

THE CITY COLLEGE STUDENT  
SERVICES CORPORATION  
(A Component Unit of the  
City University of New York)  
Financial Statements and  
Supplementary Information  
June 30, 2017 and 2016  
(With Independent Auditors' Report Thereon)

THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
The City College Student Services Corporation  
(A Component Unit of the City University of New York):

### Report on the Financial Statements

We have audited the accompanying financial statements of The City College Student Services Corporation (A Component Unit of the City University of New York) (the Association) as of and for the years ended June 30, 2017 and 2016, 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 The City College Student Services Corporation (A Component Unit of the City University of New York) as of June 30, 2017 and 2016, 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*

(Formerly Toski & Co., CPAs, P.C.)

Williamsville, New York  
October 13, 2017

THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)

Management's Discussion and Analysis

June 30, 2017

The intent of management's discussion and analysis (MD&A) is to provide readers with a comprehensive overview of The City College Student Services Corporation's (A Component Unit of the City University of New York) (the Association) financial position as of June 30, 2017, 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 decreased by \$147,143 or 22%.
- Operating revenue increased by \$97,751 or 4%.
- Operating expenses increased by \$72,322 or 3%.

**Financial Position**

The Association's net position, the difference between assets and liabilities, is one way to measure the Association's financial health. Over time, increases and decreases in the Association's net position is 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, 2017 and 2016, under the accrual basis of accounting:

	<u>2017</u>	<u>2016</u>	<u>Dollar change</u>	<u>Percent change</u>
Assets:				
Current assets	\$ 572,580	598,578	(25,998)	(4%)
Noncurrent assets	<u>          -</u>	<u>193,275</u>	<u>(193,275)</u>	(100%)
Total assets	<u>572,580</u>	<u>791,853</u>	<u>(219,273)</u>	(28%)
Current liabilities	<u>59,435</u>	<u>131,565</u>	<u>(72,130)</u>	(55%)
Net position:				
Net investment in capital assets	-	193,275	(193,275)	(100%)
Unrestricted	<u>513,145</u>	<u>467,013</u>	<u>46,132</u>	10%
Total net position	\$ <u>513,145</u>	<u>660,288</u>	<u>(147,143)</u>	(22%)

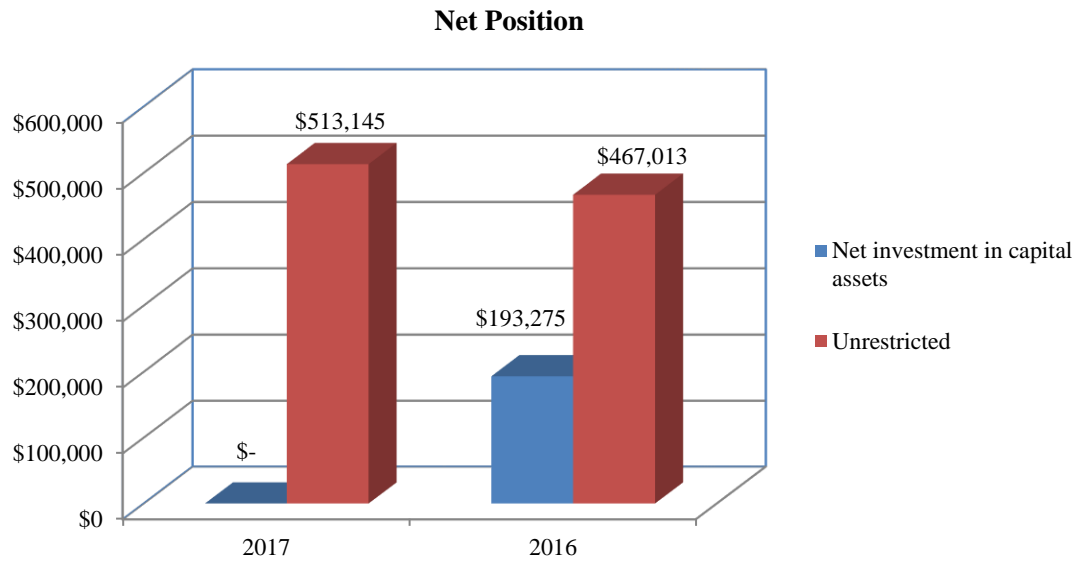
**THE CITY COLLEGE STUDENT SERVICES CORPORATION**  
(A Component Unit of the City University of New York)  
Management’s Discussion and Analysis, Continued

At June 30, 2017, the Association’s total net position decreased by \$147,143 or 22%, compared to the previous year. The major components of this variance related to a decrease in noncurrent assets of \$193,275, which was caused by transferring capital assets to the College.

Current liabilities decreased by \$72,130 or 55%, compared to the previous year. The decrease in current liabilities primarily resulted from paying activity fees of approximately \$57,000 to the City College Child Development Center, Inc.

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, 2017 and 2016 by category:



THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)

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 nonoperating revenue and expenses. The major components of revenue and expenses for the years ended June 30, 2017 and 2016 are as follows:

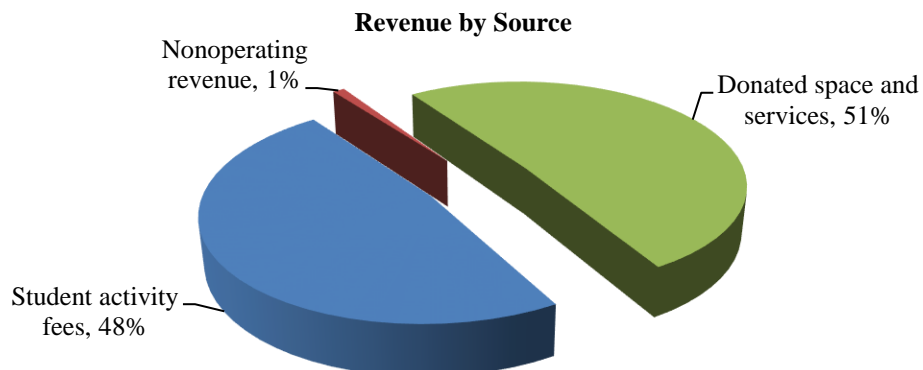
**Revenue**

	<u>2017</u>	<u>2016</u>	<u>Dollar change</u>	<u>Percent change</u>
Operating revenue:				
Student activity fees	\$ 1,348,405	1,311,766	36,639	3%
Donated space and services	1,417,854	1,347,061	70,793	5%
Other	<u>7,564</u>	<u>17,245</u>	<u>(9,681)</u>	(56%)
Total operating revenue	<u>2,773,823</u>	<u>2,676,072</u>	<u>97,751</u>	4%
Nonoperating revenue:				
Contributions and event ticket fees	35,016	89,595	(54,579)	(61%)
Interest income	<u>821</u>	<u>749</u>	<u>72</u>	10%
Total nonoperating revenue	<u>35,837</u>	<u>90,344</u>	<u>(54,507)</u>	(60%)
Total revenue	\$ <u>2,809,660</u>	<u>2,766,416</u>	<u>43,244</u>	2%

The Association's total revenue for the year ended June 30, 2017 amounted to \$2,809,660, an increase of \$43,244 or 2%, compared to the previous year. Most of this variance was attributable to an increase in student activity fees of \$36,639, which was primarily due to an increase in student activity fees received from the University, and an increase of \$70,793 in donated space and services due to an increase in the donated space market rate. The increase was offset by a decrease in contributions and event ticket fees of \$54,579.

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, 2017:



THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)

Management's Discussion and Analysis, Continued

**Expenses**

	<u>2017</u>	<u>2016</u>	<u>Dollar change</u>	<u>Percent change</u>
Operating expenses:				
Student clubs/organizations/ activities	\$ 54,181	50,174	4,007	8%
Student government	875,128	819,785	55,343	7%
Athletics and recreation	703,073	728,682	(25,609)	(4%)
Media and publications	160,435	156,315	4,120	3%
Student center	604,717	617,408	(12,691)	(2%)
Wellness/medical office	234,098	184,690	49,408	27%
Safety services	45,008	56,745	(11,737)	(21%)
Management and general	62,019	52,592	9,427	18%
Depreciation	<u>11,676</u>	<u>11,622</u>	<u>54</u>	1%
Total operating expenses	2,750,335	2,678,013	72,322	3%
Nonoperating expenses:				
College support	24,869	414,569	(389,700)	(94%)
Capital assets transferred to College	<u>181,599</u>	<u>-</u>	<u>181,599</u>	100%
Total expenses	\$ <u>2,956,803</u>	<u>3,092,582</u>	<u>(135,779)</u>	(4%)

Total expenses for the year ended June 30, 2017 were \$2,956,803, a decrease of \$135,779 or 4% compared to the previous year. The major components of this variance were a decrease in athletics and recreation expenses due to fewer coaches being hired for the athletic teams; and a decrease in college support due to renovations of space for use by student clubs was completed in fiscal year 2016.

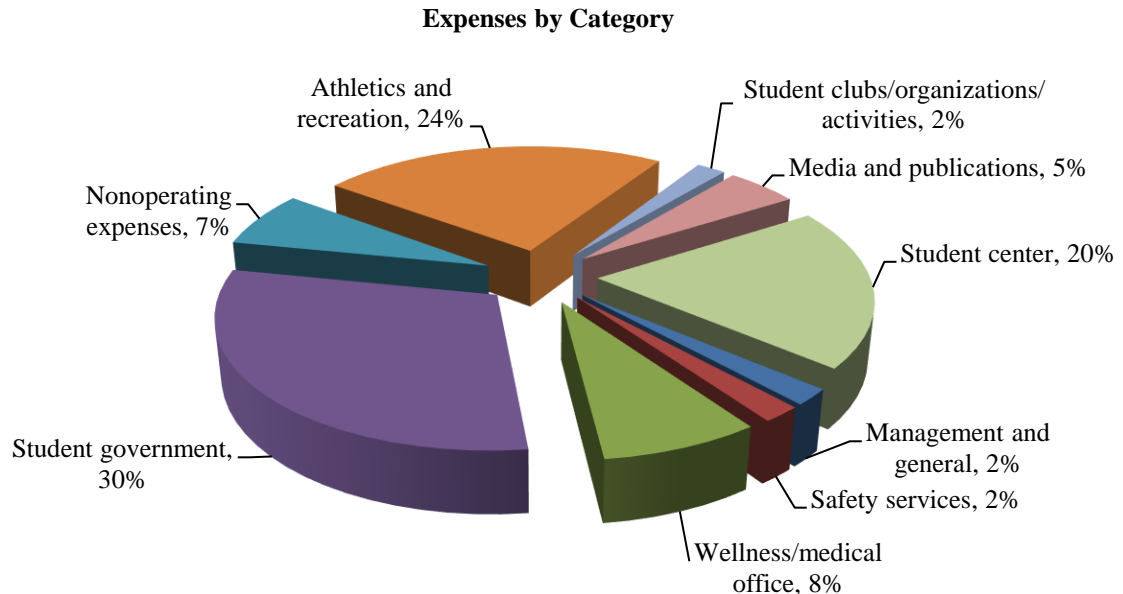
There were no other significant or unexpected changes in the Association's expenses.



THE CITY COLLEGE STUDENT SERVICES CORPORATION  
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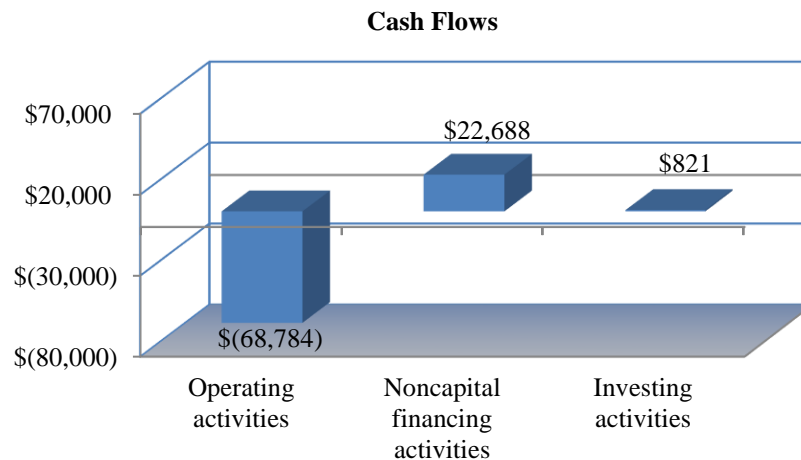
Management's Discussion and Analysis, Continued

The following illustrates the Association's expenses, by category, for the year ended June 30, 2017:



**Cash Flows**

The statement of cash flows provides 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, 2017:



**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.

THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)  
Statements of Net Position  
June 30, 2017 and 2016

<u>Assets</u>	<u>2017</u>	<u>2016</u>
Current assets:		
Cash and equivalents (note 3)	\$ 537,814	583,089
Other receivables	-	3,520
Prepaid expenses	<u>34,766</u>	<u>11,969</u>
Total current assets	572,580	598,578
Noncurrent assets - capital assets, net (note 4)	<u>-</u>	<u>193,275</u>
Total assets	<u>572,580</u>	<u>791,853</u>
<u>Liabilities</u>		
Current liabilities:		
Accounts payable and accrued expenses	42,313	126,984
Other liabilities	<u>17,122</u>	<u>4,581</u>
Total current liabilities	<u>59,435</u>	<u>131,565</u>
<u>Net Position</u>		
Net position:		
Net investment in capital assets	-	193,275
Unrestricted	<u>513,145</u>	<u>467,013</u>
Total net position	<u>\$ 513,145</u>	<u>660,288</u>

See accompanying notes to financial statements.

THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)  
Statements of Revenue, Expenses and Changes in Net Position  
Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Operating revenue:		
Student activity fees (note 2(f))	\$ 1,348,405	1,311,766
Donated space and services (note 5)	1,417,854	1,347,061
Other	<u>7,564</u>	<u>17,245</u>
Total operating revenue	<u>2,773,823</u>	<u>2,676,072</u>
Operating expenses:		
Student clubs/organizations/activities	54,181	50,174
Student government	875,128	819,785
Athletics and recreation	703,073	728,682
Media and publications	160,435	156,315
Student center	604,717	617,408
Wellness/medical office	234,098	184,690
Safety services	45,008	56,745
Management and general	62,019	52,592
Depreciation	<u>11,676</u>	<u>11,622</u>
Total operating expenses	<u>2,750,335</u>	<u>2,678,013</u>
Income (loss) from operations	<u>23,488</u>	<u>(1,941)</u>
Nonoperating revenue (expense):		
Contributions and event ticket fees	35,016	89,595
Interest income	821	749
College support	(24,869)	(414,569)
Capital assets transferred to College	<u>(181,599)</u>	<u>-</u>
Total nonoperating revenue (expense), net	<u>(170,631)</u>	<u>(324,225)</u>
Decrease in net position	(147,143)	(326,166)
Net position at beginning of year	<u>660,288</u>	<u>986,454</u>
Net position at end of year	<u>\$ 513,145</u>	<u>660,288</u>

See accompanying notes to financial statements.

THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)  
Statements of Cash Flows  
Years ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Cash receipts from:		
Student activity fees	\$ 1,348,405	1,311,766
Other	11,084	13,725
Cash payments to/for:		
Employees' salaries and benefits	(620,998)	(757,998)
Vendors	<u>(807,275)</u>	<u>(465,372)</u>
Net cash provided by (used in) operating activities	<u>(68,784)</u>	<u>102,121</u>
Cash flows from noncapital financing activities:		
Contributions and event ticket fees	35,016	89,595
Other liabilities	12,541	-
College support	<u>(24,869)</u>	<u>(414,569)</u>
Net cash provided by (used in) noncapital financing activities	<u>22,688</u>	<u>(324,974)</u>
Cash flows provided by investing activities - interest income	<u>821</u>	<u>749</u>
Net decrease in cash and equivalents	(45,275)	(222,104)
Cash and equivalents at beginning of year	<u>583,089</u>	<u>805,193</u>
Cash and equivalents at end of year	<u>\$ 537,814</u>	<u>583,089</u>

(Continued)

See accompanying notes to financial statements.

THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)  
Statements of Cash Flows, Continued

	<u>2017</u>	<u>2016</u>
Reconciliation of income (loss) from operations to net cash provided by (used in) operating activities:		
Income (loss) from operations	\$ 23,488	(1,941)
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:		
Depreciation	11,676	11,622
Changes in:		
Other receivables	3,520	(3,520)
Prepaid expenses	(22,797)	80
Accounts payable and accrued expenses	<u>(84,671)</u>	<u>95,880</u>
Net cash provided by (used in) operating activities	<u>\$ (68,784)</u>	<u>102,121</u>
Supplemental schedule of cash flow information:		
Donated space and services	<u>\$ 1,417,854</u>	<u>1,347,061</u>
Donated facilities	1,081,652	1,032,486
Donated professional services	<u>336,202</u>	<u>314,575</u>
	<u>\$ 1,417,854</u>	<u>1,347,061</u>
Disposal of fully depreciated equipment	<u>\$ 1,949</u>	<u>10,144</u>
Capital assets transferred to College	<u>\$ 181,599</u>	<u>-</u>

See accompanying notes to financial statements.

THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)

Notes to Financial Statements

June 30, 2017 and 2016

(1) Nature of Organization

The City College Student Services Corporation (A Component Unit of the City University of New York) (the Association) is a nonprofit entity created for the principal purpose of developing and cultivating educational, social, cultural, and recreational activities among students of the City College (the College) of the City University of New York (CUNY or the University). The Association was incorporated on April 25, 1978. The Association's revenue is derived primarily from student activity fees levied by a resolution of the board of trustees of the University and collected by the College.

(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) Accounting Pronouncements

The significant GASB standards relating to the Association are summarized below:

- GASB Statement No. 63 - "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position." This Statement amends the net asset reporting requirements in Statement No. 34 - "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.
- GASB Statement No. 65 - "Items Previously Reported as Assets and Liabilities." This Statement established accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes as outflows of resources or inflows of resources, certain items that were previously reported as assets or liabilities.

THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(b) Accounting Pronouncements, Continued

- GASB Statement No. 72 - “Fair Value Measurement and Application” provides guidance regarding accounting and financial reporting related to fair value measures of certain investments. The requirements of this Statement are effective for periods beginning after June 15, 2015. For the Association, this Statement became effective for the fiscal year beginning July 1, 2015.
- GASB Statement No. 79 - “Certain External Investment Pools and Pool Participants.” This Statement, issued in December 2015, addresses the accounting and financial reporting for certain external investment pools and pool participants. It establishes the criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The provisions of this Statement are effective for financial statements for years beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk and shadow pricing. For the Association, this Statement became effective for the fiscal year beginning July 1, 2015.

The above mentioned accounting pronouncements currently are not applicable to the Association.

(c) 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, 2017, the Association had no restricted net position or net investment in capital assets.

(d) Cash and Equivalents

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

THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(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 \$1,000 or more for computer hardware, and \$5,000 or more for all other 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 equipment is five years and the estimated useful life of building improvements is twenty-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 utilizes facilities and equipment, as well as personnel services of certain College employees. The cost savings associated with such arrangements are recorded as donated space and services, and are recognized as revenue and expenses in the accompanying statements of revenue, expenses and changes in net position, based on the fair value of such facilities and services (note 5).

(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.

(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) Reclassifications

Reclassifications have been made to certain 2016 balances in order to conform them to the 2017 presentation.



THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)

Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(1) Income Taxes

The Association is exempt from federal 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 times, the Association's cash and equivalents may exceed federally insured limits. Exposure to credit risk is reduced by placing such deposits in high credit quality financial institutions.

(4) Capital Assets

At June 30, 2017 and 2016, capital assets consisted of the following:

	2017			
	Beginning balance	Additions	Disposals	Ending balance
Equipment	\$ 1,949	-	(1,949)	-
Building improvements	291,910	-	(181,599)	110,311
Less accumulated depreciation	(100,584)	(11,676)	1,949	(110,311)
Capital assets, net	\$ <u>193,275</u>	(11,676)	(181,599)	<u>-</u>
	2016			
	Beginning balance	Additions	Disposals	Ending balance
Equipment	\$ 12,093	-	(10,144)	1,949
Building improvements	291,910	-	-	291,910
Less accumulated depreciation	(99,106)	(11,622)	10,144	(100,584)
Capital assets, net	\$ <u>204,897</u>	(11,622)	<u>-</u>	<u>193,275</u>

THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)

Notes to Financial Statements, Continued

(5) Donated Space and Services

The Association utilizes certain facilities and professional services provided by the College at no cost. The estimated fair values of facilities and professional services are included in the accompanying statements of revenue, expenses and changes in net position. Facilities and professional services for the years ended June 30, 2017 and 2016 amounted to the following:

	<u>2017</u>	<u>2016</u>
Facilities	\$ 1,081,652	1,032,486
Professional services	<u>336,202</u>	<u>314,575</u>
	<u>\$ 1,417,854</u>	<u>1,347,061</u>

Facilities, which are shared between the Association and the other College entities, such as the gymnasium and other athletic space, are not recorded in the accompanying financial statements as neither the Association nor the College has a clearly determinable or objective basis for valuing such amounts.

(6) 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. This Statement is not expected to have a material effect on the financial statements of the Association.

GASB Statement No. 85 - "Omnibus 2017." This Statement, issued in March 2017, addresses issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017, which is the fiscal year beginning July 1, 2017 for the Association. This Statement is not expected to have a material effect on the financial statements of the Association.

THE CITY COLLEGE STUDENT SERVICES CORPORATION  
(A Component Unit of the City University of New York)

Notes to Financial Statements, Continued

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

GASB Statement No. 86 - "Certain Debt Extinguishment Issues." This Statement, issued in May 2017, addresses issues related to in-substance defeasances occurring through repayment of debt from existing sources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017, which is the fiscal year beginning July 1, 2017 for the Association. This Statement is not expected to have a material effect 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.