

STUDENT GOVERNMENT ASSOCIATION

Cortland, New York

FINANCIAL REPORT

**For the Years Ended
June 30, 2021 and 2020**



STUDENT GOVERNMENT ASSOCIATION

TABLE OF CONTENTS

Independent Auditors' Report	1-2
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Notes to Financial Statements	6-10
<hr/>	
Schedule of Revenues and Expenses by Organization	11-12
Schedule of Revenues and Expenses Referendum/Stabilization Approved Expenditures	13



INDEPENDENT AUDITORS' REPORT

Student Senate
Student Government Association
Cortland, New York

We have audited the accompanying financial statements of the Student Government Association (the Association), a nonprofit organization, which comprise the Statements of Financial Position as of June 30, 2021 and 2020, and the related Statements of Activities and Cash Flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' 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 of 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 auditors' 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 financial position of the Student Government Association, as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information contained in the schedules on pages 11-13 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Respectfully submitted,



Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
December 10, 2021

STUDENT GOVERNMENT ASSOCIATION

STATEMENTS OF FINANCIAL POSITION JUNE 30,

	<u>2021</u>	<u>2020</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	<u>\$ 1,694,973</u>	<u>\$ 1,414,719</u>
Total Current Assets	<u>1,694,973</u>	<u>1,414,719</u>
Noncurrent Assets		
Property and Equipment	111,546	87,364
Less: Accumulated Depreciation	<u>(70,282)</u>	<u>(72,095)</u>
Total Noncurrent Assets	<u>41,264</u>	<u>15,269</u>
Total Assets	<u><u>\$ 1,736,237</u></u>	<u><u>\$ 1,429,988</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	<u>\$ 23,204</u>	<u>\$ 177,020</u>
Total Liabilities	<u>23,204</u>	<u>177,020</u>
Net Assets Without Donor Restrictions		
Undesignated	1,630,487	1,170,422
Designated for Capital Replacement	61,827	61,827
Designated for Emergency Reserve	<u>20,719</u>	<u>20,719</u>
Total Net Assets Without Donor Restrictions	<u>1,713,033</u>	<u>1,252,968</u>
Total Liabilities and Net Assets	<u><u>\$ 1,736,237</u></u>	<u><u>\$ 1,429,988</u></u>

See Notes to Financial Statements

STUDENT GOVERNMENT ASSOCIATION

STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED JUNE 30,

	2021				2020			
	Stabilization Net Assets	Capital Replacement Net Assets	Emergency Reserve Net Assets	Total	Stabilization Net Assets	Capital Replacement Net Assets	Emergency Reserve Net Assets	Total
Revenues								
Activity Fees	\$ 987,445	\$ -	\$ -	\$ 987,445	\$ 805,673	\$ -	\$ -	\$ 805,673
Organization Generated Revenue	3,056	-	-	3,056	77,229	-	-	77,229
Interest	4,094	-	-	4,094	12,268	-	-	12,268
Miscellaneous	4,416	-	-	4,416	26,847	-	-	26,847
Total Revenue	999,011	-	-	999,011	922,017	-	-	922,017
Expenses								
Organizational	524,747	-	-	524,747	546,039	-	-	546,039
Referendum/Stabilization								
Approved Expenditures	-	-	-	-	35,926	10,329	-	46,255
Other	14,199	-	-	14,199	24,176	-	-	24,176
Total Expenses	538,946	-	-	538,946	606,141	10,329	-	616,470
Change in Net Assets	460,065	-	-	460,065	315,876	(10,329)	-	305,547
Net Assets, July 1,	1,170,422	61,827	20,719	1,252,968	854,546	72,156	20,719	947,421
Net Assets, June 30,	\$1,630,487	\$ 61,827	\$ 20,719	\$1,713,033	\$1,170,422	\$ 61,827	\$ 20,719	\$1,252,968

See Notes to Financial Statements

STUDENT GOVERNMENT ASSOCIATION

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30,

	<u>2021</u>	<u>2020</u>
Cash Flows From Operating Activities		
Change in Net Assets	\$ 460,065	\$ 305,547
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	14,199	11,781
Increase (Decrease) in Accounts Payable	<u>(153,816)</u>	<u>148,309</u>
Net Cash Provided (Used) by Operating Activities	<u>320,448</u>	<u>465,637</u>
Cash Flows From Investing Activities		
Purchase of Fixed Assets	<u>(40,194)</u>	<u>-</u>
Net Cash Provided (Used) by Investing Activities	<u>(40,194)</u>	<u>-</u>
Cash Flows From Financing Activities	<u>-</u>	<u>-</u>
Net Change in Cash and Cash Equivalents	280,254	465,637
Cash and Cash Equivalents, July 1,	<u>1,414,719</u>	<u>949,082</u>
Cash and Cash Equivalents, June 30,	<u><u>\$ 1,694,973</u></u>	<u><u>\$ 1,414,719</u></u>

See Notes to Financial Statements

STUDENT GOVERNMENT ASSOCIATION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

***Note 1* Summary of Significant Accounting Policies**

The Organization

The Student Government Association (the Association) is an unincorporated association composed of various organizations conducting student and academic activities at the State University of New York College at Cortland (the College). These activities are financed in part from the proceeds of mandatory activity fees levied each semester on students in attendance at the College. Disbursement of the fees collected is made in accordance with an annual budget adopted by the Student Senate.

Basis of Accounting

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

Financial Statement Presentation

The financial statements of the Association have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which require the Association to report information regarding its financial position and activities according to the following net asset classifications:

- Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Association's management and the Student Senate.
- Net Assets With Donor Restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Association or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statements of Activities.

Income Taxes

The Association qualifies under §501(c)(3) of the Internal Revenue Code as an exempt organization. The Association has also been classified by the Internal Revenue Service as an entity that is not a private foundation.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

STUDENT GOVERNMENT ASSOCIATION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

***Note 1* Summary of Significant Accounting Policies - Continued**

Cash Equivalents

The Association has cash and cash equivalents that consist of bank deposit accounts. Balances may, at times, exceed federally insured limits. The amounts in money market accounts are not federally insured. The Association has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk with respect to cash and cash equivalents.

Property and Equipment, Depreciation

Property and equipment are recorded at cost if purchased or fair value at the date of donation. Depreciation is provided using the straight line method over the estimated useful lives of the related assets, which range from three to five years. It is the Association's policy to capitalize all property and equipment purchases over \$8,000 with useful lives greater than one year.

Revenues

Activity fees are charged to each full-time student for each of the fall and spring semesters. The activity fee was \$110 per semester for the years ended June 30, 2021 and 2020. Of this amount, \$85 is revenue recognized by the Association, \$20 is allocated to Cortland Recreational Sports, and \$5 is allocated to Campus Activities. Activity fees are subject to annual review and approval by the executive committee of the Student Senate.

The executive committee of the Association reviews and makes allocations based upon budget requests submitted by all organizations wishing to receive Senate Funds. All monies earned or received in a given year are spent in that year with any unspent amounts being relinquished to the General Fund of the Association.

Student activities revenue is derived from activities conducted by the various student organizations within the Association and may be used by these organizations subject to the financial policies established by the Association.

The Association provides contracted bus transportation services for students of the College to various off-campus destinations. Revenue derived from this service is recorded as services are provided.

Donated Services and Goods

Volunteers have donated significant amounts of time in support of the Association's activities. However, value of these services is not reflected in the accompanying financial statements, as they do not meet the criteria for recognition set forth under generally accepted accounting principles.

Subsequent Events

Subsequent events have been evaluated through December 10, 2021, the date on which the financial statements were available to be issued.

STUDENT GOVERNMENT ASSOCIATION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

***Note 1* Summary of Significant Accounting Policies - Continued**

Administrative Fees

The Association paid an administrative fee to Auxiliary Services Corporation of SUNY Cortland (ASC), amounting to \$34,980 and \$33,800 for the years ended June 30, 2021 and 2020, respectively. This fee was assessed to the Association to reimburse estimated expenses incurred by ASC on behalf of the Association for accounting and other services provided. The fee was charged directly to the Association and accounted for as an organizational expense.

Allocated Student Fees and Special Programs Expense

The Association allocates a portion of student fees to fund specific programs. Expenditures for the programs are included in organizational expenses in the accompanying Statements of Activities.

New Accounting Pronouncements

In February 2016, Financial Accounting Standards Board (FASB) issued Accounting Standards Updates (ASU) No. 2016-02, "Leases" (Topic 842). ASU No. 2016-02 improves transparency and comparability among companies by recognizing lease assets and lease liabilities on the balance sheet and by disclosing key information about leasing arrangements. ASU No. 2016-02 is effective for the year ending June 30, 2023. The Association is currently assessing the financial impact of this guidance on the financial statements.

***Note 2* Accounts Receivable and Bad Debt**

The College advances credit to students in the normal course of business. The Association's activity fees are collected by the College and remitted to the Association. Accounts for which no payments have been received for several months are considered delinquent and customary collection efforts begin. After all collection efforts are exhausted, the account is written off. The Association records an allowance of outstanding accounts. The Association recorded an allowance for doubtful accounts of \$-0- and \$414 for the years ended June 30, 2021 and 2020, respectively.

STUDENT GOVERNMENT ASSOCIATION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

Note 3 Functional Expenses

Functional expenses are as follows for the years ended June 30,:

	2021	2020
Program Services		
Organizational Clubs	\$ 85,341	\$ 251,073
Academic Clubs	7,318	27,731
Referendum/Stabilization		
Approved Expenditures	-	46,255
Student Activities Board	58,327	44,481
Other Program Services	217,995	94,334
Total Program Services	368,981	463,874
 Management and General		
SAB-General	18	1,499
SGA-General	75,748	72,534
SGA-Salaries	80,000	54,387
Other	14,199	24,176
Total Management and General	169,965	152,596
 Total	\$ 538,946	\$ 616,470

Note 4 Property and Equipment

Property and equipment and accumulated depreciation as of June 30, consisted of the following:

	2021		
	Cost	Accumulated Depreciation	Net Book Value
Equipment	\$ 111,546	\$ 70,282	\$ 41,264
Total	\$ 111,546	\$ 70,282	\$ 41,264
	2020		
	Cost	Accumulated Depreciation	Net Book Value
Equipment	\$ 87,364	\$ 72,095	\$ 15,269
Total	\$ 87,364	\$ 72,095	\$ 15,269

Depreciation expense amounted to \$14,199 and \$11,781 for the years ended June 30, 2021 and 2020, respectively.

STUDENT GOVERNMENT ASSOCIATION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

***Note 5* Availability and Liquidity**

The Association's financial assets available within one year of the statement financial position date for general expenditure are as follows:

	<u>2021</u>	<u>2020</u>
Financial Assets at Year end		
Cash and Cash Equivalents	<u>\$ 1,694,973</u>	<u>\$ 1,414,719</u>
Total Financial Assets	<u>1,694,973</u>	<u>1,414,719</u>
Less Amounts Not Available to be Used		
Designated for Capital Replacement	(61,827)	(61,827)
Designated for Emergency Reserve	<u>(20,719)</u>	<u>(20,719)</u>
Total Amounts Unavailable Within One Year	<u>(82,546)</u>	<u>(82,546)</u>
Total Financial Assets Available Within One Year	<u>\$ 1,612,427</u>	<u>\$ 1,332,173</u>

***Note 6* Economic Uncertainty - COVID-19**

In March 2020, the COVID-19 coronavirus outbreak was declared to be a pandemic. Actions taken around the world to help mitigate the spread of this coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. This coronavirus and actions taken to mitigate it have had, and are expected to continue to have, an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Association operates. Although there is still uncertainty regarding what, if any, impact this will have, the Association feels that it will be able to maintain operations in a fiscally sound manner.

STUDENT GOVERNMENT ASSOCIATION

SCHEDULE OF REVENUES AND EXPENSES BY ORGANIZATION FOR THE YEAR ENDED JUNE 30, 2021

	<u>Approved Net Budget</u>	<u>Contingency Allocations</u>	<u>Organization Generated Revenues</u>	<u>Expenses</u>	<u>Amount Unexpended (Overexpended)</u>
Organizational Clubs					
Actively Involved in Community	\$ 9,503	\$ -	\$ -	\$ 368	\$ 9,135
CRU	8,750	-	-	2,046	6,704
Art Exhibition Association	5,000	-	-	4,867	133
American Sign Language	602	-	-	343	259
BASIC	8,000	-	-	-	8,000
Best Buddies	3,145	-	-	1,462	1,683
Black Student Union	22,000	-	-	5,679	16,321
Caribbean Student Association	20,000	-	-	-	20,000
Student Alliance For Ending Rape	4,572	-	-	1,846	2,726
Colleges Against Cancer	10,000	-	-	274	9,726
Cinema Club	2,541	-	-	-	2,541
Athletic Training Association	16,003	-	-	-	16,003
Cortland State Emergency Squad (SCEMS)	30,000	-	-	(12,360)	42,360
20CSTV	10,384	-	-	-	10,384
Curly Kinky Coily Hair	4,000	-	-	481	3,519
Entrepreneurship Club	599	(25)	-	-	574
Inclusive Special Education Club	810	-	-	370	440
FIT Club	1,000	-	-	-	1,000
Pride Club	6,000	-	-	1,085	4,915
Female Force	1,500	-	-	270	1,230
Habitat For Humanity	1,900	-	-	-	1,900
Healthcare Management (HCMSA)	-	1,500	-	560	940
Know Your Roots	18,500	-	-	702	17,798
Hillel	6,500	-	-	3,415	3,085
Interfaith Crew	1,000	-	-	-	1,000
La Familia Latinos	12,000	-	-	-	12,000
LEAP	920	-	-	-	920
Minority Women in Sports	1,500	-	-	-	1,500
Model U.N.	10,917	-	-	-	10,917
Cortland A Capella	2,300	-	-	1,608	692
College Singers	6,500	-	-	21	6,479
Gospel Choir	18,000	-	-	15,612	2,388
Men of Values & Excellence	15,410	-	-	1,013	14,397
NAACP	15,000	-	-	4,299	10,701
Newman Club	2,100	-	-	1,432	668
Non-Traditional Students Org.	4,589	-	-	597	3,992
Dragon Chronicle	7,500	-	3,056	603	9,953
Pan-African Students Assoc.	17,000	-	-	6,731	10,269
Role Playing Games Club	500	-	-	(3)	503
Students for Access and Ability in College	418	-	-	75	343
Special Olymics - Cortland Stars	1,234	-	-	-	1,234
Student Alumni Association	25,635	(25)	-	15,200	10,410
Sports Management Club	19,500	-	-	1,775	17,725
International Club	5,430	-	-	-	5,430
Cortland Writers Association	9,000	-	-	136	8,864
Women Of Color	7,159	(25)	-	6	7,128
WSUC-FM	27,500	-	-	24,361	3,139
Young Democrats	1,100	-	-	467	633
Total Organizational Clubs	<u>403,521</u>	<u>1,425</u>	<u>3,056</u>	<u>85,341</u>	<u>322,661</u>

STUDENT GOVERNMENT ASSOCIATION

SCHEDULE OF REVENUES AND EXPENSES BY ORGANIZATION (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2021

	Approved Net Budget	Contingency Allocations	Organization Generated Revenues	Expenses	Amount Unexpended (Overexpended)
Academic Clubs					
Alliance of PE Majors	\$ 11,000	\$ -	\$ -	\$ 1,085	\$ 9,915
Biology Club	7,500	-	-	584	6,916
SUNY Cortland Rec. Assoc.	5,000	-	-	-	5,000
Chemistry Club	1,500	-	-	174	1,326
Dartfish Club	3,730	-	-	-	3,730
Education Club	6,645	-	-	-	6,645
English Club	1,520	-	-	-	1,520
French Club	1,000	-	-	-	1,000
Geology Club	5,500	-	-	435	5,065
History Club	8,000	-	-	1,648	6,352
Math Club	600	-	-	314	286
Minority Assoc. Pre-Med (MAPS)	1,000	-	-	131	869
Physics Club	6,610	-	-	-	6,610
Political Science Association	5,592	-	-	-	5,592
PreDental Club	1,105	-	-	-	1,105
PreMed Club	1,174	-	-	75	1,099
Psychology Club	1,148	-	-	135	1,013
Spanish Club	800	-	-	221	579
NSSLHA	9,000	-	-	2,516	6,484
Total Academic Clubs	78,424	-	-	7,318	71,106
Student Activities					
SAB-General	3,000	-	-	18	2,982
SAB-Conference	1,000	-	-	-	1,000
SAB-Campus Events	20,000	-	-	19,473	527
SAB-Comedy/Lecture	30,000	-	-	21,500	8,500
SAB-Music	3,000	-	-	292	2,708
SAB-Promotions	8,000	-	-	2,348	5,652
SAB-Spring Fling Concert	70,000	-	-	14,714	55,286
SAB-Carnival/Spec. Events	10,000	-	-	-	10,000
Total Student Activities	145,000	-	-	58,345	86,655
Student Government					
SGA-General	92,483	-	-	75,748	16,735
SGA-Operational	62,609	-	-	41,240	21,369
SGA-Salaries	73,484	-	-	80,000	(6,516)
SGA-Tutor Payroll	-	-	-	67,000	(67,000)
SGA-Programming	31,500	-	-	7,755	23,745
SGA-NYPIRG	35,000	-	-	35,000	-
SGA-Contingency	35,000	(1,500)	75	67,000	(33,425)
Total Student Government	330,076	(1,500)	75	373,743	(45,092)
Total Organizational Expenses	\$ 957,021	\$ (75)	\$ 3,131	\$ 524,747	\$ 435,330

STUDENT GOVERNMENT ASSOCIATION

SCHEDULE OF REVENUES AND EXPENSES REFERENDUM/STABILIZATION APPROVED EXPENDITURES FOR THE YEAR ENDED JUNE 30, 2021

	Approved Net Budget	Contingency Allocations	Organization Generated Revenues	Transfers	Expenses	Amount Unexpended (Overexpended)
Stabilization Approved Expenditures						
SGA-Operational (Office Remodel)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SAB Spring Fling	-	-	-	-	-	-
	-	-	-	-	-	-
Total Stabilization Approved Expenditures	-	-	-	-	-	-
Total Referendum/Stabilization Approved Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -