	(29,897)
<b>Net assets (deficit), end of year</b>	<u>\$ 495,226</u>	<u>\$ 4,066</u>	<u>\$ (78,641)</u>

**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

*Management's Discussion and Analysis*  
*For the Year Ended June 30, 2008*

**Statement of Net Assets**

**Assets** – The majority of the assets in 2008 and 2007 were in the form of cash, \$529,738 and \$47,546, respectively, all of which was held by Arrowhead's fiscal agent, New Mexico State University. Cash increased primarily as a result of the increase in net assets. There were no assets as of June 30, 2006.

**Liabilities and Net Assets** – In 2008 and 2007 current liabilities were \$86,451 and \$43,480, respectively. The 2008 net assets of \$495,226 were all classified as unrestricted. Net assets in 2007 were \$4,066; \$46,520 classified as restricted and the balance held as negative unrestricted net assets. The 2006 net assets were held as negative unrestricted net assets, with current liabilities equaling this deficit.

**Statement of Revenues, Expenses, and Changes in Net Assets**

**Revenues** – Operating revenue earned in 2008 was derived from private contracts, royalties, license fees, rental income, and the assumption of Genesis Center Activity. Operating revenue earned during 2007 was derived from private contracts, royalties and license fees.

**Expenses** – Total operating expenses increased by \$82,266 during in 2008 primarily because of the acquisition of the leasing activities of Genesis Center. In 2007, total operating expenses were \$342,709, primarily contracting, program and supporting services.

This financial report is designed to provide a general overview of Arrowhead's finances for all those with an interest in Arrowhead's finances.



**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

*Statements of Net Assets*  
*June 30, 2008 and 2007*

	2008	2007
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 529,738	\$ 47,546
Accounts receivable	21,939	-
<b>Long Term Assets</b>		
Investments	30,000	-
<b>TOTAL ASSETS</b>	<u>581,677</u>	<u>47,546</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	53,646	43,480
Deferred revenue	2,176	-
Contracts payable	30,629	-
<b>TOTAL LIABILITIES</b>	<u>86,451</u>	<u>43,480</u>
<b>NET ASSETS (DEFICIT)</b>		
Restricted for general activities	-	46,520
Unrestricted	495,226	(42,454)
<b>TOTAL NET ASSETS</b>	<u>\$ 495,226</u>	<u>\$ 4,066</u>
The accompanying notes are an integral part of these financial statements.		

**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

*Statements of Revenues, Expenses, and Changes in Net Assets  
For the Years Ended June 30, 2008 and 2007*

	2008	2007
<b>REVENUES</b>		
<b>Operating Revenues</b>		
Program services income	\$ 409,693	\$ 392,992
<b>EXPENSES</b>		
<b>Operating Expenses</b>		
Program services	4,606	5,500
Contractual services	-	210,873
Supporting services	420,369	126,336
<b>Total Operating Expenses</b>	<u>424,975</u>	<u>342,709</u>
Net Operating (Loss) Income	(15,282)	50,283
<b>NON OPERATING REVENUES (EXPENSES)</b>		
Assumption of Genesis Center Activity	506,442	-
Assumption of Component Unit Activity	-	32,424
<b>Increase in Net Assets</b>	<u>491,160</u>	<u>82,707</u>
<b>NET ASSETS</b>		
Beginning of Year	4,066	(78,641)
End of Year	<u>\$ 495,226</u>	<u>\$ 4,066</u>
The accompanying notes are an integral part of these financial statements.		

**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

*Statements of Cash Flows*  
*For the Years Ended June 30, 2008 and 2007*

	2008	2007
<b>Cash Flows from Operating Activities</b>		
Program services income	\$ 389,930	\$ 392,992
Payments to suppliers	<u>(384,180)</u>	<u>(377,870)</u>
Net cash (used) provided by operating activities	<u>5,750</u>	<u>15,122</u>
<b>Cash Flows from Investing Activities</b>		
Acquisition of Investments	(30,000)	-
Assumption of Genesis Center activities	506,442	-
Assumption of component unit	<u>-</u>	<u>32,424</u>
Net cash provided by investing activities	<u>476,442</u>	<u>32,424</u>
<b>Net Increase in Cash</b>	482,192	47,546
<b>Cash-Beginning of Year</b>	<u>47,546</u>	<u>-</u>
<b>Cash-End of Year</b>	<u>\$ 529,738</u>	<u>\$ 47,546</u>
<b>Reconciliation of Net Operating (Loss) Income to Net Cash Used by Operating Activities</b>		
Operating (Loss) Income	\$ (15,282)	\$ 50,283
Change in Assets and Liabilities:		
Increase in accounts receivable	(21,939)	-
Increase in deferred revenue	2,176	-
Increase in contract payable	30,629	-
Increase (decrease) in accounts payable	<u>10,166</u>	<u>(35,161)</u>
Net cash (used) provided by operating activities	<u>\$ 5,750</u>	<u>\$ 15,122</u>
The accompanying notes are an integral part of these financial statements.		

**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

*Notes to Financial Statements*  
*For the years ended June 30, 2008 and 2007*

**Note 1: Organization and Nature of Operations**

Arrowhead Center, Inc. (Arrowhead), formerly known as the New Mexico State University Technology Transfer Corporation, is organized pursuant to the provisions of the State of New Mexico's University Research Park Act of 1989 (Act). The purpose of the Act is to foster economic development within the State through the development of research parks or University real property, and through the cooperative ventures of innovative technological significance.

Arrowhead's purpose is to aid in the transfer of innovative technology between the faculty at New Mexico State University (the University) and the public.

Operating revenues are derived from royalties and license fees.

The University pays the legal fees associated with the licensing of patents, which are held in the University's name, until such time as the patent generates royalty income. Arrowhead will reimburse the University for any legal fees related to the licensing of patents generating revenues.

**Note 2: Summary of Significant Accounting Policies**

**Basis of Presentation.** The Governmental Accounting Standards Board's (GASB) Statement No. 39, *Determining Whether Certain Organizations are Component Units*, provides additional guidance to determine whether certain organizations for which the primary government is not financially accountable should be reported as component units based on the nature and significance of their relationship with the primary government. Under GASB 39 criteria, Arrowhead does not have any component units.

**Basis of Accounting.** The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

For financial reporting purposes, Arrowhead is considered a special-purpose government engaged only in business-type activities. Accordingly, the financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred.

**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

*Notes to Financial Statements*  
*For the years ended June 30, 2008 and 2007*

**Note 2: Summary of Significant Accounting Policies (continued)**

As a component unit of NMSU, the Corporation follows proprietary fund account as set forth in Statement No. 20 of the Governmental Accounting Standards Board, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting. Arrowhead has the option to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless the FASB pronouncement conflicts with GASB guidance. Arrowhead has elected to not apply FASB pronouncements issued after the applicable date.

**Statement of Net Assets.** Current assets consist of unrestricted assets, which are available for current operations or which will be available within one year.

**Cash and Investments.** Cash and cash equivalents consist of cash on hand and current investments, which are defined as investments that are readily convertible to known amounts of cash or which have an original maturity date within ninety days. Cash recorded in the Statement of Net Assets is held by the University in a cash management pool. Arrowhead follows all the University established cash management procedures. As of June 30, 2008, Arrowhead had \$30,000 of stock in a privately held company. Investments are required to be made in a prudent manner so as to ensure an acceptable yield with a minimum risk.

**Accounts Receivable.** The majority of the accounts receivable includes contracts with outside vendors to perform research and analysis studies. Accounts receivable are recorded net of estimated uncollectible amounts.

**Net Assets.** Arrowhead's net assets are classified as follows:

*Restricted net assets:* Restricted net assets include resources that the organization is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

*Unrestricted net assets:* Unrestricted net assets are used for financial transactions related to the operation of Arrowhead and may be used at the discretion of the governing board.

When an expense is incurred that can be paid using either restricted or unrestricted resources, Arrowhead's policy is to first apply the expense towards restricted resources, and then towards unrestricted resources.

**Income Taxes.** Arrowhead is exempt from federal income tax under section 501(a) of the Internal Revenue Code (IRC) as an organization described in section 501(c)(3). However,

**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

*Notes to Financial Statements*  
*For the years ended June 30, 2008 and 2007*

**Note 2: Summary of Significant Accounting Policies (continued)**

income generated from activities unrelated to Arrowhead's exempt purpose is subject to tax under IRC Section 511.

**Classifications of Revenues and Expenses.** Operating revenue and expenses are those incurred which relate directly to facilitating commercialization of NMSU faculty, staff and student inventions. Operational and patent cost funding from NMSU is recognized when all eligibility requirements have been met. Patent cost reimbursement is recognized when earned. All other revenue and expenses are considered non-operating.

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

**Budgetary Process.** Arrowhead is not required to submit its budgets to the New Mexico Higher Education Department (HED) or the New Mexico Department of Finance and Administration-State Budget Division (DFA).

**Other Significant Accounting Policies:** Other significant accounting policies are set forth in the following notes.

**Note 3: Cash and Investments**

Arrowhead follows all University cash management and investment policies.

**Interest Rate Risk.** In accordance with the investment policy, investment maturities for cash balances are scheduled to coincide with cash flows. Arrowhead does not commit any discretionary funds to maturities longer than ten years from the date of purchase. Funds are only committed to maturities longer than five years from the date of purchase if directly related to a specific capital or other long-term project. Investments of non-discretionary funds reflect maturity dates not to exceed the final maturity dates established within the funds' restrictive purposes. At least 50% of all investment balances are to be invested in maturities less than two years.

**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

*Notes to Financial Statements*

*For the years ended June 30, 2008 and 2007*

**Credit Risk.** As of June 30, 2008, Arrowhead purchased \$30,000 of stock in a privately held company that does not have a rating; Arrowhead's credit risk was insignificant.

**Concentration of Credit Risk.** Even though there was no diversification in Arrowhead's investments, this large concentration of a specific instrument does not pose a serious risk to Arrowhead.

**Custodial Credit Risk-Deposits.** In the case of deposits, this is the risk that in the event of a bank failure, Arrowhead's deposits may not be returned to it. Arrowhead does not have a deposit policy for custodial credit risk. Arrowhead's cash balance maintained in the University's cash pool, were \$529,738 and \$47,546 in June 30, 2008 and 2007, respectively.

**Custodial Credit Risk-Investments.** For an investment, this is the risk that, in the event of the failure of the counterparty, Arrowhead will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2008, Arrowhead's stock, valued at \$30,000, which was subject to custodial credit risk investment in Category 3 – uninsured and uncollateralized. As of June 30, 2007, Arrowhead had no other investment balances.

**Note 4: Related Party**

The University provides Arrowhead with various services at no charge including use of office space, supplies and personnel services. Support arising from the donated services of certain employees of the University is the most significant of the donated services. Such services are not recorded in the accompanying financial statements.

Additionally, the University pays legal fees associated with the licensing of patents, which are in the name of the University, until Arrowhead receives the patents royalty income. If and when revenues are received, Arrowhead will reimburse the University for any legal fees paid related to the license agreement generating the revenue. At June 30, 2008, Arrowhead was contingently liable for cumulative unreimbursed legal fees of approximately \$1,702,885. This total has been accruing since 1989, which averages approximately \$89,626 per year.

**Note 5: Assumptions**

In 2008, Arrowhead assumed Genesis Center's activity from the University. The activity consists of rental income and expenses related to renting office space located in the Genesis Center building on the south side of the University campus.

**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

*Notes to Financial Statements*  
*For the years ended June 30, 2008 and 2007*

**Note 5: Assumptions (continued)**

In 2007, Arrowhead assumed Research Park Corporation, a blended component of the University. All assets, liabilities, revenues and expenses are now a part of Arrowhead.

**Note 6: Contingencies**

*Insurance Coverage.* Arrowhead is exposed to various risks of loss from torts; thefts of, damage to, and destruction of assets; business interruption; and errors and omissions and natural disasters. Arrowhead is insured under the New Mexico State University's Risk Management for liability and casualty insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.



**Report on Internal Control Over Financial Reporting  
and On Compliance and Other Matters Based on an  
Audit of Financial Statements Performed in Accordance  
With *Government Auditing Standards***

Board of Directors  
Arrowhead Center, Inc. and  
Mr. Hector Balderas  
New Mexico State Auditor

We have audited the basic financial statements of Arrowhead Center, Inc. (Center), a blended component unit of New Mexico State University (University), as of and for the year ended June 30, 2008, and have issued our report thereon dated November 12, 2008. We conducted our audit 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Center's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control over financial reporting.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principle, such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

Board of Directors  
Arrowhead Center, Inc. and  
Mr. Hector Balderas  
New Mexico State Auditor

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, Management, the New Mexico State Auditor, and is not intended to be, and should not be used by anyone other than these specified parties.

*Moss Adams LLP*

Albuquerque, New Mexico  
November 12, 2008

**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

*Schedule of Findings and Responses*  
*For the Year Ended June 30, 2008*

FINDINGS – FINANCIAL STATEMENT AUDIT

PRIOR AUDIT FINDINGS

None

CURRENT AUDIT FINDINGS

None

**Arrowhead Center, Inc.**  
**(A Component Unit of New Mexico State University)**

*Exit Conference*  
*For the Year Ended June 30, 2008*

A closing conference was held on October 31, 2008, to discuss the current audit report and current and prior year auditor's comments. The parties agreed to the factual accuracy of the comments contained herein. In attendance were the following individuals:

Representing the Board of Regents for New Mexico State University

Robert Gallagher	Chair
Laura Conniff	Member

Representing New Mexico State University and Component Units

Waded Cruzado	Interim President
Jennifer Taylor	Senior Vice President for Business, Finance and Human Resources
Angela Throneberry	Associate Vice President for Business, Finance and Human Resources
Lori Gobble	Controller
Brenda Shannon	Director of Audit Services
Robert N. Franklin	Vice President for University Advancement
Tina Byford	Assistant Vice President for University Advancement
Minerva Rivera	Senior Financial Officer for Arrowhead Center, Inc.
Bruce Kite	General Counsel

Representing Moss Adams LLP

Wayne Brown	Managing Partner
Scott Eliason	Partner
Marlena Torres	Manager