

QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION

Financial Statements and
Supplementary Information

June 30, 2018 and 2017

(With Independent Auditors' Report Thereon)

QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1 - 2
Management's Discussion and Analysis	3 - 7
Financial Statements:	
Statements of Net Position	8
Statements of Revenue, Expenses and Changes in Net Position	9
Statements of Cash Flows	10
Notes to Financial Statements	11 - 16

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Queensborough Community College
Student Activity Association:

Report on the Financial Statements

We have audited the accompanying financial statements of Queensborough Community College Student Activity Association (the Association) as of and for the years ended June 30, 2018 and 2017, and the related notes to financial statements, which collectively comprise the Association's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of Queensborough Community College Student Activity Association as of June 30, 2018 and 2017, and the respective changes in financial position and cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Required Supplementary Information

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

EFPR Group, CPAs, PLLC

Williamsville, New York
October 1, 2018

QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION

Management's Discussion and Analysis

June 30, 2018

The intent of management's discussion and analysis (MD&A) is to provide readers with a comprehensive overview of the Queensborough Community College Student Activity Association's (the Association) financial position as of June 30, 2018, and changes in its net position for the year then ended. Since this MD&A is designed to focus on current activities, resulting changes, and currently known facts, it should be read in conjunction with the accompanying audited financial statements and related notes.

Financial Highlights

- The Association's net position increased by \$42,809 or 9%.
- Operating revenue increased by \$47,324 or 3%.
- Operating expenses increased by \$20,648 or 1%.

Financial Position

The Association's net position, the difference between assets and liabilities, are one way to measure the Association's financial health or financial position. Over time, increases and decreases in the Association's net position are one indicator of whether its financial health is improving.

Statements of Net Position

The following summarizes the Association's assets, liabilities, and net position as of June 30, 2018 and 2017, under the accrual basis of accounting:

	<u>2018</u>	<u>2017</u>	<u>Dollar change</u>	<u>Percent change</u>
Assets:				
Current assets	\$ 678,071	586,867	91,204	16%
Noncurrent assets - capital assets	<u>138,683</u>	<u>165,013</u>	<u>(26,330)</u>	<u>(16%)</u>
Total assets	<u>816,754</u>	<u>751,880</u>	<u>64,874</u>	<u>9%</u>
Liabilities	<u>286,177</u>	<u>264,112</u>	<u>22,065</u>	<u>8%</u>
Net position:				
Net investment in capital assets	138,683	165,013	(26,330)	(16%)
Unrestricted	<u>391,894</u>	<u>322,755</u>	<u>69,139</u>	<u>21%</u>
Total net position	\$ <u>530,577</u>	<u>487,768</u>	<u>42,809</u>	<u>9%</u>

QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION

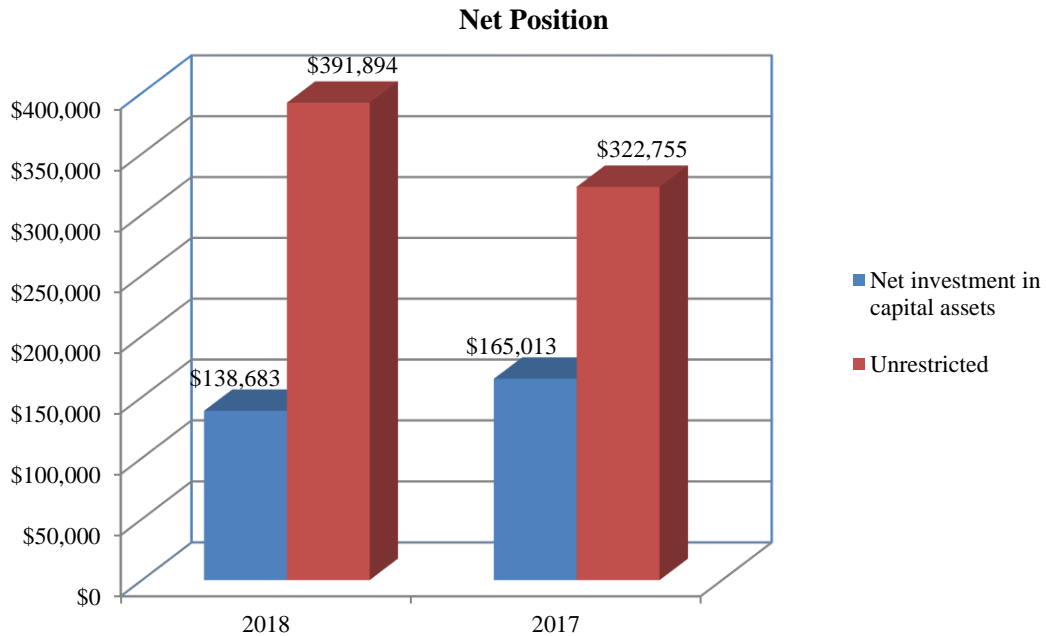
Management's Discussion and Analysis, Continued

At June 30, 2018, the Association's total assets increased by \$64,874 or 9%, compared to the previous year. This variance is primarily due to increased accounts receivable of \$35,865 resulting from higher student enrollment. There was also an increase of \$26,376 in prepaid expenses and other assets mainly attributable to prepayment of the 2018-2019 CUNY Athletic Conference membership dues. Cash and equivalents also increased by \$28,963. The increase was partially offset by a decrease of \$26,330 in capital assets due to depreciation.

At June 30, 2018, the Association's total current liabilities increased by \$22,065 or 8%, compared to the previous year. This variance was mainly due to an increase of \$15,340 in unearned revenue.

There were no other significant or unexpected changes in the Association's assets and liabilities.

The following illustrates the Association's net position at June 30, 2018 and 2017 by category:



QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION

Management’s Discussion and Analysis, Continued

Statements of Revenue, Expenses and Changes in Net Position

The statements of revenue, expenses and changes in net position present the operating results of the Association, as well as non-operating revenue and expenses, if any. The major components of revenue and expenses for the years ended June 30, 2018 and 2017 are as follows:

Revenue

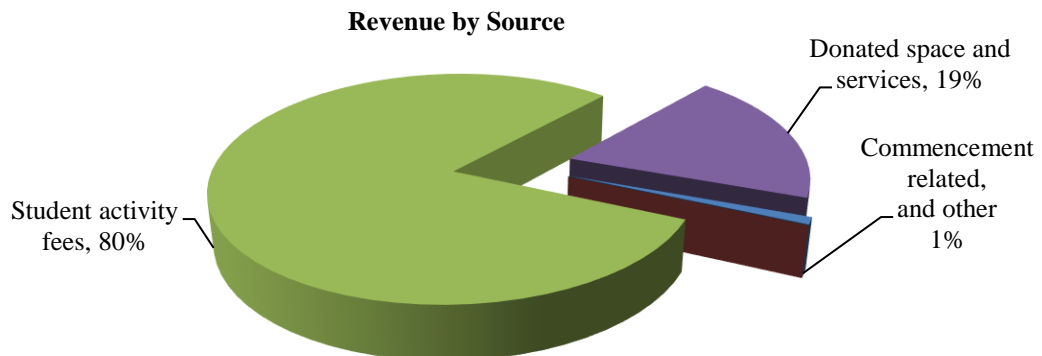
	<u>2018</u>	<u>2017</u>	<u>Dollar change</u>	<u>Percent change</u>
Operating revenue:				
Student activity fees	\$ 1,307,191	1,269,310	37,881	3%
Donated space and services	315,568	305,975	9,593	3%
Commencement related and other	<u>1,025</u>	<u>1,175</u>	<u>(150)</u>	<u>(13%)</u>
Total operating revenue	\$ <u>1,623,784</u>	<u>1,576,460</u>	<u>47,324</u>	<u>3%</u>

The Association’s total revenue for the year ended June 30, 2018 was \$1,623,784, an increase of \$47,324 or 3%, compared to the previous year primarily due to an increase in student activity fees of \$37,881.

Student activity fees represented approximately 80% of total revenue and, accordingly, the Association is dependent upon this level of support to carry out its operations.

There were no other significant or unexpected changes in the Association’s revenue.

The following illustrates the Association’s revenue, by source, for the year ended June 30, 2018:



**QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION**

Management's Discussion and Analysis, Continued

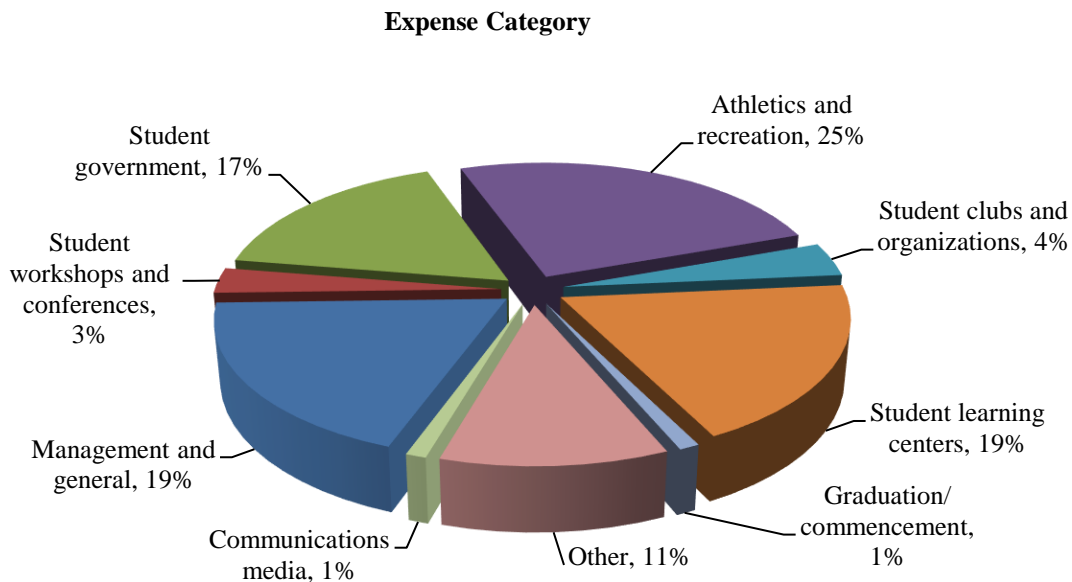
Expenses

	<u>2018</u>	<u>2017</u>	<u>Dollar change</u>	<u>Percent change</u>
Operating expenses:				
Student government	\$ 274,080	265,262	8,818	3%
Athletics and recreation	406,027	406,258	(231)	(1%)
Student workshops and conferences	41,381	41,770	(389)	(1%)
Graduation/commencement	20,162	19,292	870	5%
Student clubs and organizations	55,954	63,066	(7,112)	(11%)
Student learning centers	310,567	291,271	19,296	7%
Communications media	7,793	13,252	(5,459)	(41%)
Other	166,841	165,001	1,840	1%
Management and general	<u>298,170</u>	<u>295,155</u>	<u>3,015</u>	<u>1%</u>
Total operating expenses	\$ <u>1,580,975</u>	<u>1,560,327</u>	<u>20,648</u>	<u>1%</u>

Total expenses for the year ended June 30, 2018 were \$1,580,975, an increase of \$20,648 or 1%, compared to the previous year. The higher spending was primarily due to an increase in the student learning centers salaries and fringe costs of \$19,296. This was the result of the New York State mandatory minimum wage changes affecting the majority of the part time tutors. There was also an increase of \$8,818 in student government expense due to an increase in stipends. These increases were partially offset by a decrease of \$7,112 in student clubs and organizations as well as \$5,459 in communications media.

There were no other significant or unexpected changes in the Association's expenses.

The following illustrates the Association's expenses, by category, for the year ended June 30, 2018:

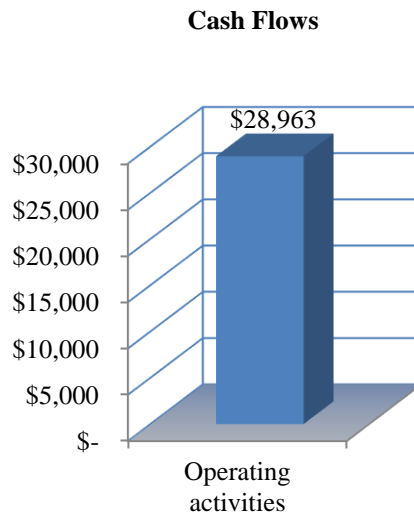


QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION

Management's Discussion and Analysis, Continued

Cash Flows

The statements of cash flows provide information about cash receipts and cash payments during the year. This statement assists users to assess the Association's ability to generate net cash flows, meet its obligations as they come due, and its dependency on external financing. The following summarizes the Association's cash flows for the year ended June 30, 2018:



Economic Factors That May Affect the Future

There are no known economic factors that may influence the future, with the exception of student enrollment, which directly relates to the amount of revenue earned, as well as related expenses incurred.

QUEENSBOROUGH COMMUNITY COLLEGE
 STUDENT ACTIVITY ASSOCIATION
 Statements of Net Position
 June 30, 2018 and 2017

<u>Assets</u>	<u>2018</u>	<u>2017</u>
Current assets:		
Cash and equivalents	\$ 136,283	107,320
Accounts receivable	316,962	281,097
Prepaid expenses and other assets	<u>224,826</u>	<u>198,450</u>
Total current assets	678,071	586,867
Noncurrent assets - capital assets, net	<u>138,683</u>	<u>165,013</u>
Total assets	<u>816,754</u>	<u>751,880</u>
<u>Liabilities</u>		
Current liabilities:		
Accounts payable and accrued expenses	20,482	13,757
Unearned revenue	<u>265,695</u>	<u>250,355</u>
Total current liabilities	<u>286,177</u>	<u>264,112</u>
<u>Net position</u>		
Net investment in capital assets	138,683	165,013
Unrestricted	<u>391,894</u>	<u>322,755</u>
Total net position	<u>\$ 530,577</u>	<u>487,768</u>

See accompanying notes to financial statements.

QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION
Statements of Revenue, Expenses and Changes in Net Position
Years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Operating revenue:		
Student activity fees	\$ 1,307,191	1,269,310
Donated space and services	315,568	305,975
Commencement related and other	<u>1,025</u>	<u>1,175</u>
Total operating revenue	<u>1,623,784</u>	<u>1,576,460</u>
Operating expenses:		
Student government	274,080	265,262
Athletics and recreation	406,027	406,258
Student workshops and conferences	41,381	41,770
Graduation/commencement	20,162	19,292
Student clubs and organizations	55,954	63,066
Student learning centers	310,567	291,271
Communications media	7,793	13,252
Other	166,841	165,001
Management and general	<u>298,170</u>	<u>295,155</u>
Total operating expenses	<u>1,580,975</u>	<u>1,560,327</u>
Income from operations	<u>42,809</u>	<u>16,133</u>
Increase in net position	42,809	16,133
Net position at beginning of year	<u>487,768</u>	<u>471,635</u>
Net position at end of year	<u>\$ 530,577</u>	<u>487,768</u>

See accompanying notes to financial statements.

QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION
Statements of Cash Flows
Years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Cash receipts from:		
Student activity fees	\$ 1,286,666	1,265,509
Other	1,025	1,175
Cash payments to/for:		
Employees' salaries and benefits	(685,986)	(638,590)
Vendors	<u>(572,742)</u>	<u>(622,316)</u>
Net cash provided by operating activities	<u>28,963</u>	<u>5,778</u>
Net increase in cash and equivalents	28,963	5,778
Cash and equivalents at beginning of year	<u>107,320</u>	<u>101,542</u>
Cash and equivalents at end of year	<u>\$ 136,283</u>	<u>107,320</u>
Reconciliation of income from operations to net cash provided by operating activities:		
Income from operations	42,809	16,133
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Depreciation	26,330	25,182
Changes in:		
Accounts receivable	(35,865)	(60,795)
Prepaid expenses and other assets	(26,376)	(25,699)
Accounts payable and accrued expenses	6,725	(6,037)
Unearned revenue	<u>15,340</u>	<u>56,994</u>
Net cash provided by operating activities	<u>\$ 28,963</u>	<u>5,778</u>
Supplemental schedule of cash flow information:		
Donated space and services revenue	<u>\$ 315,568</u>	<u>305,975</u>
Donated office space	4,493	4,493
Donated professional services	<u>311,075</u>	<u>301,482</u>
	<u>\$ 315,568</u>	<u>305,975</u>

See accompanying notes to financial statements.

QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION

Notes to Financial Statements

June 30, 2018 and 2017

(1) Nature of Organization

The Queensborough Community College Student Activity Association (the Association) is a nonprofit entity created for the principal purpose of developing and cultivating educational, social, cultural, and recreational activities among students of Queensborough Community College (the College) of the City University of New York (CUNY or the University). The Association's revenue is derived primarily from student activity fees levied by a resolution of the Board of Directors of the University and collected by the College on the Association's behalf.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The Association's accounting policies conform to accounting principles generally accepted in the United States of America (GAAP) and applicable Governmental Accounting Standards Board (GASB) pronouncements.

For financial reporting purposes, the Association is considered to be a special-purpose entity engaged only in business-type activities. GASB defines business-type activities as activities financed in whole or in part by fees charged to external parties for goods or services. Accordingly, the accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with GAAP, as prescribed by GASB. For financial reporting purposes, the Association is also considered to be a discretely presented component unit of the University, as defined by GASB.

(b) Net Position

The Association's resources are classified into the following net position categories:

Net investment in capital assets - Capital assets, net of accumulated depreciation and outstanding principal balances of debt, if any, attributable to the acquisition, construction, or improvement of those assets.

Restricted - non-expendable - Net position subject to externally imposed stipulations requiring the Association to maintain them in perpetuity.

Restricted - expendable - Net position whose use is subject to externally imposed stipulations that can be fulfilled by the actions of the Association or the passage of time.

Unrestricted - All other net position, including net position designated by actions, if any, of the Association's Board of Directors.

At June 30, 2018, the Association had no restricted net position.

QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(c) Cash and Equivalents

Cash and equivalents are comprised of highly liquid instruments with original maturities of 90 days or less.

(d) Accounts Receivable

Accounts receivable are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

(e) Capital Assets

Capital assets are stated at cost at the date of acquisition or fair value at the date of contribution, if donated. In accordance with the Association's capital asset policy, capital assets are defined as any asset with a useful life of at least two years and a cost or value at the time of receipt of \$5,000 or more for all assets. Depreciation is computed using the straight-line method over the estimated useful life of the asset and is not allocated to the functional expense categories. The estimated useful life of furniture and equipment and improvements is five years.

(f) Revenue Recognition

Student activity fees are recognized in the period earned. Student activity fees collected prior to year-end, if any, relating to the summer and fall semesters of the subsequent year, are recorded as unearned revenue.

(g) Donated Space and Services

The Association operates on the campus of the College and, as such, utilizes office space and certain services made available to it. The cost savings associated with any such arrangements are reflected in the accompanying financial statements (note 4).

(h) Functional Expenses

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

(i) Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(j) Subsequent Events

The Association has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued.

(k) Income Taxes

The Association is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code), therefore, no provision for income taxes is reflected in the financial statements. The Association has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the Code. The Association presently discloses or recognizes income tax positions based on management's estimate of whether it is reasonably possible or probable that a liability has been incurred for unrecognized income taxes. Management has concluded that the Association has taken no uncertain tax positions that require adjustment in its financial statements. U.S. Forms 990 filed by the Association are subject to examination by taxing authorities.

(3) Cash and Equivalents

Custodial credit risk of deposits is the risk that the Association's deposits may not be returned in the event of a bank failure. At June 30, 2018, none of the Association's bank balance of \$165,489 was exposed to custodial credit risk. The Association does not have a deposit policy.

(4) Donated Space and Services

The Association is allowed free use of certain facilities provided by the College. The estimated fair value of the donated space which is used solely by the various student organizations amounted to \$4,493 for the years ended June 30, 2018 and 2017. Additionally, certain professional services were provided by the College and amounted to \$311,075 and \$301,482 for the years ended June 30, 2018 and 2017, respectively. These donated space and services are included in both revenue and expenses in the accompanying statements of revenue, expenses and changes in net position. The fair values of facilities which are shared between the Association and other College entities, such as gymnasiums and other athletic space, are not recorded in the accompanying financial statements, as neither the College nor the Association has a clearly measurable or objective basis for determining, such amounts.

QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION

Notes to Financial Statements, Continued

(5) Capital Assets

At June 30, 2018 and 2017, capital assets consisted of the following:

	2018			
	<u>Beginning balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending balance</u>
Furniture and equipment	\$ 128,145	-	-	128,145
Improvements - science building	232,485	-	-	232,485
Improvements - gymnasium	132,700	-	-	132,700
Improvements - library building	109,846	-	-	109,846
Improvements - student union	28,154	-	-	28,154
Tables and chairs - library	<u>27,741</u>	<u>-</u>	<u>-</u>	<u>27,741</u>
	659,071	-	-	659,071
Less accumulated depreciation	<u>(494,058)</u>	<u>(26,330)</u>	<u>-</u>	<u>(520,388)</u>
Capital assets, net	<u>\$ 165,013</u>	<u>(26,330)</u>	<u>-</u>	<u>138,683</u>
	2017			
	<u>Beginning balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending balance</u>
Furniture and equipment	\$ 128,145	-	-	128,145
Improvements - science building	232,485	-	-	232,485
Improvements - gymnasium	132,700	-	-	132,700
Improvements - library building	109,846	-	-	109,846
Improvements - student union	28,154	-	-	28,154
Tables and chairs - library	<u>27,741</u>	<u>-</u>	<u>-</u>	<u>27,741</u>
	659,071	-	-	659,071
Less accumulated depreciation	<u>(468,876)</u>	<u>(25,182)</u>	<u>-</u>	<u>(494,058)</u>
Capital assets, net	<u>\$ 190,195</u>	<u>(25,182)</u>	<u>-</u>	<u>165,013</u>

(6) Related Party Transactions

The Association entered into transactions with the Research Foundation of The City University of New York and certain other College entities related to reimbursement for payroll, healthcare and other fringe benefits provided to the Association. During the years ended June 30, 2018 and 2017, the Association paid the Research Foundation and other College entities \$189,100 and \$189,513, respectively, for these costs which covered administrative employees.

QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION

Notes to Financial Statements, Continued

(7) Accounting Standards Issued But Not Yet Implemented

GASB Statement No. 83 - "Certain Asset Retirement Obligations." This Statement, issued in November 2016, addresses accounting and financial reporting for certain asset retirement obligations (AROs). Governments that have legal obligations to perform certain future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018, which is the fiscal year beginning July 1, 2018 for the Association. This Statement is not expected to have a material effect on the financial statements of the Association.

GASB Statement No. 84 - "Fiduciary Activities." This Statement, issued in January 2017, established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. This Statement is effective for reporting periods beginning after December 15, 2018, which is the fiscal year beginning July 1, 2019 for the Association. Management is in the process of evaluating the potential impact due to the implementation of this Statement on the financial statements of the Association.

GASB Statement No. 87 - "Leases." This Statement, issued in June 2017, increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019, which is the fiscal year beginning July 1, 2020 for the Association. This Statement is not expected to have a material effect on the financial statements of the Association.

GASB Statement No. 88 - "Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements." This Statement, issued in April of 2018, requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. This Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The provisions of this Statement are effective for reporting periods beginning after June 15, 2018, which is the fiscal year beginning July 1, 2018 for the Association. This Statement is not expected to have a material effect on the financial statements of the Association.

QUEENSBOROUGH COMMUNITY COLLEGE
STUDENT ACTIVITY ASSOCIATION

Notes to Financial Statements, Continued

(7) Accounting Standards Issued But Not Yet Implemented, Continued

GASB Statement No. 89 - "Accounting for Interest Cost Incurred Before the End of a Construction Period." This Statement, issued in June 2018, establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62 - "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements" which are superseded by this Statement. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019, which is the fiscal year beginning July 1, 2020 for the Association. This Statement is not expected to have a material effect on the financial statements of the Association.

GASB Statement No. 90 - "Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61." This Statement, issued in August 2018, seeks to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and sets parameters as to whether a majority equity interest is to be reported as an investment or component unit. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018, which is the fiscal year beginning July 1, 2019 for the Association. This Statement is not expected to have a material effect on the financial statements of the Association.