

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE
FINANCIAL REPORT
MAY 31, 2018**

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE**

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To the Chair of the
Faculty-Student Association of
Schenectady County Community College

Report on the Financial Statements

We have audited the accompanying financial statements of the Faculty-Student Association of Schenectady County Community College (the Association), which comprise the balance sheets as of May 31, 2018 and 2017, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Faculty-Student Association of Schenectady County Community College as of May 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of bookstore and convenience store income, the schedules of cost of sales, and the schedule of functional expenses on pages 14 - 15 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Marvin and Company, P.C.

Latham, NY
September 19, 2018

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE, INC.
BALANCE SHEETS
MAY 31, 2018 AND 2017**

ASSETS

	2018	2017
Current Assets		
Cash and cash equivalents - unreserved	\$ 425,745	\$ 530,511
Cash - reserved	151,460	150,473
Accounts receivable - current portion, net of allowance	166,703	145,669
Prepaid expenses	18,083	26,042
Prepaid books	67,776	89,865
Inventory	335,192	393,989
Total Current Assets	1,164,959	1,336,549
Other Assets		
Investments - deferred compensation	320,293	383,379
Investments - other	310,199	280,719
Accounts receivable, net of current portion	45,000	60,000
Furniture, equipment and improvements at cost, net of accumulated depreciation of \$513,943 and \$490,408 respectively	790,200	828,606
Total Other Assets	1,465,692	1,552,704
TOTAL ASSETS	\$ 2,630,651	\$ 2,889,253

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable	\$ 33,419	\$ 105,787
Accrued expenses	38,657	48,543
Deferred revenue - current portion	15,000	15,000
Total Current Liabilities	87,076	169,330
Other Liabilities		
Deferred compensation payable	320,293	383,379
Deferred revenue, net of current portion	45,000	60,000
Total Other Liabilities	365,293	443,379
Total Liabilities	452,369	612,709
Net Assets		
Unrestricted	2,026,822	2,126,071
Board designated	151,460	150,473
Total Net Assets	2,178,282	2,276,544
TOTAL LIABILITIES AND NET ASSETS	\$ 2,630,651	\$ 2,889,253

See accompanying notes to financial statements.

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED MAY 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Revenues		
Bookstore and convenience store sales	\$ 2,076,316	\$ 2,327,479
SGA contract	20,460	20,460
Interest income and realized and unrealized gains/(losses)	25,507	50,010
Food service commission	10,117	9,468
Foundation contractual fees	15,000	15,000
Other commission	34,827	35,057
SUNY Child Care Grant	55,669	62,490
Textbook rental fees	17,553	30,643
Cap and gown fees	13,345	15,635
Other	22,360	19,252
Total Revenues	<u>2,291,154</u>	<u>2,585,494</u>
Program Service Expenses		
Child Care expenses	55,669	62,490
Faculty-student organization expense	58,296	97,011
Total Program Service Expenses	<u>113,965</u>	<u>159,501</u>
Operating Expenses		
Advertising	1,414	1,514
Bad debts	25	5,621
Bank service charges and credit card merchant charges	33,508	37,788
Depreciation	57,256	57,336
Dues and memberships	2,601	2,064
Facility fee	15,000	15,000
Freight out	16,993	11,779
Insurance	22,261	20,746
Office and operating supplies	10,786	9,039
Payroll taxes and employee benefits	120,245	122,931
Professional fees	12,458	10,869
Repairs and maintenance	55,126	49,641
Salaries	371,239	379,328
Seminars and travel	414	1,424
Telephone	2,362	3,147
Total Operating Expenses	<u>721,688</u>	<u>728,227</u>
Cost of sales	<u>1,553,763</u>	<u>1,700,281</u>
Total Expenses	<u>2,389,416</u>	<u>2,588,009</u>
Change in Net Assets	(98,262)	(2,515)
Net Assets, Beginning of Year	<u>2,276,544</u>	<u>2,279,059</u>
Net Assets, End of Year	<u>\$ 2,178,282</u>	<u>\$ 2,276,544</u>

See accompanying notes to financial statements.

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MAY 31, 2018 AND 2017**

	2018	2017
Cash Flows From Operating Activities		
Cash received from sales and commissions	\$ 2,244,588	\$ 2,509,817
Cash paid to suppliers and employees	(2,388,297)	(2,355,477)
Net Cash Provided (Used) By Operating Activities	(143,709)	154,340
Cash Flows From Investing Activities		
Purchases of equipment and improvements	(18,850)	(12,879)
Purchases of investments	(49,482)	(82,792)
Sale of investments	108,262	50,037
Net Cash Provided (Used) By Investing Activities	39,930	(45,634)
Net Increase (Decrease) in Cash and Cash Equivalents	(103,779)	108,706
Cash and Cash Equivalents, Beginning of Year	680,984	572,278
Cash and Cash Equivalents, End of Year	\$ 577,205	\$ 680,984
Reconciliation of Change in Net Assets to Net Cash Provided By Operating Activities		
Change in net assets	\$ (98,262)	\$ (2,515)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided By Operating Activities		
Net unrealized gain on investment	(25,174)	(44,833)
Bad debt expense	25	5,621
Depreciation	57,256	57,336
(Increase) decrease in assets:		
Accounts receivable	(6,059)	(10,667)
Inventory	58,797	74,581
Prepaid expenses	7,959	1,692
Prepaid books	22,089	181,455
Increase (decrease) in liabilities:		
Accounts payable	(72,368)	(140,261)
Accrued expenses	(9,886)	(9,772)
Deferred revenue	(15,000)	(15,000)
Deferred compensation payable	(63,086)	56,703
Net Cash Provided (Used) By Operating Activities	\$ (143,709)	\$ 154,340
Schedule of Noncash Investing Activities		
Unrealized gain on investments	\$ 25,174	\$ 44,833

See accompanying notes to financial statements.

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2018 AND 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Faculty-Student Association of Schenectady County Community College (the Association) is a not-for-profit corporation established under the membership corporation laws of New York State to provide, operate and manage services authorized by the Schenectady County Community College Board of Trustees (the College) in furtherance of educational activities. The Association entered into an agreement with the College, which expires May 31, 2023. Among other things, the College President approves the Association's annual operating budget prior to the release of any funds collected by the College for authorized services. The agreement authorizes the Association to provide food services, child care services and to operate the College bookstore as well as to provide other miscellaneous services. The Association has subcontracted with various vendors to provide food services, vending services and child care services. The College bookstore and convenience store are operated by the Association as a separate fund.

The Association is governed by a 15 member Board of Directors. The Board is comprised of 4 presidential appointees, 4 full-time elected faculty and 7 students (3 Student Government Executives and 4 are student appointees.)

The financial statements of the Association have been prepared on the accrual basis of accounting.

Related Parties

In addition to the activities with the College as noted above, the Association provides bookkeeping services to the Student Government Association of the Schenectady County Community College at an approximate fee of \$20,000 which is recorded on the SGA contract line on the statements of activities.

Financial Statement Presentation

The Association reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. There were no temporarily or permanently restricted net assets at May 31, 2018 and 2017.

The financial records of the Association are maintained in accordance with the principles of fund accounting, whereby resources and expenditures are classified into funds according to specified purposes or restrictions. The Association has two fund types which together comprise unrestricted net assets.

(a) Operating Fund

This includes all revenue and expenses over which the governing Board retains full control to use in achieving its stated purpose of providing auxiliary services to aid students, faculty, and staff in achieving the overall objectives of the College.

(b) College Bookstore and Convenience Store Fund

This fund accounts for the operation of the College bookstore and convenience store.

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2018 AND 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments with an initial maturity of three months or less are considered to be cash equivalents.

At May 31, 2018, reserved cash consists of \$126,460 reserved for equipment replacement and \$25,000 reserved for short-term needs.

At May 31, 2017, reserved cash consisted of \$125,473 reserved for equipment replacement and \$25,000 reserved for short-term needs.

Inventories

Prior to June 1, 2017, the Association reported inventories at the lower of cost or market. Cost was determined using the first-in, first-out (FIFO) method.

As of June 1, 2017, the Association began stating inventories prospectively at the lower of FIFO cost and net realizable value. This change was made in response to a recent FASB standard issued.

Under the prior method, "market" was replacement cost, subject to possible adjustments. Net realizable value is based on the selling price. The change is intended to reduce complexity in financial statement presentation.

This change had no significant effect on the change in net assets for May 31, 2018.

Board Designated

Board designated funds consist of amounts reserved for equipment replacement and short-term needs.

Reserve for Equipment Replacement

The reserve for equipment replacement was established in the February 8, 1993 agreement with the College to provide funds for the repair and replacement of College owned equipment. The change in the reserve from the preceding year's balance is as follows:

Balance, May 31, 2016	\$ 120,534
Increase - food service commissions	9,468
Decrease - equipment repair and subsidy	<u>(4,529)</u>
Balance, May 31, 2017	<u>\$ 125,473</u>
Balance, May 31, 2017	\$ 125,473
Increase - food service commissions	10,117
Decrease - equipment repair and subsidy	<u>(9,130)</u>
Balance, May 31, 2018	<u>\$ 126,460</u>

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2018 AND 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reserve for Short Term Needs

The reserve for short term needs was established by the Board of Directors at the November 16, 2006 meeting to provide for current needs of the College. There have been no changes to the reserve balance during the years ended May 31, 2018 and 2017.

Investments

Investments are recorded at fair value. Unrealized gains and losses are recorded in the Statement of Activities.

Furniture, Equipment and Improvements and Depreciation

Furniture, equipment and improvements are stated at cost less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the individual assets. Furniture and equipment are depreciated over 5 to 10 years; improvements are amortized over 31.5 years.

Maintenance and repairs are charged to operations when incurred, betterments and renewals are capitalized.

Use of Estimates

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

Advertising Costs

The Association uses advertising to promote its programs among the audiences it serves. Advertising costs are expensed as incurred.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, the allowance was \$22,000 for each year as of May 31, 2018 and 2017. Receivables also include \$60,000 related to a vending contract payable in annual installments of \$15,000; the amount was not discounted because it was not significant.

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2018 AND 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accrued Expenses

Accrued expenses consist primarily of accrued compensated absences for full-time employees who are within retirement age. Expenses are recognized in the period in which the employee earns the sick day. The Association pays out 50% of sick time upon retirement.

Deferred Revenue

Deferred revenue consists primarily of an exchange contract with the terms that extend beyond the balance sheet date. Revenue will be recognized as contributions in the period in which the entity realizes the contribution.

Tax Status

The Association is exempt from federal income taxes as it is a blended component unit of Schenectady County Community College and operates under its charter. Under Accounting Standards Codification (ASC) Section 740, the tax status of tax-exempt entities is an uncertain tax position, since events could potentially occur that jeopardize tax-exempt status. Management of the Association is not aware of any events that could jeopardize tax-exempt status. Therefore, no liability or provision for uncertain tax positions has been reflected in the financial statements.

Revenue Recognition

Contributions

All funding is considered available for the Association's operating fund unless specifically restricted by the funding agency. Amounts received that are designated for future periods or restricted by the funding agency are reported as temporarily or permanently restricted support and increase the respective class of net assets. Funding received with temporary restrictions that are met in the same reporting period are reported as unrestricted support and increase unrestricted net assets.

Bookstore and Convenience Store Sales

The Association receives revenue from the sales of books and other merchandise. Sales are recognized when shipped to or picked up by the customer.

Other Revenues

The remaining revenue categories are recognized as revenue when earned.

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2018 AND 2017**

2. OPERATIONS

The Association entered into an agreement to subcontract the Student Commons (food service) operation through May 31, 2019. The Association retains responsibility for utilities and equipment repair. The Association will receive \$10,000 over the remaining one-year term and receive commissions of guaranteed amounts and the potential for additional amounts based on attaining certain net sales levels.

The Association opened a child care center (Center) on September 1, 1992, and has contracted with the YWCA of Northeastern New York to operate the Center. The Center is designed to be self-supporting. The Association will not fund any deficits unless they have prior approval in the budget.

3. FURNITURE, EQUIPMENT AND IMPROVEMENTS, NET

A summary of the Association's furniture, equipment and improvements, net is as follows:

	<u>2018</u>	<u>2017</u>
Furniture and equipment	\$ 467,115	\$ 481,986
Improvements	<u>837,028</u>	<u>837,028</u>
Total	1,304,143	1,319,014
Less accumulated depreciation	<u>513,943</u>	<u>490,408</u>
Net Furniture, Equipment, and Improvements	<u>\$ 790,200</u>	<u>\$ 828,606</u>

4. CONCENTRATION OF CREDIT RISK

As of May 31, 2018, the Association had bank balances totaling approximately \$709,300. The balance in excess of FDIC limits, approximately \$362,200 is collateralized under the College's collateral agreement.

5. INVESTMENTS AND DEFERRED COMPENSATION AGREEMENTS

Investments consist of mutual funds. A portion of the investments reported on the balance sheet represent certain amounts set aside in accordance with deferred compensation agreements. The Association has entered into deferred compensation agreements with several key employees. All full time employees are eligible to receive the benefit. The agreements require a percentage of salaries to be paid into separate accounts for the benefit of each employee. The Association retains title to and beneficial ownership of the accounts until termination of employment, at which time the balance in the account is paid out in accordance with the agreements. These assets are subject to claims of the Association's general creditors in the event of bankruptcy. The investments are reported based on readily determinable fair values and as deferred compensation payable as of May 31.

The Association recorded the annual deferred compensation payments in employee benefits expense; \$45,176 and \$56,140 for the years ended May 31, 2018 and 2017, respectively. See footnote 6 for details of the fair value of this asset.

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2018 AND 2017**

6. FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America establishes a three-level hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels are described as follows.

- Level 1 - Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 - Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Association has adopted the provisions of Accounting Standards Update (ASU) 2009-12, *Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent)*. ASU 2009-12 allows for the estimation of fair value of investments in certain investment companies for which the investment does not have a readily determinable value by using net asset value (NAV) per share or its equivalent as a practical expedient. The Association uses this practical expedient for the valuation of the mutual funds.

The per share NAV of a fund is determined by dividing the total value of the fund's securities and other assets, less liabilities, by the total number of shares outstanding. In determining NAV, fund securities listed on the national securities exchanges, the Nasdaq National Market and foreign markets are valued at the closing prices on such markets, or if such price is lacking for the trading period immediately preceding the time of determination, such securities are valued at their current bid price. Fund securities that are traded on the over-the-counter market are valued at their closing bid prices. The values of foreign securities and currencies are translated to U.S. dollars using exchange rates in effect at the time of valuation. A fund may determine the fair value of individual securities held by it, by using prices provided by one or more independent pricing services which may provide market prices to their funds, or, as needed, by obtaining market quotations from independent broker-dealers. Short-term securities maturing within 60 days are valued on the amortized cost basis.

The following table sets forth a summary of the Association's investments with a reported estimated fair value using net asset value per share as of May 31:

	<u>Fair Value at May 31,</u>				
	<u>2018</u>	<u>2017</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Period Notice</u>
Investments	\$ <u>630,492</u>	\$ <u>664,098</u>	None	Daily	Daily

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2018 AND 2017**

6. FAIR VALUE MEASUREMENTS

The methods described above may produce a fair value calculation that may not be indicative of net realized value or reflective of future fair values. Furthermore, while the Association believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Fair values of assets measured on a recurring basis are as follows:

Fair Value Measurements at Reporting Date Using:

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
May 31, 2018				
Cash & Cash Equiv.	\$ 132	\$ -	\$ -	\$ -
Domestic Equity	153,092	-	-	-
International Equity	49,213	-	-	-
Blended Funds	24,432	-	-	-
Domestic Bond	304,405	-	-	-
International Bond	19,078	-	-	-
Government Bond	40,601	-	-	-
Other Bonds	19,199	-	-	-
Fixed Income	20,340	-	-	-
TOTAL (a)	<u>\$ 630,492</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
May 31, 2017				
Domestic Equity	\$ 141,913	\$ -	\$ -	\$ -
International Equity	34,895	-	-	-
Blended Funds	22,680	-	-	-
Domestic Bond	274,543	-	-	-
International Bond	17,282	-	-	-
Government Bond	37,707	-	-	-
Other Bonds	15,860	-	-	-
Fixed Income	119,218	-	-	-
TOTAL (a)	<u>\$ 664,098</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(a) In accordance with ASC Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit a reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2018 AND 2017**

6. FAIR VALUE MEASUREMENTS

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. For the years ended May 31, 2018 and 2017, there were no transfers in or out of levels 1, 2 or 3.

7. RISKS AND UNCERTAINTIES

The Association invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

8. SUBSEQUENT EVENTS

Management has evaluated events subsequent to the balance sheet date of May 31, 2018 through September 19, 2018, which is the date these financial statements were available to be issued and have determined that there are no subsequent events that require recording or disclosure.

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE, INC.
SCHEDULES OF BOOKSTORE AND CONVENIENCE STORE INCOME
FOR THE YEARS ENDED MAY 31, 2018 AND 2017**

	<u>2018</u>		<u>2017</u>	
	<u>Dollars</u>	<u>% To Sales</u>	<u>Dollars</u>	<u>% To Sales</u>
Sales	\$ 2,076,316	100.0	\$ 2,327,479	100.0
Cost of Sales	<u>1,553,763</u>	<u>74.8</u>	<u>1,700,281</u>	<u>73.1</u>
Gross Profit	522,553	25.2	627,198	26.9
Operating Expenses	<u>481,932</u>	<u>23.2</u>	<u>522,743</u>	<u>22.5</u>
Income from Operations	40,621	2.0	104,455	4.4
Other Income	<u>44,205</u>	<u>2.1</u>	<u>52,262</u>	<u>2.2</u>
INCOME IN EXCESS OF EXPENSES	<u>\$ 84,826</u>	<u>4.1</u>	<u>\$ 156,717</u>	<u>6.6</u>

**FACULTY-STUDENT ASSOCIATION OF
SCHENECTADY COUNTY COMMUNITY COLLEGE, INC.
SCHEDULES OF COST OF SALES
FOR THE YEARS ENDED MAY 31, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
Inventory - beginning	\$ 393,989	\$ 468,570
Purchases - net	1,469,461	1,598,801
Freight-in	25,505	26,899
Available for sale	<u>1,888,955</u>	<u>2,094,270</u>
Less inventory - ending	<u>335,192</u>	<u>393,989</u>
 Total Cost of Sales	 <u>\$ 1,553,763</u>	 <u>\$ 1,700,281</u>

**SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2018**

	<u>Bookstore and Convenience Store</u>	<u>Operating</u>	<u>Total</u>
Advertising	\$ 1,414	\$ -	\$ 1,414
Bad debts	25	-	25
Bank service fees and credit card merchant charges	33,508	-	33,508
Child Care expenses	-	55,669	55,669
Depreciation	57,256	-	57,256
Dues and memberships	1,060	1,541	2,601
Facility fee	15,000	-	15,000
Faculty-student organization expense	-	58,296	58,296
Freight out	16,993	-	16,993
Insurance	22,261	-	22,261
Office and operating supplies	9,342	1,444	10,786
Payroll taxes and employee benefits	66,583	53,662	120,245
Professional fees	7,222	5,236	12,458
Repairs and maintenance	17,207	37,919	55,126
Salaries	231,534	139,705	371,239
Seminars and travel	165	249	414
Telephone	2,362	-	2,362
 Total	 <u>\$ 481,932</u>	 <u>\$ 353,721</u>	 <u>\$ 835,653</u>