

SCHENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County
of Schenectady, New York)

ANNUAL REPORT

AUGUST 31, 2024

SCENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

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INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Schenectady County Community College

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Schenectady County Community College (the College) (a component unit of the County of Schenectady, New York), a business-type activity, and its discretely presented component units, as of and for the years ended August 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

We did not audit the financial statements of the Faculty-Student Association of Schenectady County Community College (the Association) which is shown as a discretely presented component unit, which represents 10.5% of total assets and 29.1% of the total revenues of the aggregate discretely presented component units. Those statements were audited by a component auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Association is based solely on the report of the component auditor.

In our opinion, based on our audit and the reports of the component auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the College and its discretely presented component units as of August 31, 2024 and 2023, and the respective changes in financial position and where applicable, cash flows thereof, for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The financial statements of the Association, audited by a component auditor, and Schenectady County Community College Foundation, Inc. (the Foundation) were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The accompanying supplementary information as listed in the table of contents, including the schedule of expenditures of federal awards required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit 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 GAAP. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2025 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely 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 effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Lynden & McCormick, LLP". The signature is written in a cursive, flowing style.

February 10, 2025

SCHENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)
Management's Discussion and Analysis
For the Years Ended August 31, 2024 and 2023 (Unaudited)

This section of Schenectady County Community College's (the College) Annual Report presents management's discussion and analysis (MD&A) of the College's financial activity for the year ended August 31, 2024. This MD&A presents information for 2024 in comparison with 2023 and 2022. This MD&A is designed to focus on current activities, resulting changes, and currently known facts. Please read it in conjunction with the financial statements and the related footnotes. Responsibility for the completeness and fairness of this information rests with the College's management.

The College has determined that the Faculty-Student Association of Schenectady County Community College, Inc. (the Association) and the Schenectady County Community College Foundation, Inc. (the Foundation) meet the requirements for presentation as discretely presented component units pursuant to current accounting guidance. As a result, the Association and Foundation are included in the College's reporting entity. Separately issued financial statements of the component units may be obtained from the College's business office.

The balance sheets report current financial resources, capital assets, deferred outflows of resources, current and long-term liabilities, deferred inflows of resources, and net position. The statements of revenues, expenses, and changes in net position focus on operating and non-operating revenues and expenses and capital appropriations of the College. The statements of cash flows summarize the cash activities of the College including operating, non-capital financing, capital financing, and investing activities.

These statements can help the user determine if the College, as a whole, is better or worse off as a result of the year's activities. Over time, increases or decreases in the net position of the College are one indicator of whether its financial health is improving or deteriorating. The user will need to consider many other non-financial factors, such as the trend in applicants and enrollment, student retention, and the condition of the physical buildings and infrastructure to assess the overall health of the College.

Financial Highlights

For the year ended August 31, 2024, the College's change in net position is \$(10,289,000), increasing the College's net position deficit from \$(2,781,000) at August 31, 2023 to \$(13,070,000) as of August 31, 2024. The following contributed to the change in net position:

- Other postemployment benefits (OPEB) liability increased by \$8,561,000 due primarily to changes of benefit terms required by the Inflation Reduction Act.
- Fulltime equivalent (FTE) students increased by 74 or 4% from 2023.
- The College's tuition rate for full-time students was \$2,412 per semester, an increase of \$60 from 2023. Tuition per credit hour was \$201 for 2024, an increase of \$5 from 2023.
- Total operating revenue increased by \$1,433,000 due primarily to an increase in federal, state and local grants of \$1,431,000.
- Operating expenses increased by \$12,843,000 due primarily to an increase in the Other Postemployment Benefits (OPEB) expense of \$10,770,000.
- Non-operating revenue decreased by \$2,992,000 due primarily to a decrease in federal non-operating grants of \$3,767,000, offset by an increase in federal and state financial aid of \$582,000.
- Capital appropriations increased by \$410,000.

For the year ended August 31, 2023, the College's change in net position is \$3,701,000, reducing the College's net position deficit from (\$6,482,000) at August 31, 2022 to (\$2,781,000) as of August 31, 2023. The following contributed to the change in net position:

- Fulltime equivalent (FTE) students decreased by 72 or 4% from 2022.
- The College's tuition rate for full-time students was \$2,352 per semester, an increase of \$48 from 2022. Tuition per credit hour was \$196 for 2023, an increase of \$4 from 2022.
- Total operating revenue increased by \$1,384,000 due primarily to an increase in state and local grants of \$1,771,000.
- Operating expenses decreased by \$678,000.
- Non-operating revenue decreased by \$4,114,000 due primarily to a decrease in federal non-operating grants of \$4,822,000, offset by an increase in other counties' appropriations of \$570,000.
- Capital appropriations increased by \$2,519,000.

Condensed Balance Sheets
As of August 31, 2024, 2023, and 2022

	2024	2023	2022
Current assets	\$ 18,485,000	\$ 19,991,000	\$ 15,492,000
Net pension asset	257,000	-	1,672,000
Capital assets, net of depreciation	42,632,000	41,498,000	39,529,000
Total assets	61,374,000	61,489,000	56,693,000
Deferred outflows of resources	5,742,000	6,285,000	9,652,000
Total assets and deferred outflows of resources	\$ 67,116,000	\$ 67,774,000	\$ 66,345,000
Current liabilities	\$ 15,203,000	\$ 14,647,000	\$ 9,737,000
Net pension and OPEB liabilities	48,642,000	40,794,000	37,401,000
Leases	1,127,000	1,708,000	2,347,000
Total liabilities	64,972,000	57,149,000	49,485,000
Deferred inflows of resources	15,214,000	13,406,000	23,342,000
Net position			
Net investment in capital assets	41,505,000	39,790,000	37,183,000
Unrestricted (deficit)	(54,575,000)	(42,571,000)	(43,665,000)
Total net position (deficit)	(13,070,000)	(2,781,000)	(6,482,000)
Total liabilities, deferred inflows of resources, and net position	\$ 67,116,000	\$ 67,774,000	\$ 66,345,000

FY 23-24

Net position (deficit) amounted to \$(13,070,000) as of August 31, 2024. The total OPEB liability of \$45,798,000 is the primary reason for the College's unrestricted deficit as of August 31, 2024. College management believes that the deficit position is similar to virtually all other governmental entities in NYS that provide postemployment healthcare benefits to their employees.

Total assets decreased by \$115,000 from 2023 to 2024 as a result of the following: a net decrease in due from federal, state, and other receivables of \$1,137,000 due timing of grants receivables at year end; a decrease in cash of \$435,000 due to negative cash flows at year end; offset by a net increase in capital assets of \$1,334,000 related to the College's capital projects financed by the County and the State and an increase in the net pension asset of \$257,000 as the College's proportionate share of the New York State Teachers' Retirement System (TRS) switched to an asset position in 2024.

Total liabilities increased by \$7,823,000 from 2023 to 2024 as a result of the following: an increase in net pension and OPEB liabilities of \$7,848,000 primarily due to an increase in the OPEB liability of \$8,561,000 and an increase in unearned revenue of \$373,000 related to increases in the funding advance from Schenectady County for the Schenectady Promise program, offset by decreases in the funding advance from the State University of New York (SUNY) Apprenticeship program. These increases were offset by a decrease in lease liabilities of \$581,000 from 2023 to 2024 due to expected current year lease payments.

The net pension liability is the College's proportionate share of the New York State and Local Retirement System (ERS) which went from \$3,451,000 in 2023 to \$2,844,000, a decrease of \$607,000. The net pension liability at August 31, 2023, included \$106,000 for TRS, which is an asset of \$257,000 at August 31, 2024. These changes are primarily the result of differences between projected and actual earnings on pension plan investments and are determined by an actuarial valuation on the entire ERS and TRS net pension positions. The College's proportionate share is required to be reflected on the balance sheet.

Changes in deferred outflows and deferred inflows of resources reflect changes in OPEB as well as pension activity at the State level. Deferred outflows of resources include contributions required to be paid by the College to the State pension systems after the measurement date, and as such are not included in the current net pension position. Deferred outflows and deferred inflows of resources also reflect variances from actuarial assumptions, actual results of investment earnings compared to projected earnings, and changes of assumptions. The College has no control or authority over these transactions relative to pensions.

FY 22-23

Net position (deficit) amounted to \$(2,781,000) as of August 31, 2023. The total Other Postemployment Benefits (OPEB) liability of \$37,237,000 is the primary reason for the College's unrestricted deficit as of August 31, 2023. College management believes that the deficit position is similar to virtually all other governmental entities in NYS that provide postemployment healthcare benefits to their employees.

Total assets increased by \$4,796,000 from 2022 to 2023 as a result of the following: a net increase in capital assets of \$1,969,000 related to the College's capital projects financed by the County and the State; an increase in cash of \$5,075,000 due to positive cash flows at year end; offset by a decrease in the net pension asset of \$1,672,000 as the College's proportionate share of the New York State and Local Employees' Retirement System (ERS) switched to a liability position in 2023.

Total liabilities increased by \$7,664,000 from 2022 to 2023 as a result of the following: an increase in unearned revenue of \$4,823,000 related to increased funding advance from the State University of New York (SUNY) Apprenticeship program and an increase in net pension and OPEB liabilities of \$3,393,000 primarily due to an increase in the net pension liability of \$3,356,000. These increases were offset by a decrease in lease liabilities of \$639,000 from 2022 to 2023 due to expected current year lease payments.

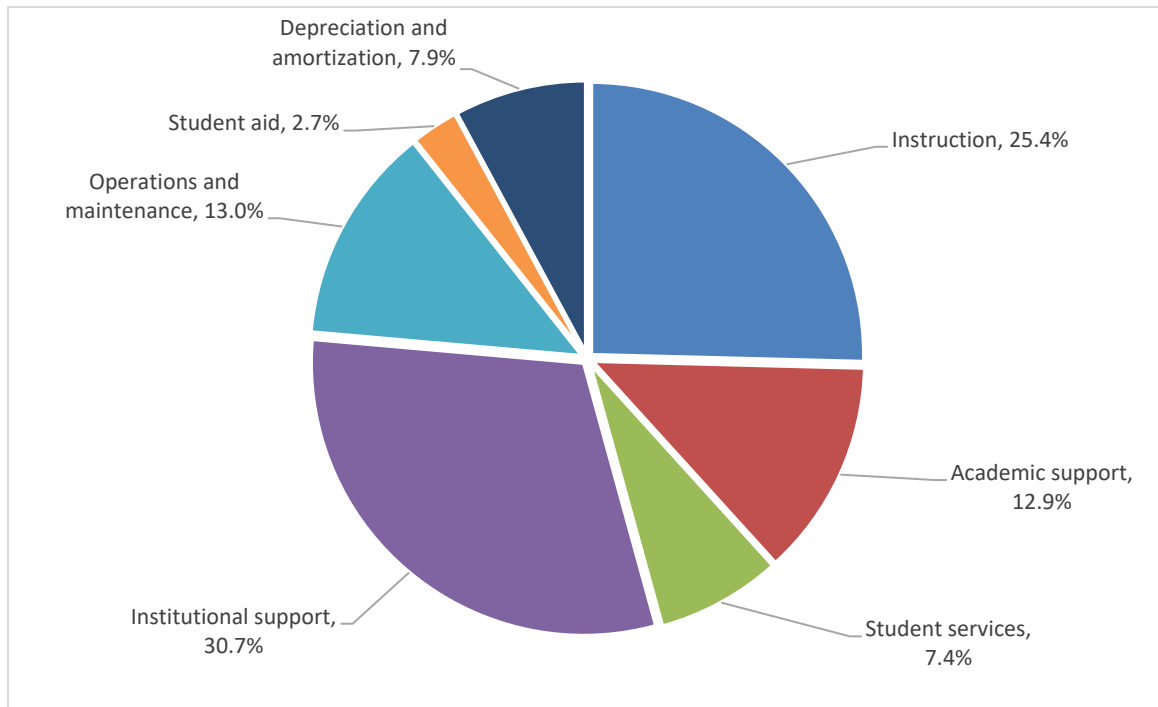
The net pension liability is the College's proportionate share of the New York State Teachers' Retirement System (TRS) which went from a liability in the amount of \$201,000 in 2022 to a liability in 2023 in the amount of \$106,000, a decrease of \$95,000 and ERS which went from an asset in the amount of \$1,672,000 in 2022 to a liability in 2023 of \$3,451,000, a decrease of \$5,123,000. These changes are primarily the result of differences between projected and actual earnings on pension plan investments and are determined by an actuarial valuation on the entire ERS and TRS net pension positions. The College's proportionate share is required to be reflected on the balance sheet.

Operating Expenses

Operating Expenses For the Years Ended August 31, 2024, 2023, and 2022

	2024	2023	2022
Instruction	\$ 11,585,000	\$ 7,686,000	\$ 6,836,000
Academic support	5,868,000	4,293,000	3,797,000
Student services	3,395,000	1,733,000	1,639,000
Institutional support	13,982,000	8,846,000	7,118,000
Operations and maintenance	5,907,000	4,985,000	4,728,000
Student aid	1,274,000	1,866,000	6,111,000
Depreciation and amortization	3,584,000	3,343,000	3,201,000
Total	\$ 45,595,000	\$ 32,752,000	\$ 33,430,000

Percentage of Operating Expenses For the Year Ended August 31, 2024



FY 23-24

Total operating expenses for the 2023-24 fiscal year increased by \$12,843,000 or 39.2% from the prior fiscal year. Changes affecting the variation are:

- Payroll expense remained consistent from the prior year, however, employee benefits, which are allocated across all functions, increased \$11,859,000. Net pension expense recognized in 2024 was \$1,530,000 compared to \$1,256,000 in 2023. OPEB expense recognized in 2024 was \$10,770,000 compared to income recognized of \$350,000 in 2023.
- Student aid decreased \$592,000, primarily due to funding received from the Federal Higher Education Emergency Relief Fund (HEERF) for emergency grants to students decreasing by \$339,000 from 2023.

FY 22-23

Total operating expenses for the 2022-23 fiscal year decreased by \$678,000 or 2.0% from the prior fiscal year. Changes affecting the decrease are:

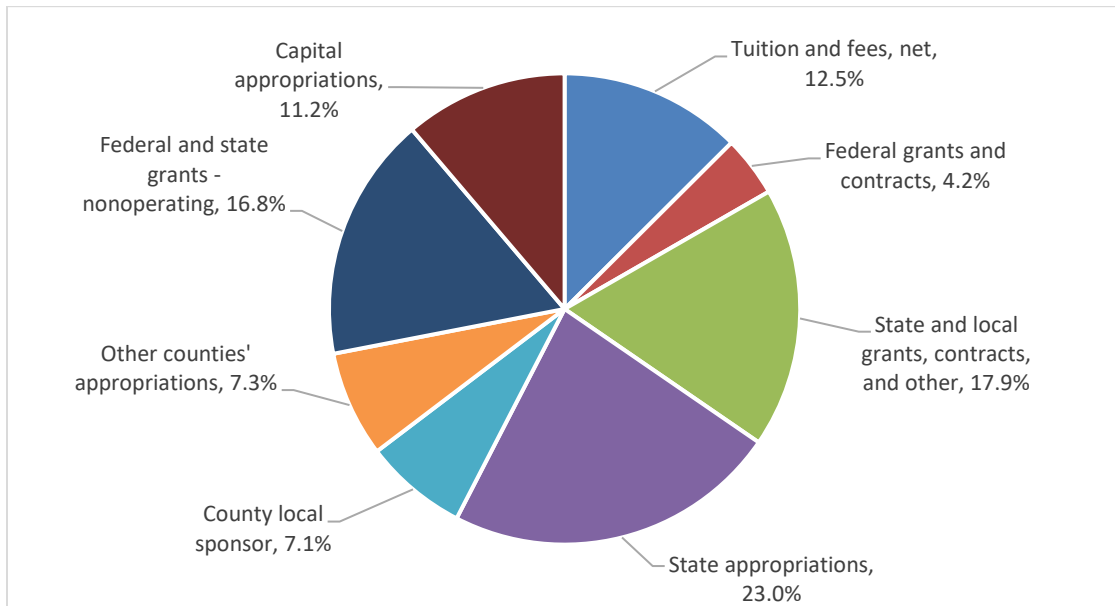
- Payroll expense remained consistent from the prior year, however, employee benefits, which are allocated across all functions, increased \$2,345,000. Net pension expense recognized in 2023 was \$1,256,000 compared to \$200,000 in 2022. OPEB income recognized in 2023 was \$350,000 compared to income recognized of \$1,436,000 in 2022.
- Student aid decreased \$4,245,000, primarily due to funding received from the Federal Higher Education Emergency Relief Fund (HEERF) for emergency grants to students decreasing by \$4,320,000 from 2022.

Revenues

Revenues For the Years Ended August 31, 2024, 2023, and 2022

	2024	2023	2022
Tuition and fees, net	\$ 4,431,000	\$ 4,604,000	\$ 4,556,000
Federal grants and contracts	1,473,000	1,000,000	1,429,000
State and local grants, contracts, and other	6,323,000	5,190,000	3,419,000
State appropriations	8,130,000	8,123,000	8,033,000
County appropriations – local sponsor	2,508,000	2,459,000	2,411,000
Other counties' appropriations	2,575,000	2,456,000	1,886,000
Federal and state grants - nonoperating	5,950,000	9,136,000	13,958,000
Capital appropriations	3,966,000	3,556,000	1,037,000
Total	\$ 35,356,000	\$ 36,524,000	\$ 36,729,000

Percentage of Revenues For the Year Ended August 31, 2024



FY 23-24

Total revenues for the 2023-24 fiscal year decreased by \$1,168,000 or 3.2% from the prior fiscal year. Changes affecting the variation are:

- Net tuition decreased by \$173,000 due to an increase in scholarship allowance of \$642,000 which effectively decreased net tuition. This decrease was offset by increases in enrollment of 72 fulltime equivalent (FTE) students.
- Federal grants and contracts and Federal and state grants – non-operating together totaled \$7,423,000 in 2024, a decrease of \$2,713,000 from the prior year. This decrease is primarily related a \$3,768,000 decrease in HEERF funding in the current year; offset by increases in Pell and Tap grants of \$582,000.
- Capital appropriations were \$3,966,000 in 2024, an increase of \$410,000 from the prior year. This is the cost of new capital projects at the College that were funded by the County and the State and will fluctuate year to year depending on the status of projects.
- State and local grants, contracts and other totaled \$6,323,000 in 2024, an increase of \$1,133,000 from the prior year. This increase is related to additional funding received related to the SUNY Apprenticeship program and SUNY Enrollment program.

FY 22-23

Total revenues for the 2022-23 fiscal year decreased by \$205,000 or 0.6% from the prior fiscal year. Changes affecting the variation are:

- Net tuition increased by \$48,000 due to increases in service fees charged to students, offset by a decline in enrollment of approximately 72 fulltime equivalent (FTE) students. Additionally, the scholarship allowance decreased which effectively increased net tuition.
- Capital appropriations were \$3,556,000 in 2023, an increase of \$2,519,000 from the prior year. This is the cost of new capital projects at the College that were funded by the County and the State and will fluctuate year to year depending on the status of projects.
- State and local grants, contracts and other totaled \$5,190,000 in 2023, an increase of \$1,771,000 from the prior year. This increase is related to additional funding received related to the SUNY Apprenticeship program.
- Federal grants and contracts and Federal and state grants – non-operating together totaled \$10,136,000 in 2023, a decrease of \$5,251,000 from the prior year. This decrease is primarily related a \$4,808,000 decrease in HEERF funding in the current year and a \$448,000 decrease in the Healthy Profession Opportunity Grants program, which ended in 2022.

Capital Assets

The primary cost of campus facilities is shared by the County and the State. Pursuant to State Education Law relative to community colleges, title to real property rests in and is held by the local sponsor (the County) in trust for the use and purpose of the College. The College has a stewardship responsibility as such assets are integral to the operations of the College; therefore, the College capitalizes and depreciates all campus facility activity.

For the year ended August 31, 2024, additions to capital assets amounted to \$4,718,000 and is offset by depreciation and amortization expense of \$3,584,000.

For the year ended August 31, 2023, additions to capital assets amounted to \$5,313,000 and is offset by depreciation and amortization expense of \$3,344,000.

Details of these assets are shown below.

Capital Assets
As of August 31 2024, 2023, and 2022

	2024	2023	2022
Land	\$ 713,000	\$ 713,000	\$ 713,000
Construction in progress	4,172,000	2,044,000	964,000
Buildings, infrastructure, and improvements	77,969,000	76,132,000	73,655,000
Furniture, fixtures, and equipment	12,799,000	12,046,000	10,290,000
	95,653,000	90,935,000	85,622,000
Accumulated depreciation	(53,762,000)	(50,903,000)	(48,284,000)
	41,891,000	40,032,000	37,338,000
Right-to-use leased building, net of amortization	741,000	1,466,000	2,191,000
	\$ 42,632,000	\$ 41,498,000	\$ 39,529,000

Leases

At August 31, 2024, the College had \$1,127,000 of outstanding leases, with \$599,000 due within one year. At August 31, 2023, the College had \$1,708,000 of outstanding leases, with \$581,000 due within one year. During 2022 the College implemented GASB 87 which resulted in a beginning of year restatement to leases of \$2,823,000 to account for leased buildings. More detailed information about the College's leases is presented in the notes to the financial statements.

Economic Factors That May Affect the Future

The College's student enrollment increased 4.2% from 2022-23 levels due to increased recruitment and retention efforts and the end of the global pandemic. The College's enrollment continues to be less than pre-pandemic levels due to its lingering effects on learning and demographic trends in higher education. This remained consistent with student enrollments at other New York State community colleges during the same period.

In 2023-24, prior year HEERF funding for lost revenues ceased due to the ending of this pandemic-related Federal program. New York State support for the College remained at \$8.0 million which was consistent with 2022-23, 2021-22 and 2020-21 levels. Local county support increased 2% from the prior year amount to \$2.5 million. The College continued its focus on student retention and support services through this period through the completion of capital projects and student success initiatives. To compensate for declining enrollments, the College strategically committed \$1.6M from the fund balance to offset enrollment-related declines.

During 2022-23, the College implemented the Advancing Success in Associate Pathways (ASAP) program that provided a structured pathway to help students gain and maintain academic momentum and create connected communities through integrated support and engagement activities. This program, funded by SUNY, removes financial barriers to full-time study to help ensure academic success. Benefits of ASAP include direct financial support to students for cost of attendance, transportation and textbooks, in addition to personalized advisement services. Through this program, student retention towards completion has significantly increased.

To support enrollment efforts, the College launched several key initiatives funded by SUNY. These projects include the implementation of AdAstra, an integrated software system designed to optimize course section planning and scheduling; the installation of two large electronic signs on the main campus to keep the community informed about college events and enrollment opportunities; and the creation of an eSports competitive program, along with other initiatives aimed at attracting and retaining students.

The College continued to embark on capital projects to improve the student experience and repair critical infrastructure. A new Student Services Center in Stockade Hall was completed that provides students with a one-stop advising location where academic and professional guidance is provided. At the same time, boilers in Stockade Hall were replaced with new and more energy efficient models. The main chemistry laboratory in the Center for Science and Technology received a complete renovation. Furniture, fume hoods, flooring and ceilings were replaced to provide a new state of the art facility. The Stockade Hall lecture centers were renovated and new instructional technology in both the lecture center and various classrooms were replaced. Emergency telephones located in the parking lots were replaced with new stations. A new campus-wide emergency generator was installed to ensure reliable power on the main campus to support critical IT systems and ensure continuity of programs.

Contact for the College's Financial Management

This financial report is designed to provide the College community, oversight agencies, and County taxpayers with a general overview of the College's finances and demonstrate the College's accountability for the money it receives. If you have any questions about this report or need additional information, contact Patrick C. Ryan, Vice President of Administration, 78 Washington Avenue, Schenectady, New York 12305 or by e-mail at ryanpc@sunysccc.edu.

SCENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Balance Sheets

August 31,	2024	2023
Assets		
Current assets:		
Cash	\$ 16,415,549	\$ 16,850,220
Accounts and other receivables, net (Note 3)	279,836	229,728
Due from federal, state, and other governments	1,652,960	2,789,743
Prepaid expenses	136,381	121,537
	<u>18,484,726</u>	<u>19,991,228</u>
Noncurrent assets:		
Net pension asset (Note 6)	257,104	-
Capital assets, net (Note 4)	42,631,503	41,497,777
Total assets	<u>61,373,333</u>	<u>61,489,005</u>
Deferred outflows of resources		
Deferred outflows of resources related to pensions (Note 6)	3,033,469	3,151,831
Deferred outflows of resources related to OPEB (Note 8)	2,708,965	3,133,651
Total deferred outflows of resources	<u>5,742,434</u>	<u>6,285,482</u>
Total assets and deferred outflows of resources	<u>\$ 67,115,767</u>	<u>\$ 67,774,487</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 5,136,117	\$ 5,004,616
Unearned revenue	9,537,841	9,165,068
Due to related entities	529,268	477,020
Leases (Note 5)	598,697	581,259
	<u>15,801,923</u>	<u>15,227,963</u>
Noncurrent liabilities:		
Leases (Note 5)	528,048	1,126,745
Net pension liability (Note 6)	2,844,018	3,557,339
Total OPEB liability (Note 8)	45,797,826	37,237,027
Total liabilities	<u>64,971,815</u>	<u>57,149,074</u>
Deferred inflows of resources		
New York State tuition assistance	450,306	457,978
Deferred inflows of resources related to pensions (Note 6)	1,925,159	323,548
Deferred inflows of resources related to OPEB (Note 8)	12,838,949	12,624,376
Total deferred inflows of resources	<u>15,214,414</u>	<u>13,405,902</u>
Net position		
Net investment in capital assets	41,504,758	39,789,773
Unrestricted (deficit)	(54,575,220)	(42,570,262)
Total net position	<u>(13,070,462)</u>	<u>(2,780,489)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 67,115,767</u>	<u>\$ 67,774,487</u>

See accompanying notes.

SCENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Statements of Revenues, Expenses, and Changes in Net Position

For the years ended August 31,	2024	2023
Operating revenues:		
Tuition and fees	\$ 9,097,190	\$ 8,626,786
Less scholarship allowances	4,666,502	4,024,371
Net tuition and fees	4,430,688	4,604,415
Federal grants and contracts	1,473,537	999,524
State and local grants and contracts	5,531,246	4,574,183
Other revenues	785,119	608,979
Total operating revenues	12,220,590	10,787,101
Operating expenses:		
Instruction	11,584,769	7,685,982
Academic support	5,867,897	4,292,846
Student services	3,394,858	1,733,401
Institutional support	13,982,402	8,845,605
Operations and maintenance	5,907,160	4,984,971
Student aid	1,273,780	1,866,424
Depreciation and amortization	3,584,324	3,343,132
Total operating expenses	45,595,190	32,752,361
Operating loss	(33,374,600)	(21,965,260)
Non-operating revenues (expenses):		
County appropriations - local sponsor	2,508,134	2,458,955
Other counties' appropriations	2,575,584	2,455,943
State appropriations	8,129,854	8,123,124
Federal and state financial aid	5,781,981	5,199,675
Federal non-operating grants	168,318	3,935,652
Interest income	6,239	7,625
Interest expense	(51,240)	(70,396)
Total non-operating revenues	19,118,870	22,110,578
Income (loss) before capital appropriations	(14,255,730)	145,318
Capital appropriations	3,965,757	3,555,948
Change in net position	(10,289,973)	3,701,266
Net position - beginning of year	(2,780,489)	(6,481,755)
Net position - end of year	\$ (13,070,462)	\$ (2,780,489)

See accompanying notes.

SCENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Statements of Cash Flows

For the years ended August 31,	2024	2023
Operating activities:		
Tuition and fees, net	\$ 5,572,338	\$ 4,628,145
Federal, state, and local grants and contracts	7,362,388	10,173,657
Payments to employees for services and benefits	(20,809,026)	(20,411,471)
Payments to vendors and suppliers	(9,861,797)	(8,582,929)
Student aid	(1,273,780)	(1,866,424)
Other	738,900	589,468
Net operating activities	(18,270,977)	(15,469,554)
Non-capital financing activities:		
State appropriations	8,129,854	8,123,124
County appropriations	5,078,163	4,914,543
Federal and state financial aid	5,860,828	5,296,355
Federal non-operating grant	146,014	4,667,956
Net non-capital financing activities	19,214,859	23,001,978
Capital and related financing activities:		
Purchases of capital assets	(752,293)	(1,755,654)
Principal payments on leases	(581,259)	(638,521)
Interest on leases	(51,240)	(70,396)
Net capital and related financing activities	(1,384,792)	(2,464,571)
Investing activities:		
Interest income	6,239	7,625
Net change in cash	(434,671)	5,075,478
Cash - beginning of year	16,850,220	11,774,742
Cash - end of year	\$ 16,415,549	\$ 16,850,220
Reconciliation of net operating loss to net cash flows used in operating activities:		
Operating loss	\$ (33,374,600)	\$ (21,965,260)
Adjustments to reconcile operating loss to net cash flows from operating activities:		
Depreciation and amortization	3,584,324	3,343,132
Net pension activity	749,548	559,862
Net OPEB activity	9,200,058	(2,137,435)
Changes in other assets and liabilities:		
Accounts and other receivables	(50,108)	(17,892)
Due from federal, state, and other governments	1,078,123	(260,366)
Prepaid expenses	(14,844)	99,375
Accounts payable and accrued liabilities	131,501	26,603
Unearned revenue	372,773	4,823,265
Due to related entities	52,248	59,162
Net operating activities	\$ (18,270,977)	\$ (15,469,554)
Non-cash transactions:		
Construction costs funded by State and County	\$ 3,965,757	\$ 3,555,948

See accompanying notes.

SCENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Balance Sheets Component Units			Restated	
	May 31, 2024	August 31, 2024	May 31, 2023	August 31, 2023
	Association	Foundation	Association	Foundation
Assets				
Current assets:				
Cash	\$ 65,195	\$ 316,044	\$ 86,353	\$ 238,156
Contributions and other receivables, net	47,025	65,630	79,750	102,757
Bookstore inventory	113,782	-	175,303	-
Prepaid expenses	25,769	-	33,634	-
	<u>251,771</u>	<u>381,674</u>	<u>375,040</u>	<u>340,913</u>
Noncurrent assets:				
Contributions and other receivables, net	7,500	93,733	10,000	7,535
Property and equipment, net	559,205	-	613,099	-
Investments	564,574	11,269,164	533,246	9,954,808
	<u>1,131,279</u>	<u>11,362,897</u>	<u>1,156,345</u>	<u>9,962,343</u>
Total assets	<u>\$ 1,383,050</u>	<u>\$ 11,744,571</u>	<u>\$ 1,531,385</u>	<u>\$ 10,303,256</u>
Liabilities and Net Assets				
Liabilities:				
Current liabilities:				
Due to College	\$ -	\$ 122,930	\$ -	\$ 21,602
Accounts payable and accrued liabilities	160,591	307	212,486	10,711
Deferred revenue	2,500	5,000	2,500	5,000
Agency funds	-	220,170	-	251,399
	<u>163,091</u>	<u>348,407</u>	<u>214,986</u>	<u>288,712</u>
Noncurrent liabilities:				
Deferred revenue	7,500	-	10,000	-
Deferred compensation agreement	317,743	-	262,755	-
Total liabilities	<u>488,334</u>	<u>348,407</u>	<u>487,741</u>	<u>288,712</u>
Net assets:				
Without donor restrictions	894,716	1,953,363	1,043,644	2,156,285
With donor restrictions	-	9,442,801	-	7,858,259
Total net assets	<u>894,716</u>	<u>11,396,164</u>	<u>1,043,644</u>	<u>10,014,544</u>
Total liabilities and net assets	<u>\$ 1,383,050</u>	<u>\$ 11,744,571</u>	<u>\$ 1,531,385</u>	<u>\$ 10,303,256</u>

See accompanying notes.

SCHENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

**Statements of Activities
Component Units**

For the years ended	May 31, 2024	August 31, 2024	Restated May 31, 2023	August 31, 2023
	Association	Foundation	Association	Foundation
Changes in net assets without donor restrictions:				
Revenue and other support:				
Sales and services	\$ 954,284	\$ -	\$ 944,178	\$ -
Student fees and related services	37,873	-	38,999	-
Contributions - in-kind	-	176,910	-	194,666
Contributions - public support	-	157,884	-	27,161
Contributions - SUNY grant	63,168	-	71,382	-
Special events	-	112,255	-	97,149
Investment income (loss)	27,431	333,313	(2,311)	164,863
Other income	27,743	2,708	13,240	2,535
Net assets released from restriction	-	589,833	-	623,746
Total revenue and other support without donor restrictions	1,110,499	1,372,903	1,065,488	1,110,120
Expenses:				
Cost of sales	609,059	-	585,773	-
Scholarships	-	275,455	-	409,157
Program service	63,168	528,623	71,382	496,242
Operating	587,200	-	674,127	-
Management and general	-	106,421	-	75,387
Fundraising	-	415,326	-	341,321
Total expenses	1,259,427	1,325,825	1,331,282	1,322,107
Change in net assets without donor restrictions	(148,928)	47,078	(265,794)	(211,987)
Changes in net assets with donor restrictions:				
Contributions - public support	-	573,325	-	581,657
Investment income	-	1,351,050	-	579,436
Net assets released from restriction	-	(589,833)	-	(623,746)
Change in net assets with donor restrictions	-	1,334,542	-	537,347
Change in net assets	(148,928)	1,381,620	(265,794)	325,360
Net assets - beginning	1,043,644	10,014,544	1,309,438	9,689,184
Net assets - ending	\$ 894,716	\$ 11,396,164	\$ 1,043,644	\$ 10,014,544

See accompanying notes.

Notes to Financial Statements

1. Summary of Significant Accounting Policies

Reporting Entity

Schenectady County Community College (the College) is a locally sponsored, two-year community college founded in 1969. The College is part of a statewide system of two-year institutions designed to provide technical, para-professional, and university parallel education. The College is one of thirty community colleges within the State University of New York (SUNY). SUNY community colleges are financed by New York State (the State), student tuition, and a local government sponsor. The County of Schenectady, New York (the County) is the College's local sponsor. The College is included in the financial statements of the County as a discretely presented component unit.

Basis of Presentation

The financial statements of the College have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the College's accounting policies are described below.

Discretely Presented Component Units

In evaluating how to define the College for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the College's reporting entity is based on several criteria set forth in accounting guidance including legal standing, fiscal dependency, and financial accountability.

Based on the application of these criteria, the following is a brief review of the discretely presented component units included in the reporting entity.

- The Faculty-Student Association of Schenectady County Community College, Inc. (the Association) was established in 1969 to operate, manage, and promote educational activities and relationships between and among students, faculty, and staff of the College. The Association operates campus-based food services, child care services, and the College Store. The Association is financially dependent on student enrollment of the College in order to maintain operations. The Association reports on a June 1 through May 31 fiscal year; accordingly, all balances in the accompanying financial statements related to the Association are as of and for the years ended May 31, 2024 and 2023.
- Schenectady County Community College Foundation, Inc. (the Foundation) was established in 1972 for the purpose of maintaining endowments and other donor-restricted contributions for student scholarships and programs for the College. The Foundation provides financial assistance to the College in the form of grants and/or program contributions. The Foundation maintains the same fiscal year as the College.

The financial statements of these component units have been presented in accordance with the display requirements of the Financial Accounting Standards Board (FASB). Footnote disclosure information of the component units is contained in Note 13.

Measurement Focus

The College reports as a special-purpose government engaged in business-type activities, as defined by GASB Statement No. 35. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The College's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred regardless of when the related cash flows take place. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

The College's policy for defining operating activities in the statements of revenues, expenses, and changes in net position are those that generally result from exchange transactions such as receipts for services and payments made to purchase those goods or services. Certain other transactions are reported as non-operating activities and include the College's appropriations from the State and County, certain federal and state grants, and interest income.

Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Net Position

The College is required to classify net position into three categories:

- *Net investment in capital assets* – consists of capital assets, net of accumulated depreciation and amortization, reduced by outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* – consists of assets reduced by liabilities and deferred inflows of resources related to those assets if their use is subject to externally imposed stipulations. Restrictions are imposed by external organizations such as federal and state laws or by third parties providing funds to the College. The College currently has no restricted resources meeting this definition.
- *Unrestricted* – the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the above restrictions and are available for general use by the College.

The College has a policy of generally using restricted net position, when available, prior to unrestricted amounts.

Campus Facilities, Equipment, and Related Debt

The County and the State equally share the primary cost of capital assets. Pursuant to State Education Law relative to community colleges, title to real property rests in and is held by the local sponsor (the County) in trust for the uses and purposes of the College. The College has a stewardship responsibility since such assets are integral to the operations of the College; therefore, the College records all campus facility activity.

The College recognizes revenue for State and County capital contributions when the construction or acquisition cost is incurred, or the capital asset is purchased. Debt obligations incurred by the County and the State to finance the construction and acquisition of campus facilities and equipment are not recognized in the financial statements since the College is not obligated under any debt service arrangements for the County or State debt.

The Association and Foundation maintain their own title to capital assets as applicable and issue debt as needed for the acquisition or construction of capital assets.

Capital Assets

The College records capital assets at actual or estimated historical cost. Financed right-to-use lease assets are recorded at the present values of the lease liability. Contributed assets are recorded at fair value at the time received. Depreciation and amortization are provided over estimated useful lives using the straight-line method. Maintenance and repairs are expensed as incurred; significant improvements are capitalized.

Capitalization thresholds for determining which asset purchases, other than right-to-use assets, are added to capital accounts and the estimated useful lives of the College's capital assets are as follows:

	Capitalization Policy	Estimated Useful Life
Buildings and infrastructure	\$ 5,000	15-40 years
Land improvements	\$ 5,000	3-15 years
Furniture, fixtures, and equipment	\$ 5,000	5-10 years

Compensated Absences

The College recognizes a liability for vacation time and additional salary related payments as benefits earned by employees based on the rendering of past service and the probability that the employees will be compensated. This includes vacation time that was earned but not used for which employees receive compensation in future periods.

In addition, the College recognizes a liability for vested sick leave and additional salary related payments for employees who are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

Unearned Revenue

Student tuition and related fees billed and received prior to the end of the fiscal year which relate to the following semester are considered unearned and recognized as revenue when earned in the subsequent fiscal year.

Deferred Outflows and Deferred Inflows of Resources

Pension and Other Postemployment Benefits (OPEB) related items stem from variances between expected and actual results and changes of assumptions. These amounts are amortized ratably, with the exception of pension and OPEB contributions paid subsequent to the measurement date, which are recognized as a reduction to (increase in) the net pension (asset) liability or total OPEB liability in the subsequent year.

Deferred inflows of resources also include New York State Tuition Assistance Payments (TAP) received by the College on behalf of eligible students. TAP funds received prior to the College's year end have a time restriction as they are applicable to the following semester and are recognized as revenue when applied to the respective students' accounts.

Pensions

The College participates in the New York State Teachers' Retirement System (TRS) and the New York State and Local Employees' Retirement System (ERS) (the Systems) as mandated by State law. The Systems recognize benefit payments when due and payable in accordance with benefit terms; investment assets are reported at fair value. The College recognizes its proportionate share of net pension position, deferred outflows and deferred inflows of resources, pension expense (revenue), and information about and changes in the fiduciary net position on the same basis as reported by the respective defined benefit pension plans.

OPEB

The total OPEB liability, deferred outflows and deferred inflows of resources, and OPEB expense of the College's defined benefit healthcare plan (Note 8) have been measured on the same basis as reported by the plan. Benefit payments in the plan are recognized when due and payable in accordance with benefit terms.

Revenues

The State provides aid to the College based upon operating costs and a formula based on student full-time equivalents. The County also provides funding to the College in the form of a sponsor contribution which is appropriated annually by the County legislature as part of the County's budgeting function. Revenue is recognized in the accounting period earned. State and County appropriations are recognized when legally available for use. Revenues and expenses arising from non-exchange transactions are recognized when all eligibility requirements are met.

Grants to students for financial aid and scholarships through the Federal Pell Grant Program (PELL) and TAP are recorded as non-operating revenues from Federal and State sources and as either student aid expense or scholarship allowances offsetting tuition and fees revenue. For the years ended August 31, 2024 and 2023, approximately \$4,474,000 and \$4,000,000 were distributed to the College for PELL grants, and \$1,308,000 and \$1,200,000 for TAP awards, respectively.

In response to COVID-19, the College was awarded approximately \$20,131,000 in Higher Education Emergency Relief Funding (HEERF), of which \$770,000 and \$4,027,000 are recognized as federal non-operating grant revenue in 2024 and 2023. As of August 31, 2024, the College has met all HEERF award requirements.

Student tuition and fees are presented net of scholarships and financial aid applied to student accounts. Certain other scholarship amounts are paid directly to, or refunded to, the student and are generally reflected as expenses.

Reserve for Excess Student Revenue

State Education Law mandates that tuition revenue not exceed one-third of net operating costs. This mandate has been waived by the State. As a result, the College has not recognized a reserve for excess student revenue.

Interfund Transfers

The College uses fund accounting for the SUNY annual report (as displayed in the accompanying supplementary information) which includes transactions between funds. Permanent transfers of funds include the transfer of expenditures and revenues to provide financing or other services between restricted and unrestricted current funds. These amounts have been eliminated in the basic financial statements.

Exempt Tax Status

The College is a unit of the State and is therefore generally exempt from income taxes under §115 of the Internal Revenue Code.

The component units are nonprofit organizations and accordingly, no provision for income taxes has been included in the accompanying financial statements.

2. Cash

Cash management is governed by State laws and as established by the College's written policies. Cash must be deposited in FDIC-insured commercial banks or trust companies authorized to do business within the State. The College's bank policies permit the use of demand and time accounts, certificates of deposit, obligations of the United States Treasury and its Agencies, and obligations of the State or its localities, including those held under repurchase agreements, or in external investment pools.

Custodial credit risk is the risk that, in the event of a bank failure, the College's deposits may not be returned to it. Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts. At August 31, 2024, the College's bank deposits were fully collateralized by FDIC coverage and securities held by the pledging institutions' trust departments or agents in the College's name.

3. Accounts and Other Receivables

	2024	2023
Student tuition and fees	\$ 1,163,133	\$ 1,269,947
Other	88,703	42,781
	1,251,836	1,312,728
Allowance for doubtful accounts	(972,000)	(1,083,000)
	\$ 279,836	\$ 229,728

4. Capital Assets

August 31, 2024	September 1, 2023	Additions	Retirements/ Reclassifications	August 31, 2024
Nondepreciable capital assets:				
Land	\$ 713,209	\$ -	\$ -	\$ 713,209
Construction in progress	2,043,800	3,010,272	(882,192)	4,171,880
Total nondepreciable capital assets	2,757,009	3,010,272	(882,192)	4,885,089
Depreciable capital assets:				
Buildings and infrastructure	75,418,286	955,485	882,192	77,255,963
Land improvements	713,140	-	-	713,140
Furniture, fixtures, and equipment	12,046,021	752,293	-	12,798,314
Total depreciable assets	88,177,447	1,707,778	882,192	90,767,417
Accumulated depreciation:				
Buildings and infrastructure	(41,940,682)	(2,054,594)	-	(43,995,276)
Land improvements	(638,200)	(15,951)	-	(654,151)
Furniture, fixtures, and equipment	(8,323,958)	(788,965)	-	(9,112,923)
Total accumulated depreciation	(50,902,840)	(2,859,510)	-	(53,762,350)
Total depreciable assets, net	37,274,607	(1,151,732)	882,192	37,005,067
Right-to-use lease assets:				
Buildings	5,441,133	-	-	5,441,133
Accumulated amortization	(3,974,972)	(724,814)	-	(4,699,786)
Total right-to-use lease assets, net	1,466,161	(724,814)	-	741,347
Net capital assets	\$ 41,497,777	\$ 1,133,726	\$ -	\$ 42,631,503

August 31, 2023	September 1, 2022	Additions	Retirements/ Reclassifications	August 31, 2023
Nondepreciable capital assets:				
Land	\$ 713,209	\$ -	\$ -	\$ 713,209
Construction in progress	964,583	1,461,506	(382,289)	2,043,800
Total nondepreciable capital assets	1,677,792	1,461,506	(382,289)	2,757,009
Depreciable capital assets:				
Buildings and infrastructure	72,941,555	2,094,442	382,289	75,418,286
Land improvements	713,140	-	-	713,140
Furniture, fixtures, and equipment	10,290,367	1,755,654	-	12,046,021
Total depreciable assets	83,945,062	3,850,096	382,289	88,177,447
Accumulated depreciation:				
Buildings and infrastructure	(40,008,158)	(1,932,524)	-	(41,940,682)
Land improvements	(620,924)	(17,276)	-	(638,200)
Furniture, fixtures, and equipment	(7,655,440)	(668,518)	-	(8,323,958)
Total accumulated depreciation	(48,284,522)	(2,618,318)	-	(50,902,840)
Total depreciable assets, net	35,660,540	1,231,778	382,289	37,274,607
Right-to-use lease assets:				
Buildings	5,441,133	-	-	5,441,133
Accumulated amortization	(3,250,158)	(724,814)	-	(3,974,972)
Total right-to-use lease assets, net	2,190,975	(724,814)	-	1,466,161
Net capital assets	\$ 39,529,307	\$ 1,968,470	\$ -	\$ 41,497,777

5. Leases

	September 1, 2023	Increases	Decreases	August 31, 2024	Due Within One Year
Leases	\$ 1,708,004	\$ -	\$ 581,259	\$ 1,126,745	\$ 598,697

	September 1, 2022	Increases	Decreases	August 31, 2023	Due Within One Year,
Leases	\$ 2,346,525	\$ -	\$ 638,521	\$ 1,708,004	\$ 581,259

Existing Obligations

Description	Maturity	Rate	Balance
113 State Street	March 2027	3.00%	\$ 138,521
Mill Lane	December 2025	3.00%	225,474
Center City	August 2026	3.00%	762,750
			<u>\$ 1,126,745</u>

Debt Service Requirements

Years ending August 31,	Principal	Interest
2025	\$ 598,697	\$ 33,802
2026	499,688	15,841
2027	28,360	851
	<u>\$ 1,126,745</u>	<u>\$ 50,494</u>

6. Pension Plans

Plan Descriptions

The College participates in the following cost-sharing, multiple employer, public employee retirement systems:

- TRS is administered by the New York State Teachers' Retirement Board and provides benefits to plan members and beneficiaries as authorized by the Education Law and the Retirement and Social Security Law of the State of New York. TRS issues a publicly available financial report that contains financial statements and required supplementary information. This report may be obtained from the New York State Teachers' Retirement System at www.nystrs.org.
- ERS provides retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law governs obligations of employers and employees to contribute and provide benefits to employees. ERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained from the New York State and Local Retirement System at www.osc.state.ny.us/retire.

Benefits: The Systems provide retirement, disability, and death benefits for eligible members, including automatic cost of living adjustments. In general, retirement benefits are determined based on an employee's individual circumstances using a pension factor, an age factor, and final average salary. The benefits vary depending on the individual's employment tier. Pension factors are determined based on tier and an employee's years of service, among other factors.

Contribution Requirements: No employee contribution is required for those hired prior to July 1976. The Systems require employee contributions of 3% of salary for the first 10 years of service for those employees who joined the Systems from July 1976 through December 2009. Participants hired on or after January 1, 2010 through March 31, 2012 are required to contribute 3.5% (TRS) or 3% (ERS) of compensation throughout their active membership in the Systems. Participants hired on or after April 1, 2012 are required to contribute a percentage ranging from 3% to 6% each year, based on their level of compensation. Pursuant to Article 11 of Education Law, an actuarially determined contribution rate is established annually for TRS by the New York State Teachers' Retirement Board. This rate was 9.76% and 10.29% for 2024 and 2023, respectively. For ERS, the Comptroller annually certifies the rates used, expressed as a percentage of the wages of participants, to compute the contributions required to be made by the College to the pension accumulation fund. These rates ranged from 11.4% - 17.9% for 2024 and 9.6% - 15.0% for 2023.

A liability is accrued based on the College's legally required contribution for employee services rendered. The amount outstanding and payable to TRS as of August 31, 2024 and 2023 was \$267,109 and \$271,283, respectively. The amount outstanding and payable to ERS as of August 31, 2024 and 2023 was \$356,379 and \$292,975, respectively.

Net Pension Position, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources

The College reported an asset of \$257,104 as of August 31, 2024 and a liability \$105,755 as of August 31, 2023 for its proportionate share of the TRS net pension position. The College also recognized a liability of \$2,844,018 and \$3,451,584 as of August 31, 2024 and 2023 for its proportionate share of the ERS net pension position.

The TRS total pension liability at the June 30, 2024 measurement date was determined by an actuarial valuation as of June 30, 2023, with update procedures applied to roll forward the total pension position to June 30, 2024 (measurement date of June 30, 2023, with an actuarial valuation as of June 30, 2022 for the August 31, 2023 net pension position). The College's proportion of the net pension position was based on the ratio of its actuarially determined employer contribution to TRS's total actuarially determined employer contributions for the fiscal year ended on the measurement date. At June 30, 2024, the College's proportion was 0.008617%, a decrease of 0.000631 from its proportion measured at June 30, 2023.

The ERS total pension liability at the March 31, 2024 measurement date was determined by an actuarial valuation as of April 1, 2023, with update procedures applied to roll forward the total pension liability to March 31, 2024 (measurement date of March 31, 2023 with an actuarial valuation as of April 1, 2022 for the August 31, 2023 net pension position). The College's proportion of the net pension position was based on the ratio of its actuarially determined employer contribution to ERS's total actuarially determined employer contributions for the fiscal year ended on the measurement date. Since the College's required contributions are included with the County's, the County has provided the College its proportion, determined on the basis of total covered payroll of the College, the County, and the County's other reporting entities over the total payroll of all entities. At March 31, 2024, the College's proportion was 0.0193155%, an increase of 0.0032197 from its proportion measured at March 31, 2023.

For the year ended August 31, 2024, net pension expense was \$1,529,607 (TRS expense of \$159,370 and ERS expense of \$1,370,237). For the year ended August 31, 2023, the College recognized net pension expense of \$1,256,297 (TRS expense of \$327,475 and ERS expense of \$928,822). The College reported deferred outflows and deferred inflows of resources as follows:

	TRS		ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
August 31, 2024				
Differences between expected and actual experience	\$ 276,854	\$ -	\$ 916,056	\$ (77,549)
Changes of assumptions	153,800	(25,871)	1,075,259	-
Net difference between projected and actual earnings on pension plan investments	-	(285,664)	-	(1,389,287)
Changes in proportion and differences between College contributions and proportionate share of contributions	102,324	(4,834)	46,983	(141,954)
Contributions subsequent to the measurement date	105,814	-	356,379	-
	<u>\$ 638,792</u>	<u>\$ (316,369)</u>	<u>\$ 2,394,677</u>	<u>\$ (1,608,790)</u>
	TRS		ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
August 31, 2023				
Differences between expected and actual experience	\$ 256,427	\$ (634)	\$ 367,621	\$ (96,934)
Changes of assumptions	227,687	(49,623)	1,676,312	(18,526)
Net difference between projected and actual earnings on pension plan investments	54,060	-	-	(20,278)
Changes in proportion and differences between College contributions and proportionate share of contributions	106,901	(16,564)	70,626	(120,989)
Contributions subsequent to the measurement date	99,222	-	292,975	-
	<u>\$ 744,297</u>	<u>\$ (66,821)</u>	<u>\$ 2,407,534</u>	<u>\$ (256,727)</u>

Contributions made subsequent to the measurement date will be recognized as an addition to (a reduction of) the net pension asset (liability) in the subsequent year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending August 31,	TRS	ERS
2025	\$ (106,181)	\$ (559,268)
2026	336,274	507,916
2027	(30,439)	800,531
2028	(42,769)	(319,671)
2029	44,077	-
Thereafter	15,647	-
	<u>\$ 216,609</u>	<u>\$ 429,508</u>

Actuarial Assumptions

For TRS, the actuarial assumptions used in the June 30, 2023 valuation, with update procedures used to roll forward the total pension liability to June 30, 2024, were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020. These assumptions are:

Inflation – 2.4%

Salary increases – Based on TRS member experience, dependent on age and gender, ranging from 1.95% - 5.18%

Projected Cost of Living Adjustments (COLA) – 1.3% compounded annually

Investment rate of return – 6.95% compounded annually, net of investment expense, including inflation

Mortality – Based on TRS member experience, with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021

Discount rate – 6.95%

The long-term expected rate of return on TRS pension plan investments was determined in accordance with Actuarial Standard of Practice No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

For ERS, the actuarial assumptions used in the April 1, 2023 valuation, with update procedures used to roll forward the total pension liability to March 31, 2024, were based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020. These assumptions are:

Inflation – 2.9%

Salary increases – 4.4%

COLA – 1.5% annually

Investment rate of return – 5.9% compounded annually, net of investment expense, including inflation

Mortality – Society of Actuaries' Scale MP-2021

Discount rate – 5.9%

The long-term expected rate of return on ERS pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Investment Asset Allocation

Best estimates of arithmetic real rates of return (net of long-term inflation assumptions) for each major asset class and the Systems' target asset allocations as of the applicable valuation dates are summarized as follows:

Asset Class	TRS		ERS	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	33%	6.6%	32%	4.0%
Global and international equities	19%	6.9%-7.4%	15%	6.7%
Private equities	9%	10.0%	10%	7.3%
Real estate equities	11%	6.3%	9%	4.6%
Domestic fixed income securities	16%	2.6%	23%	1.5%
Global fixed income securities	2%	2.5%	-	-
Bonds and mortgages	6%	3.9%	-	-
Short-term	1%	0.5%	1%	0.3%
Other	3%	4.8%-5.9%	10%	5.3%-5.8%
	<u>100%</u>		<u>100%</u>	

Discount Rate

The discount rate projection of cash flows assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the College's proportionate share of its net pension position calculated using the discount rate of 6.95% (TRS) and 5.9% (ERS) and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1.0% Decrease	At Current Discount Rate	1.0% Increase
College's proportionate share of the TRS net pension asset (liability)	\$ (1,187,578)	\$ 257,104	\$ 1,472,121
College's proportionate share of the ERS net pension asset (liability)	\$ (8,941,880)	\$ (2,844,018)	\$ 2,248,964

7. Pension Plans – TIAA-CREF

The Teachers Insurance and Annuity Association – College Retirement Equities Fund (TIAA-CREF) is a State University Optional Retirement Plan (ORP). TIAA-CREF is a multiple-employer, defined contribution plan administered by a separate board of trustees. TIAA-CREF provides benefits through annuity contracts and provides retirement and death benefits to those employees who elect to participate in the ORP. Benefits are determined by the amount of individual accumulations and the retirement income option selected. All benefits generally vest after the completion of one year of service if the employee is retained thereafter. Employees who joined TIAA-CREF after July 27, 1976 and have less than ten years of service or membership are required to contribute 3% of their salaries. Employees hired on or after April 1, 2012 are required to contribute a percentage ranging from 3% to 6% each year, based upon their annual compensation. Employer contributions range from 8% to 15% depending upon when the employee was hired. Employee contributions are deducted from their salaries and remitted on a current basis to TIAA-CREF. Employer contributions for the years ended August 31, 2024 and 2023 were \$522,129 and \$514,913, respectively.

8. OPEB

Plan Description

The County administers the Schenectady County Retiree Medical Plan (the Plan) as a single-employer defined benefit postemployment benefit plan, through which College retirees receive benefits. The Plan provides for continuation of medical insurance benefits for substantially all employees and their spouses upon retirement. The Plan can be amended by the County subject to collective bargaining and employment agreements. Eligibility for benefits is met by employees who retire from the College with at least 10 years of service and are eligible for TRS, ERS, or ORP. The retiree's required contribution for medical benefits ranges from 0% to 50% dependent upon the retiree's years of service and applicable collective bargaining and employment agreements. The Plan has no assets, does not issue financial statements, and is not a trust.

At September 1, 2023, employees covered by the Plan include:

Active employees	172
Inactive employees or beneficiaries currently receiving benefits	155
Inactive employees entitled to but not yet receiving benefits	-
	<u>327</u>

Total OPEB Liability

The College's total OPEB liability of \$45,797,826 was measured as of August 31, 2024 and was determined by an actuarial valuation as of September 1, 2023. The College's total OPEB liability as of August 31, 2023 of \$37,237,027 was measured as of August 31, 2023 and was determined by an actuarial valuation as of August 31, 2022 rolled forward through an interim valuation.

The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Healthcare cost trend rates – based on a review of published national trend survey data and updated long-term rates based on the Society of Actuaries Getzen Long Term Healthcare Cost Trends Model v2024_1b with a rate of 7.75% initially for pre-65 and 6.00% (previously 4.50%) for post-65, reduced to an ultimate rate of 4.04% after 2075

Salary increases – 2%

Mortality – Sex Distinct Pub-2010 Public Retirement Plans Mortality Tables for employees and healthy retirees, adjusted for mortality improvements with Scale MP-2021 on a generational basis

Discount rate – 3.99% (previously 4.13%) based on the Fidelity General Obligation 20-Year AA Municipal Bond Index as of the measurement date

Inflation rate – 2.5%

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at August 31, 2022	\$ (37,199,728)
Changes for the year:	
Service cost	(1,156,424)
Interest	(1,464,785)
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions or other inputs	796,645
Benefit payments	1,787,265
Net changes	(37,299)
Balance at August 31, 2023	(37,237,027)
Changes for the year:	
Service cost	(1,085,413)
Interest	(1,346,847)
Changes of benefit terms	(10,517,266)
Differences between expected and actual experience	4,978,128
Changes of assumptions or other inputs	(2,159,281)
Benefit payments	1,569,880
Net changes	(8,560,799)
Balance at August 31, 2024	\$ (45,797,826)

The following presents the sensitivity of the College's total OPEB liability to changes in the discount rate, including what the College's total OPEB liability would be if it were calculated using a discount rate that is 1% higher or lower than the current discount rate:

	1.0% Decrease (2.99%)	Discount Rate (3.99%)	1.0% Increase (4.99%)
Total OPEB liability	\$ (52,312,961)	\$ (45,797,826)	\$ (40,454,903)

The following presents the sensitivity of the College's total OPEB liability to changes in the healthcare cost trend rates, including what the College's total OPEB liability would be if it were calculated using trend rates that are 1% higher or lower than the current healthcare cost trend rates:

	1.0% Decrease (6.75% to 3.04%)	Healthcare Cost Trend Rates (7.75% to 4.04%)	1.0% Increase (8.75% to 5.04%)
Total OPEB liability	\$ (39,824,648)	\$ (45,797,826)	\$ (53,212,156)

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources

For the year ended August 31, 2024 the College recognized OPEB expense of \$10,769,938 and for the year ended August 31, 2023 the College recognized OPEB income of \$350,170 and reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>August 31, 2024</u>		
Differences between expected and actual experience	\$ -	\$ (7,416,101)
Changes of assumptions or other inputs	2,708,965	(5,422,848)
	<u>\$ 2,708,965</u>	<u>\$ (12,838,949)</u>
<u>August 31, 2023</u>		
Differences between expected and actual experience	\$ -	\$ (5,197,012)
Changes of assumptions or other inputs	3,133,651	(7,427,364)
	<u>\$ 3,133,651</u>	<u>\$ (12,624,376)</u>

Amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending August 31,	
2025	\$ (3,758,401)
2026	(3,379,297)
2027	(2,227,902)
2028	(625,047)
2029	(139,337)
	<u>\$ (10,129,984)</u>

9. Risk Management

General Liability

The College purchases commercial insurance for various risks of loss due to torts, theft, damage, errors and omissions, and natural disasters. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

10. Commitments and Contingencies

Grants

The College receives financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the College. Based on prior experience, management expects any such amounts to be immaterial.

Litigation

The College is involved in certain legal proceedings which, in the opinion of management, will not have a material adverse impact upon the financial position of the College.

11. Related Party Transactions

The College and its component units are involved in various transactions in the normal course of operations. Transactions occurring in 2024 and 2023 not described elsewhere include:

August 31, 2024	College	Association	Foundation
Accounts receivable	\$ 65,527	\$ 529,268	\$ -
Accounts payable	529,268	-	65,527
Contributed services	(176,910)	-	176,910
Contributions (expense)	496,124	-	(496,124)
August 31, 2023			
Accounts receivable	\$ 21,602	\$ 477,020	\$ -
Accounts payable	477,020	-	21,602
Contributed services	(155,755)	-	155,755
Contributions (expense)	362,842	-	(362,842)

12. Natural Classification of Expenses

August 31, 2024	Personal Services	Equipment	Contractual	Employee Benefits	Depreciation	Total
Instruction	\$ 5,045,320	\$ 2,389	\$ 399,699	\$ 6,137,361	\$ -	\$ 11,584,769
Academic support	2,280,484	712	987,448	2,599,253	-	5,867,897
Student services	1,526,046	-	114,519	1,754,293	-	3,394,858
Institutional support	3,946,058	36,221	5,310,169	4,689,954	-	13,982,402
Operations and maintenance	1,219,594	5,835	3,193,319	1,488,412	-	5,907,160
Student aid	-	-	1,273,780	-	-	1,273,780
Depreciation and amortization - unallocated	-	-	-	-	3,584,324	3,584,324
Interest - unallocated	-	-	-	-	51,240	51,240
	\$ 14,017,502	\$ 45,157	\$ 11,278,934	\$ 16,669,273	\$ 3,635,564	\$ 45,646,430

August 31, 2023	Personal Services	Equipment	Contractual	Employee Benefits	Depreciation	Total
Instruction	\$ 5,313,759	\$ 2,192	\$ 403,127	\$ 1,966,904	\$ -	\$ 7,685,982
Academic support	2,636,074	1,277	981,115	674,380	-	4,292,846
Student services	1,261,370	6	80,392	391,633	-	1,733,401
Institutional support	3,593,334	81,517	3,866,816	1,303,938	-	8,845,605
Operations and maintenance	1,261,156	2,480	3,248,139	473,196	-	4,984,971
Student aid	-	-	1,866,424	-	-	1,866,424
Depreciation and amortization - unallocated	-	-	-	-	3,343,132	3,343,132
Interest - unallocated	-	-	-	-	70,396	70,396
	<u>\$ 14,065,693</u>	<u>\$ 87,472</u>	<u>\$ 10,446,013</u>	<u>\$ 4,810,051</u>	<u>\$ 3,413,528</u>	<u>\$ 32,822,757</u>

13. Component Units

Discretely presented component unit information is comprised of the College's Association and Foundation. Separately issued financial statements of the component units may be obtained from the College's business office. The following disclosures relate to the component units in accordance with GAAP promulgated by FASB.

Financial Statement Restatement - Association

The May 31, 2023 Association financial statements have been restated to reflect an adjustment to reduce other income and increase accounts payable that were deemed to be incorrect in the prior year. Other income was decreased by \$9,809 and accounts payable was increased by \$9,809.

Contributions and Other Receivables

The Foundation records contributions, including unconditional promises to give, at fair value at the date received. Management establishes an allowance for uncollectible receivables based on a specific review of outstanding receivables, as well as past collection experience.

	2024		2023	
	Association	Foundation	Association	Foundation
Contributions receivable	\$ -	\$ 179,945	\$ -	\$ 130,582
Other receivables	145,086	-	164,436	-
	<u>145,086</u>	<u>179,945</u>	<u>164,436</u>	<u>130,582</u>
Allowance for credit losses, uncollectibles, and unamortized discount	(90,561)	(20,582)	(74,686)	(20,290)
	<u>54,525</u>	<u>159,363</u>	<u>89,750</u>	<u>110,292</u>
Current portion	(47,025)	(65,630)	(79,750)	(102,757)
Noncurrent amount	<u>\$ 7,500</u>	<u>\$ 93,733</u>	<u>\$ 10,000</u>	<u>\$ 7,535</u>

Property and Equipment – Association

	2024	2023
Leasehold improvements	\$ 886,746	\$ 886,746
Furniture and equipment	439,692	440,655
	<u>1,326,438</u>	<u>1,327,401</u>
Accumulated depreciation	(767,233)	(714,302)
	<u>\$ 559,205</u>	<u>\$ 613,099</u>

Investments

Investments for the Association and Foundation are as follows:

	2024		2023	
	Association	Foundation	Association	Foundation
Marketable securities				
Money market funds	\$ -	\$ 1,019,372	\$ -	\$ 704,811
Fixed income	-	2,783,409	-	2,625,517
Equities	-	7,457,727	-	6,615,824
Nonmarketable investments				
Mutual funds	564,574	-	533,246	-
Other	-	8,656	-	8,656
	<u>\$ 564,574</u>	<u>\$ 11,269,164</u>	<u>\$ 533,246</u>	<u>\$ 9,954,808</u>

Total investment returns for the Foundation are as follows for the years ended August 31:

	2024	2023
Dividends and interest, net	\$ 156,173	\$ 129,113
Net realized and unrealized gains	1,528,190	615,186
	<u>\$ 1,684,363</u>	<u>\$ 744,299</u>

The fair value of marketable securities is determined by quoted prices in active markets. Net asset value (NAV) per share (or its equivalent) as a practical expedient is used to determine the fair value of nonmarketable investments that (i) do not have a determinable fair value predicated upon quoted prices in active markets, and (ii) have the attributes of an investment company or prepare their financial statements consistent with the measurement principles of an investment company.

Deferred Compensation Agreement

The Association has entered into deferred compensation agreements with full time employees who are eligible to receive benefits. The agreements require a percentage of the employees' compensation 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 to the employee in accordance with the agreements. These assets are subject to claims of the Association's general creditors in the event of bankruptcy. The deferred compensation obligation as of May 31, 2024 and 2023 totaled \$317,743 and \$262,755.

Net Assets with Donor Restrictions – Foundation

Net assets with donor restrictions are those whose use by the Foundation has been limited by donors to a specific time period or purpose, or that are subject to donor-imposed stipulations that they may be maintained in perpetuity. Net assets with donor restrictions are available for the following purposes at August 31:

	2024	2023
Scholarships	\$ 5,949,593	\$ 5,067,656
Campus programs	3,488,631	3,037,057
Capital projects	4,577	3,546
	<u>\$ 9,442,801</u>	<u>\$ 8,108,259</u>

Under the New York State Prudent Management of Institutional Funds Act (NYPMIFA), the Board of Directors of the Foundation has substantial discretion to establish policies over endowment funds. The Board of Directors has chosen to preserve the historical dollar value of the corpus of the perpetual endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the perpetual endowment and (b) the original value of subsequent gifts to the perpetual endowment. Net appreciation of the invested assets is classified as net assets with donor restrictions until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by NYPMIFA.

Accumulated principal of donor-restricted perpetual endowment gifts totaling \$6,492,640 and \$6,044,635 as of August 31, 2024 and 2023 are included in net assets with donor restrictions, and the related earnings, once appropriated, are expendable to provide scholarships and support for campus programs.

SCENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Required Supplementary Information (Unaudited)
Schedule of the College's Proportionate Share of the Net Pension Position
New York State Teachers' Retirement System

As of the measurement date of June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
College's proportion of the net pension position	0.008617%	0.009248%	0.010469%	0.010723%	0.011938%	0.011698%	0.012302%	0.011571%	0.013414%	0.013129%
College's proportionate share of the net pension asset (liability)	\$ 257,104	\$ (105,755)	\$ (200,888)	\$ 1,858,253	\$ (329,870)	\$ 303,911	\$ 222,449	\$ 87,947	\$ (143,673)	\$ 1,363,638
College's covered payroll	\$ 1,645,328	\$ 1,707,959	\$ 1,854,602	\$ 1,820,094	\$ 2,026,196	\$ 1,952,561	\$ 2,003,827	\$ 1,833,541	\$ 2,069,970	\$ 1,972,088
College's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	15.63%	(6.19%)	(10.83%)	102.10%	(16.28%)	15.56%	11.10%	4.80%	(6.94%)	69.15%
Plan fiduciary net position as a percentage of the total pension liability	102.09%	99.17%	98.57%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%

The following is a summary of changes of assumptions:

Inflation	2.4%	2.4%	2.4%	2.4%	2.2%	2.2%	2.25%	2.5%	2.5%	3.0%
Salary increases (range)	1.95%-5.18%	1.95%-5.18%	1.95%-5.18%	1.95%-5.18%	1.90%-4.72%	1.90%-4.72%	1.90%-4.72%	1.90%-4.72%	1.90%-4.72%	4.0%-10.9%
Cost of living adjustments	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.5%	1.5%	1.5%	1.625%
Investment rate of return	6.95%	6.95%	6.95%	6.95%	7.1%	7.1%	7.25%	7.25%	7.5%	8.0%
Discount rate	6.95%	6.95%	6.95%	6.95%	7.1%	7.1%	7.25%	7.25%	7.5%	8.0%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2021	MP-2020	MP-2019	MP-2018	MP-2014	MP-2014	MP-2014	AA

SCHENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Required Supplementary Information (Unaudited)
Schedule of College Contributions
New York State Teachers' Retirement System

For the years ended August 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 160,584	\$ 175,749	\$ 181,751	\$ 173,455	\$ 179,521	\$ 207,362	\$ 196,375	\$ 214,891	\$ 274,478	\$ 345,707
Contribution in relation to the contractually required contribution	160,584	175,749	181,751	173,455	179,521	207,362	196,375	214,891	274,478	345,707
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's covered payroll	\$ 1,645,328	\$ 1,707,959	\$ 1,854,602	\$ 1,820,094	\$ 2,026,196	\$ 1,952,561	\$ 2,003,827	\$ 1,833,541	\$ 2,069,970	\$ 1,972,088
Contributions as a percentage of covered payroll	9.76%	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%

SCHENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Required Supplementary Information (Unaudited)
Schedule of the College's Proportionate Share of the Net Pension Position
New York State and Local Employees' Retirement System

As of the measurement date of March 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
College's proportion of the net pension position	0.0193155%	0.0160958%	0.0204583%	0.0214626%	0.0205495%	0.0214614%	0.0221441%	0.0221723%	0.0248170%	0.0218148%
College's proportionate share of the net pension asset (liability)	\$ (2,844,018)	\$ (3,451,584)	\$ 1,672,378	\$ (21,372)	\$ (5,441,638)	\$ (1,520,606)	\$ (714,682)	\$ (2,083,362)	\$ (3,917,635)	\$ (736,959)
College's covered payroll	\$ 6,213,058	\$ 6,215,231	\$ 6,021,540	\$ 5,873,267	\$ 6,106,471	\$ 5,950,821	\$ 6,033,172	\$ 5,840,829	\$ 6,028,236	\$ 5,348,887
College's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	(45.77%)	(55.53%)	27.77%	(0.36%)	(89.11%)	(25.55%)	(11.85%)	(35.67%)	(64.99%)	(13.78%)
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

The following is a summary of changes of assumptions:

Inflation	2.9%	2.9%	2.7%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%	2.7%
Salary increases	4.4%	4.4%	4.4%	4.4%	4.2%	4.2%	3.8%	3.8%	3.8%	4.9%
Cost of living adjustments	1.5%	1.5%	1.4%	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%	1.4%
Investment rate of return	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Discount rate	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%	7.5%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2020	MP-2020	MP-2018	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014

SCHENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Required Supplementary Information (Unaudited)
Schedule of College Contributions
New York State and Local Employees' Retirement System

For the years ended August 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 702,001	\$ 498,861	\$ 842,781	\$ 800,273	\$ 780,036	\$ 800,441	\$ 853,752	\$ 842,903	\$ 944,922	\$ 1,074,900
Contribution in relation to the contractually required contribution	702,001	498,861	842,781	800,273	780,036	800,441	853,752	842,903	944,922	1,074,900
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's covered payroll	\$ 6,213,058	\$ 6,215,231	\$ 6,021,540	\$ 5,873,267	\$ 6,106,471	\$ 5,950,821	\$ 6,033,172	\$ 5,840,829	\$ 6,028,236	\$ 5,348,887
Contributions as a percentage of covered payroll	11.30%	8.03%	14.00%	13.63%	12.77%	13.45%	14.15%	14.43%	15.67%	20.10%

SCHENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Required Supplementary Information (Unaudited)
Schedule of Changes in the College's
Total OPEB Liability and Related Ratios

August 31,	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability - beginning	\$ (37,237,027)	\$ (37,199,728)	\$ (50,602,443)	\$ (51,138,736)	\$ (52,425,889)	\$ (40,838,358)	\$ (47,144,576)
Changes for the year:							
Service cost	(1,085,413)	(1,156,424)	(1,844,001)	(2,058,505)	(2,077,756)	(1,484,106)	(1,820,295)
Interest	(1,346,847)	(1,464,785)	(955,419)	(1,218,889)	(1,361,886)	(1,534,588)	(1,650,090)
Changes of benefit terms	(10,517,266)	-	1,405,716	100,383	-	-	(10,051)
Differences between expected and actual experience	4,978,128	-	2,571,577	4,038,381	4,047,504	-	6,770,213
Changes of assumptions or other inputs	(2,159,281)	796,645	10,466,790	(2,093,895)	(1,022,881)	(10,038,272)	1,583,213
Benefit payments	1,569,880	1,787,265	1,758,052	1,768,818	1,702,172	1,469,435	1,433,228
Net change in total OPEB liability	(8,560,799)	(37,299)	13,402,715	536,293	1,287,153	(11,587,531)	6,306,218
Total OPEB liability - ending	\$ (45,797,826)	\$ (37,237,027)	\$ (37,199,728)	\$ (50,602,443)	\$ (51,138,736)	\$ (52,425,889)	\$ (40,838,358)
Covered-employee payroll	\$ 9,973,412	\$ 9,984,134	\$ 10,081,984	\$ 11,309,442	\$ 9,485,982	\$ 9,709,496	\$ 9,873,843
Total OPEB liability as a percentage of covered-employee payroll	459.2%	373.0%	369.0%	447.4%	539.1%	539.9%	413.6%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Changes in assumptions or other inputs for 2024, 2023, and 2022 include updates to the discount rate; 2022 includes plan changes that went into effect January 1, 2022. Differences between expected and actual experience include the following: changes to updating long-term rates based on SOA Long Term Healthcare Cost Trends Model v2024 in 2024; changes to Medicare health offerings in 2022; updates to healthcare trends in 2021; the impact of Congress' repeal of the Affordable Care Act's excise "Cadillac" taxes in 2020; and changes to the number of plans offered and reduced rates in 2018. Changes of benefit terms for 2024 was to account for the projected Medicare costs required by the Inflation Reduction Act.

The following is a summary of changes of assumptions:

Healthcare cost trend rates	7.75%-4.04%	7.75%-4.04%	6.75%-3.78%	6.75%-3.78%	6.50%-3.78%	6.75%-3.78%	7.25%-3.89%
Inflation	2.50%	2.50%	2.25%	2.25%	2.25%	2.25%	2.25%
Salary increases	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Discount rate	3.99%	4.13%	3.91%	1.95%	2.33%	2.63%	3.69%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2021	MP-2020	MP-2019	MP-2018	MP-2017

SCHENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Supplementary Information
Reconciliation of Revenues, Expenses, and Fund Balance as Reflected
in the Annual Report to the Audited Financial Statements

For the year ended August 31, 2024

	Revenues	Expenses
Totals by fund:		
Unrestricted current funds (per annual report)	\$ 23,102,116	\$ 25,157,469
Restricted current funds (per annual report)	12,955,086	12,955,086
Plant fund	3,965,757	-
Totals (all funds)	40,022,959	38,112,555
Adjustments to reconcile to financial statements:		
Scholarship allowances	(4,666,502)	(4,666,502)
GASB 75 OPEB adjustment	-	9,200,058
Depreciation and amortization	-	3,584,324
Expended for plant fund	-	(752,294)
GASB 68 net pension adjustments	-	749,548
GASB 87 lease adjustments	-	(581,259)
Adjusted totals	\$ 35,356,457	\$ 45,646,430
Per audited financial statements:		
Operating revenues/expenses	\$ 12,220,590	\$ 45,595,190
Non-operating revenues/expenses	19,170,110	51,240
Capital appropriations	3,965,757	-
Totals per financial statements	\$ 35,356,457	\$ 45,646,430

	Annual Report	Unrestricted Current Fund	Reconciled Difference
Total unrestricted expenses	\$ 25,157,469	\$ 35,107,075	\$ (9,949,606)
Total revenues - offset to expense	1,823,822	1,823,822	-
Net operating costs	\$ 23,333,647	\$ 33,283,253	\$ (9,949,606)
Explanation of reconciling difference			
GASB 75 OPEB costs not included in annual report	\$ 9,200,058		
GASB 68 pension costs not included in annual report	749,548		
	<u>\$ 9,949,606</u>		

Net position/fund balance reconciliation:	Reported Amounts
Current unrestricted fund balance per annual report	\$ 2,831,194
Net GASB 75 liability, deferred outflows and deferred inflows	(55,927,810)
Net GASB 68 pension asset/liability, deferred outflows, and deferred inflows	(1,478,604)
Unrestricted net position (deficit) per financial statements	<u>\$ (54,575,220)</u>

SCENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Supplementary Information
Schedule of State Operating Aid

For the year ended August 31, 2024

Total operating costs per Annual Report	\$ 25,157,469			
Total revenues - offset to expense	1,823,822			
Costs not allowable for state aid	<u>-</u>			
Net operating costs	<u>\$ 23,333,647</u>	@	40%	<u>\$ 9,333,459</u>
Rental costs - physical space				\$ 349,440
Low enrollment aid				78,333
Funded FTE students - basic aid				
			Net FTE Allowable	
2020-21 Actual	1,960.5	x .20 =	392.1	
2021-22 Actual	1,823.7	x .30 =	547.1	
2022-23 Actual	1,751.9	x .50 =	876.0	
2023-24 Calculated FTE (20-30-50% rule)			<u>1,815.2</u>	
2023-24 Funded FTE (greater of 20-30-50% rule or prior year actual)			<u>1,815.2</u>	
Funded FTE students - basic aid (rounded)	1,815.2	@	\$ 2,997	<u>\$ 5,440,154</u>
100% of Approved 2022-23 FTE Budget				<u>\$ 7,702,081</u>
Funded FTE aid (greater of funded FTE students or 100% of approved 2022-23 FTE budget)				<u>7,702,081</u>
Funded FTE aid, rental costs, and low enrollment aid				<u>\$ 8,129,854</u>
Total basic aid - lesser of net operating costs or funded FTEs, and rental costs funding				<u>\$ 8,129,854</u>

SCHENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Supplementary Information
Schedule of State-Aidable FTE Tuition Reconciliation

For the year ended August 31, 2024

Calculated tuition based on State-aidable FTE per Annual Report:

	Headcount Credit Hours and FTE	Rate	Equated Tuition
Full-time Student Headcount			
Fall 2023 full-time students per end of term SDF	1,029.0	\$ 2,412	\$ 2,481,948
Spring 2024 full-time students per end of term SDF	805.0	2,412	1,941,660
Summer 2024 full-time students per end of term SDF	8.0	2,412	19,296
Total full-time headcount	1,842.0		
Total credit hours of full-time students	25,917.0		
Part-time Student Credit Hours			
Fall 2023 part-time credits per end of term SDF	15,481.0	201	3,111,681
Spring 2024 part-time credits per end of term SDF	7,841.0	201	1,576,041
Summer 2024 part-time credits per end of term SDF	3,697.0	201	743,097
Fall 2023 per Form 24	37.1	-	-
Spring 2024 per Form 24	34.6	-	-
Summer 2024 per Form 24	4.9	-	-
Total part-time credit hours	27,095.6		
Total credit hours	53,012.6		
Total non-credit FTEs	58.5		
Total State-aidable FTE	1,825.6		

Total calculated tuition based on headcount and credit hours 9,873,723

Reconciliation to Annual Report and Audited Financial Statements:

Less:	Bad debt expense charged to tuition	(607,214)
	Difference in tuition for discounted classes Excelsior	-
	Difference in tuition for discounted classes	(2,330,832)
	Learning centers - credits generated - no tuition charged	(15,403)
	Other - miscellaneous	(223,869)

Tuition revenue reported on annual report (lines 205-207) 6,696,405

Add:	Charges to non-resident students	158,601
	Out-of-state resident tuition	14,549
	Service fees, including technology fee	1,344,052
	Student revenue - non State-aidable courses	883,583

Tuition and fee revenue per audited financial statements **\$ 9,097,190**

SCENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Supplementary Information
Schedule of Expenditures of Federal Awards

For the year ended August 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grantor Number	Expenditures
<u>U.S. Department of Labor</u>			
Passed Through Onondaga Community College:			
Workforce Data Quality Initiative (WDQI)	17.261	38930-22-60-A-36	\$ 86,773
<u>U.S. Department of Education</u>			
Direct Programs:			
Student Financial Assistance Cluster:			
Federal Supplemental Educational Opportunity Grants	84.007	n/a	95,896
Federal Work-Study Program	84.033	n/a	91,582
Federal Pell Grant Program	84.063	n/a	4,474,078
Federal Direct Student Loans	84.268	n/a	2,483,885
Title IV Administration	84.XXX	n/a	15,364
Total Student Financial Assistance Cluster			7,160,805
Higher Education Institutional Aid	84.031	n/a	9,094
TRIO Student Support Services (part of TRIO cluster)	84.042	n/a	301,608
Education Stabilization Fund:			
HEERF Institutional Portion	84.425F	P425F200921-20A	168,318
HEERF Institutional Resilience and Expanded			
Postsecondary Opportunity (IREPO) Program	84.425P	P425P200247	601,472
Total Educational Stabilization Fund			769,790
Total U.S. Department of Education - Direct Programs			8,241,297
Passed Through New York State Education Department:			
Career and Technical Education -- Basic Grants to States	84.048	8000-23-6490	252,348
Career and Technical Education -- Basic Grants to States	84.048	8000-24-6490	16,466
			268,814
Passed Through the Research Foundation for The State University of New York:			
Education Research, Development and Dissemination	84.305	R305T210063-22	11,432
Total U.S. Department of Education			8,521,543
<u>U.S. Department of Health and Human Services</u>			
Direct Program:			
Health Profession Opportunity Grants	93.093	n/a	6,866
Total Expenditures of Federal Awards			\$ 8,615,182

See accompanying notes.

Notes to Schedule of Expenditures of Federal Awards

1. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the SEFA) presents the activity of all federal award programs administered by Schenectady County Community College (the College), an entity as defined in Note 1 to the College’s basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through from other governmental agencies and nonprofit organizations, are included on the SEFA.

Basis of Accounting

The federal programs are maintained on the accrual basis of accounting. The amounts reported as federal expenditures generally were obtained from the appropriate federal financial reports for the applicable programs and periods. The amounts reported in these financial reports are prepared from records maintained for each program, which are periodically reconciled to the College’s financial reporting system.

Indirect Costs

Indirect costs and administrative allowances are set by New York State or Federal awarding agencies by contractual rates. As such, the College does not apply the 10% de minimis rate permitted by the Uniform Guidance.

2. Federal Direct Student Loans

Total student loans guaranteed by the U.S. Department of Education issued through the College under Federal Direct Student Loans (Assistance Listing #84.268) for the year ended August 31, 2024 were as follows:

Direct Subsidized Loans	\$ 937,064
Direct Unsubsidized Loans	1,319,421
Direct PLUS Loans	227,400
	<u>\$ 2,483,885</u>

INDEPENDENT AUDITORS' 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*

The Board of Trustees
Schenectady County Community College

We have audited the financial statements of Schenectady County Community College (the College) (a component unit of the County of Schenectady, New York), a business-type activity, as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated February 10, 2025. We conducted our audit in accordance with the 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. Our report includes a reference to another auditor who audited the financial statements of the Faculty-Student Association of Schenectady County Community College, Inc. (the Association), as described in our report on the College's financial statements. The financial statements of the Association and the Schenectady County Community College Foundation (the Foundation) were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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 College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from 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 financial statements. 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Lyndon & McCormick, LLP". The signature is written in a cursive, flowing style.

February 10, 2025

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

The Board of Trustees
Schenectady County Community College

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of Schenectady County Community College (the College) (a component unit of the County of Schenectady, New York) with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended August 31, 2024. The College's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the College's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Lumden & McCormick, LLP

February 10, 2025

SCENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)

Schedule of Findings and Questioned Costs

For the year ended August 31, 2024

Section I. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? None reported

Type of auditors' report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)? No

Identification of major programs:

Name of Federal Program or Cluster	Assistance Listing Number	Amount
Student Financial Assistance Cluster:		
Federal Supplemental Educational Opportunity Grants	84.007	\$ 95,896
Federal Work-Study Program	84.033	91,582
Federal Pell Grant Program	84.063	4,474,078
Federal Direct Student Loans	84.268	2,483,885
Title IV Administration	84.XXX	15,364
		<u>\$ 7,160,805</u>

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes

Section II. Financial Statement Findings

No matters were reported.

Section III. Federal Award Findings and Questioned Costs

No matters were reported.