

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

ANNUAL REPORT

AUGUST 31, 2025

Table of Contents

August 31, 2025

Independent Auditors' Report

Management's Discussion and Analysis

Financial Statements

Balance Sheets

Statements of Revenues, Expenses, and Changes in Net Position

Statements of Cash Flows

Discretely Presented Component Units:

Balance Sheets

Statements of Activities

Notes to Financial Statements

Required Supplementary Information (Unaudited)

Schedule of the College's Proportionate Share of the Net Pension Position – New York State Teachers' Retirement System and Related Notes

Schedule of College Contributions – New York State Teachers' Retirement System

Schedule of the College's Proportionate Share of the Net Pension Position – New York State and Local Employees' Retirement System and Related Notes

Schedule of College Contributions – New York State and Local Employees' Retirement System

Schedule of Changes in the College's Total Other Postemployment Benefits (OPEB) Liability and Related Ratios and Notes

Supplementary Information

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

Schedule of State Operating Aid

Schedule of State-Aidable FTE Tuition Reconciliation

Schedule of Expenditures of Federal Awards and related notes

Reports on Compliance and Federal Award Programs

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*

Independent Auditors' Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance

Schedule of Findings and Questioned Costs

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, 2025 and 2024, 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, Inc. (the Association) which is shown as a discretely presented component unit, which represents 8.9% of total assets and 25.5% 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, 2025 and 2024, 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 (GASB), 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 January 30, 2026 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.

January 30, 2026

SCENECTADY COUNTY COMMUNITY COLLEGE
(A Component Unit of the County of Schenectady, New York)
Management's Discussion and Analysis
For the Years Ended August 31, 2025 and 2024 (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 years ended August 31, 2025 (FY 24-25) and 2024 (FY 23-24). This MD&A presents information for 2025 in comparison with 2024 and 2023. 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.

In 2025, the College adopted GASB Statement No. 101, *Compensated Absences*. This Statement clarifies what is considered unused leave balances for employees. Under this statement, compensated absences are recognized as liabilities on the financial statements for leave that has not been used and leave that has been used but not yet paid or settled.

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, 2025, the College's change in net position is \$5,095,000, improving the College's net position deficit from (\$13,070,000) at August 31, 2024 to (\$7,975,000) as of August 31, 2025. The following contributed to the change in net position:

- Other postemployment benefits (OPEB) liability decreased by \$3,544,000 due primarily to changes of assumptions or other inputs including the discount rate.
- Full-time equivalent (FTE) students increased by 19 or 1% from 2024.
- The College's tuition rate for full-time students was \$2,484 per semester, an increase of \$72 from 2024. Tuition per credit hour was \$207 for 2025, an increase of \$6 from 2024.
- Total operating revenue increased by \$250,000 due primarily to an increase in net tuition and fees of \$540,000.
- Operating expenses decreased by \$12,312,000 due primarily to a decrease in net personnel costs of approximately \$12,195,000.
- Non-operating revenue increased by \$1,384,000 due primarily to an increase in federal and state financial aid of \$1,218,000.
- Capital appropriations increased by \$1,438,000.

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.
- Full-time 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 2024. Tuition per credit hour was \$201 for 2025, an increase of \$5 from 2024.
- 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.

Condensed Balance Sheets
As of August 31, 2025, 2024, and 2023

	2025	2024	2023
Current assets	\$ 17,195,000	\$ 18,485,000	\$ 19,991,000
Net pension asset	585,000	257,000	-
Capital assets, net of depreciation	44,952,000	42,632,000	41,498,000
Total assets	62,732,000	61,374,000	61,489,000
Deferred outflows of resources	4,233,000	5,742,000	6,285,000
Total assets and deferred outflows of resources	\$ 66,965,000	\$ 67,116,000	\$ 67,774,000
Current liabilities	\$ 14,158,000	\$ 14,576,000	\$ 14,647,000
Net pension and OPEB liabilities	45,811,000	48,642,000	40,794,000
Other liabilities	1,232,000	1,754,000	1,708,000
Total liabilities	61,201,000	64,972,000	57,149,000
Deferred inflows of resources	13,739,000	15,214,000	13,406,000
Net position			
Net investment in capital assets	44,424,000	41,505,000	39,790,000
Unrestricted (deficit)	(52,399,000)	(54,575,000)	(42,571,000)
Total net position (deficit)	(7,975,000)	(13,070,000)	(2,781,000)
Total liabilities, deferred inflows of resources, and net position	\$ 66,965,000	\$ 67,116,000	\$ 67,774,000

FY 24-25

Net position (deficit) amounted to \$(7,975,000) as of August 31, 2025. The total OPEB liability of \$42,254,000 is the primary reason for the College's unrestricted deficit as of August 31, 2025. 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 \$1,358,000 from 2024 to 2025 as a result of the following: net increase in capital assets of \$2,320,000 related to the College's capital projects funded by the County and the State and an increase in the College's proportionate share of the New York State Teachers' Retirement System (TRS) net pension asset of \$328,000; offset by a decrease in cash of \$1,254,000 at year end.

Total liabilities decreased by \$3,771,000 from 2024 to 2025 as a result of the following: a decrease in net pension and OPEB liabilities of \$2,831,000; a decrease in unearned revenue of \$418,000 primarily related to the use of funds in 2025 that were advanced in 2024 for the Schenectady Promise program; and a decrease in lease obligations at year end.

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 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 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.

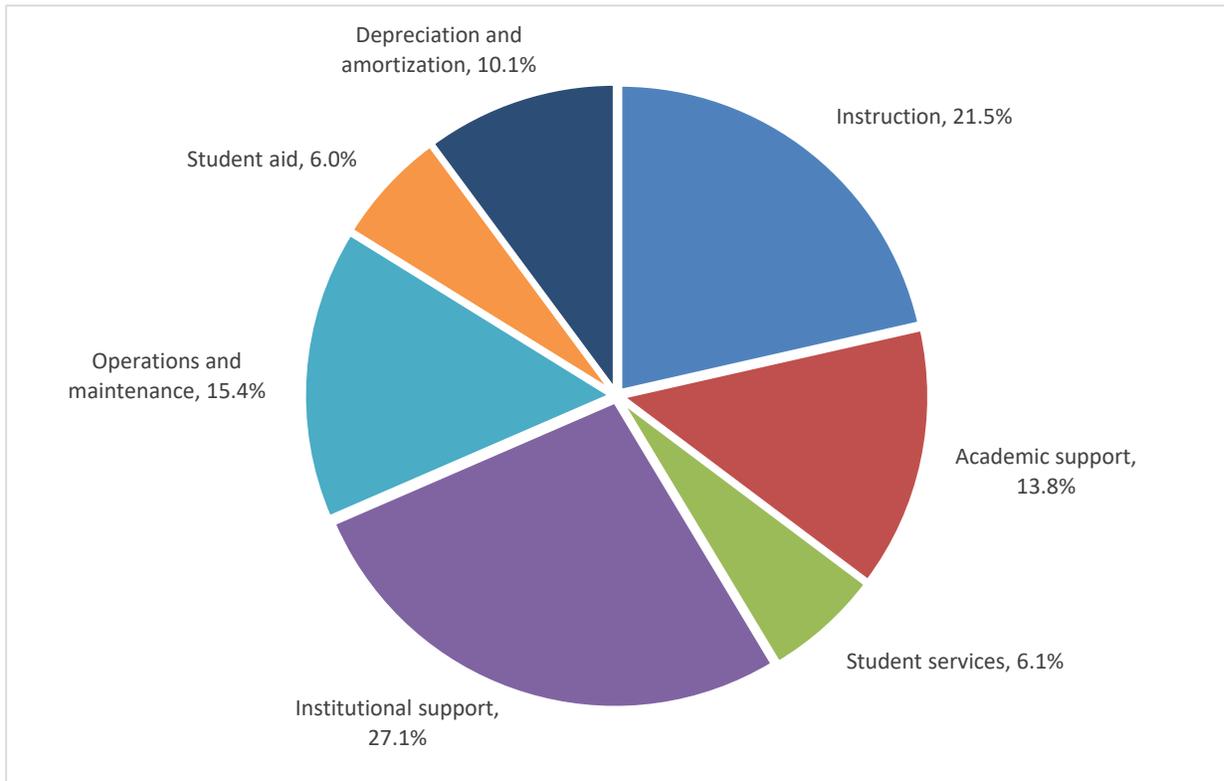
The net pension liability is the College’s proportionate share of the New York State and Local Retirement System (ERS) which went from \$3,451,000 in 2023 to \$2,844,000, a decrease of \$607,000. The net pension liability at August 31, 2023, included \$106,000 for TRS, which is an asset of \$257,000 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.

Operating Expenses

**Operating Expenses
For the Years Ended August 31, 2025, 2024, and 2023**

	2025	2024	2023
Instruction	\$ 7,136,000	\$ 11,585,000	\$ 7,686,000
Academic support	4,597,000	5,868,000	4,293,000
Student services	2,041,000	3,395,000	1,733,000
Institutional support	9,018,000	13,982,000	8,846,000
Operations and maintenance	5,109,000	5,907,000	4,985,000
Student aid	2,008,000	1,274,000	1,866,000
Depreciation and amortization	3,374,000	3,584,000	3,343,000
Total	\$ 33,283,000	\$ 45,595,000	\$ 32,752,000

**Percentage of Operating Expenses
For the Year Ended August 31, 2025**



FY 24-25

Total operating expenses for FY 24-25 decreased by \$12,312,000 or 27.0% from the prior fiscal year. Changes affecting the variation are:

- Payroll expense increased \$503,000 from the prior year, offset by employee benefits which decreased by \$12,870,000. Net pension expense recognized in 2025 was \$942,000 compared to \$1,530,000 in 2024. OPEB revenue recognized in 2025 was \$1,340,000 compared to expense recognized of \$10,770,000 in 2024.
- Student aid increased \$734,000, primarily due to additional funding received from the New York State Tuition Assistance Program (TAP) and the Federal Pell Grant Program (PELL) totaling \$1,218,000.

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:

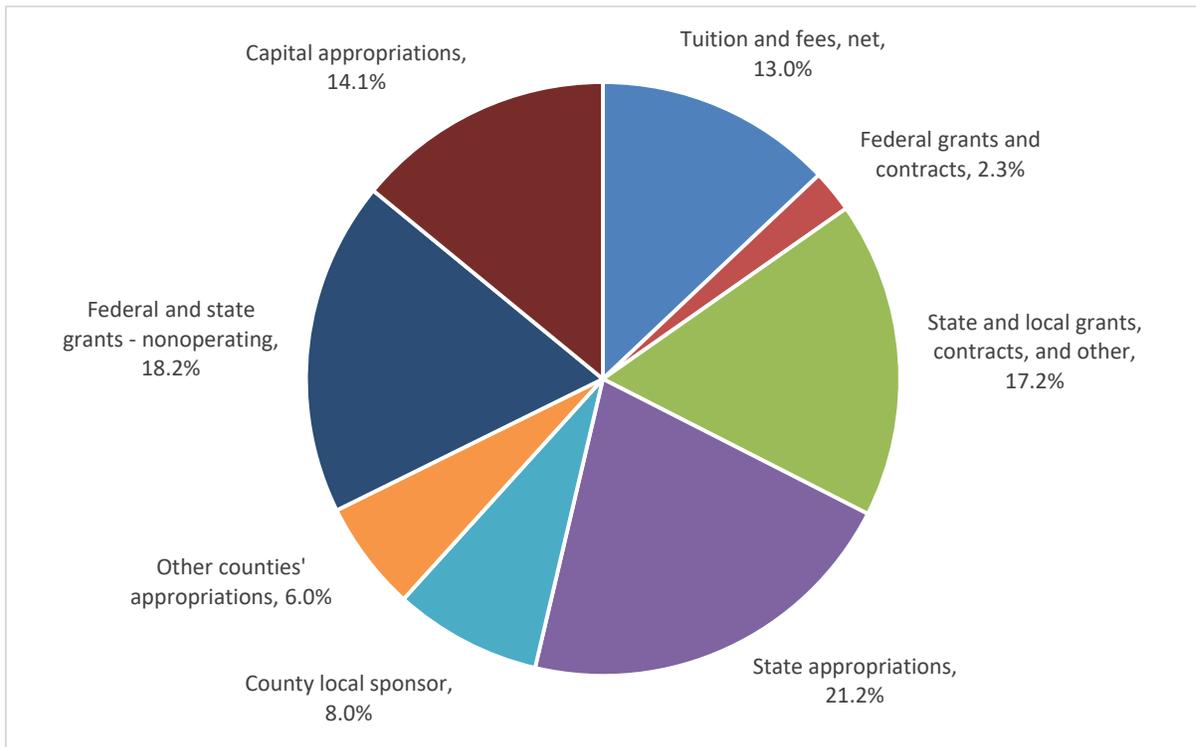
- Payroll expense remained consistent from the prior year, however, employee benefits, which are allocated across all functions, increased \$11,859,000. Net pension expense recognized in 2024 was \$1,530,000 compared to \$1,256,000 in 2023. OPEB expense recognized in 2024 was \$10,770,000 compared to 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.

Revenues

**Revenues
For the Years Ended August 31, 2025, 2024, and 2023**

	2025	2024	2023
Tuition and fees, net	\$ 4,971,000	\$ 4,431,000	\$ 4,604,000
Federal grants and contracts	892,000	1,473,000	1,000,000
State and local grants, contracts, and other, net	6,590,000	6,273,000	5,119,000
State appropriations	8,133,000	8,130,000	8,123,000
County appropriations – local sponsor	3,083,000	2,508,000	2,459,000
Other counties’ appropriations	2,305,000	2,575,000	2,456,000
Federal and state grants - nonoperating	7,000,000	5,950,000	9,136,000
Capital appropriations	5,404,000	3,966,000	3,556,000
Total	\$ 38,378,000	\$ 35,306,000	\$ 36,453,000

**Percentage of Revenues
For the Year Ended August 31, 2025**



FY 24-25

Total revenues for the 2024-25 fiscal year increased by \$3,072,000 or 8.7% from the prior fiscal year. Changes affecting the variation are:

- Net tuition increased by \$540,000 due to an increase in full-time enrollment of 19 FTEs and a decrease of \$778,000 in tuition write-offs which effectively increased the net tuition. This increase was offset in part by an increase in the scholarship allowance of \$482,000.
- Capital appropriations were \$5,404,000 in 2025, an increase of \$1,438,000 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, net totaled \$6,590,000 in 2025, an increase of \$317,000 from the prior year. This increase is related to fluctuations in various SUNY funding and other local grants.
- County appropriation – local sponsor totaled \$3,083,000 in 2025, an increase of \$575,000 from the prior year. This increase was due to an increase of funds from the sponsoring county.

FY 23-24

Total revenues for the 2023-24 fiscal year decreased by \$1,147,000 or 3.1% 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 full-time enrollment of 72 FTEs 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 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 \$6,273,000 in 2024, an increase of \$1,154,000 from the prior year. This increase is related to additional funding received related to the SUNY Apprenticeship program and SUNY Enrollment program.

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, 2025, additions to capital assets amounted to \$5,694,000 and is offset by depreciation and amortization expense of \$3,374,000.

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.

Details of these assets are shown below.

Capital Assets
As of August 31 2025, 2024, and 2023

	2025	2024	2023
Land	\$ 713,000	\$ 713,000	\$ 713,000
Construction in progress	6,739,000	4,172,000	2,044,000
Buildings, infrastructure, and improvements	80,806,000	77,969,000	76,132,000
Furniture, fixtures, and equipment	13,089,000	12,799,000	12,046,000
	101,347,000	95,653,000	90,935,000
Accumulated depreciation	(56,593,000)	(53,762,000)	(50,903,000)
	44,754,000	41,891,000	40,032,000
Right-to-use leased buildings, net of amortization	198,000	741,000	1,466,000
	\$ 44,952,000	\$ 42,632,000	\$ 41,498,000

Leases

At August 31, 2025, the College had \$528,000 of outstanding leases, with \$500,000 due within one year. At August 31, 2024, the College had \$1,127,000 of outstanding leases, with \$599,000 due within one year. 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 enrollment for new, transfer and continuing students increased 5% from FY 23-24 levels. Enrollment increases are attributable to the SUNY System and Schenectady County (the County) initiatives and enhanced recruitment and retention initiatives. The College in the High School (CIHS) and Smart Transfer enrollments declined 12%. CIHS enrollments were impacted by regional high school teacher turnover in key local school districts which require the CIHS program to re-establish multiple CIHS courses in FY 25-26. Despite these efforts, the College's enrollment is less than FY 18-19 levels due to the societal view on the value of higher education, population demographic shifts in upstate New York, and trends in higher education overall. This is consistent with enrollment challenges at most New York State community colleges during the same period.

During FY 22-23, through support from the SUNY System, the College implemented the Advancing Success in Associate Pathways (ASAP) program which provides a structured pathway to help students gain and maintain academic momentum and create a connected community through integrated support and engagement activities. Student retention in the ASAP program was strong in FY 23-24 and program enrollment grew. During FY 24-25, the ASAP program continued to remove financial barriers to full-time study and supported students' academic success, contributing to the College's enrollment and retention increases. Similarly, in its first year of implementation, the Schenectady Higher Education Promise Program (the Promise) helped to support a 5% increase in new student enrollment over FY 23-24 levels. The Promise also helped contribute to the College's 9% enrollment increase in returning students, individuals who stop out of their education and later return to re-enroll and pursue completion. The Promise provides Schenectady County residents the opportunity to take up to six credits at the College with no-cost to them. The Promise continued into the FY 25-26 fiscal year. Along with ASAP and the Promise, multiple collaborating teams, efforts such as expansion in the use of Slate, the College's Customer Relationship Management (CRM) software, and multiple other efforts, the College maintains its enrollment focus front and center while building and refining programming to drive enrollment in the coming years.

In FY 24-25, New York State support for the College was approximately \$8,100,000, unchanged from the previous four budget cycles (FY 23-24, FY 22-23, FY 21-22, and FY 2020-21). The unchanged level of State funding across five years, the "floor," holds the College's State support constant as the result of student enrollment levels not returning to levels prior to FY 18-19. Base local county support increased from the prior year and the County provided additional support under the Promise program including \$500,000 for operating support and \$1,000,000 for scholarships.

In order to sustain critical student services in FY 24-25 the College drew down \$700,000 from its fund balance to offset enrollment declines, flat State funding, and only a modest increase in County funding. During FY 24-25, as is its practice, the College remained steadfast in its focus on student retention and support services and strategically used the completion of capital projects to serve the dual purpose of supporting physical plant infrastructure and enhancements to the student experience.

During FY 24-25, the College continued work on critical capital projects to update and repair the physical plant infrastructure and support the student experience. Capital projects during that period included replacement of the third story greenhouse over the Elston Hall Welcome Center entrance and creation of a biology program storage space, and erecting an attractive, illuminated SUNY Schenectady sign facing I-890. During this period, the College installed new underlayment and wind resistant shingles on Elston Hall. Additionally, building upon the College's FY 23-24 renovations to the Center for Science & Technology Chemistry Laboratory, capital funds supported the purchase and installation of new state of the art chemistry learning equipment as well as the purchase and installation of a new Air Traffic Control simulator which at the time of installation was one of only two in the nation that could be used for FAA certification purposes. Lastly, a FY 24-25 signature project was renovations to the Lally-Mohawk Room and Original Hotel Van Curler Lobby in Elston Hall. The project included replacement of the 1925 electrical cloth wiring, fit and finish items, new lighting and presentation systems, and the renovation and relocation of the Campus Security and Chief of Staff offices. In total, the FY 24-25 capital projects enhanced the College's physical plant and provided significant support for the student experience.

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.

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

Balance Sheets

August 31,	2025	2024
Assets		
Current assets:		
Cash	\$ 15,161,601	\$ 16,415,549
Accounts and other receivables, net (Note 3)	190,218	279,836
Due from federal, state, and other governments	1,710,296	1,652,960
Prepaid expenses	133,410	136,381
	<u>17,195,525</u>	<u>18,484,726</u>
Noncurrent assets:		
Net pension asset (Note 6)	584,533	257,104
Capital assets, net (Note 4)	44,951,823	42,631,503
Total assets	<u>62,731,881</u>	<u>61,373,333</u>
Deferred outflows of resources:		
Deferred outflows of resources related to pensions (Note 6)	2,474,028	3,033,469
Deferred outflows of resources related to OPEB (Note 8)	1,759,135	2,708,965
Total deferred outflows of resources	<u>4,233,163</u>	<u>5,742,434</u>
Total assets and deferred outflows of resources	<u>\$ 66,965,044</u>	<u>\$ 67,115,767</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 3,627,616	\$ 3,659,099
Unearned revenue	9,119,847	9,537,841
Due to related entities	579,372	529,268
Other liabilities (Note 5)	830,806	849,790
	<u>14,157,641</u>	<u>14,575,998</u>
Noncurrent liabilities:		
Other liabilities (Note 5)	1,231,876	1,753,973
Net pension liability (Note 6)	3,556,838	2,844,018
Total OPEB liability (Note 8)	42,254,289	45,797,826
Total liabilities	<u>61,200,644</u>	<u>64,971,815</u>
Deferred inflows of resources:		
New York State tuition assistance	556,173	450,306
Deferred inflows of resources related to pensions (Note 6)	724,339	1,925,159
Deferred inflows of resources related to OPEB (Note 8)	12,458,925	12,838,949
Total deferred inflows of resources	<u>13,739,437</u>	<u>15,214,414</u>
Net position:		
Net investment in capital assets	44,423,775	41,504,758
Unrestricted (deficit)	(52,398,812)	(54,575,220)
Total net position	<u>(7,975,037)</u>	<u>(13,070,462)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 66,965,044</u>	<u>\$ 67,115,767</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,	2025	2024
Operating revenues:		
Tuition and fees	\$ 10,119,011	\$ 9,097,190
Less scholarship allowances	5,148,468	4,666,502
Net tuition and fees	4,970,543	4,430,688
Federal grants and contracts	891,553	1,473,537
State and local grants and contracts	5,472,533	5,531,246
Other revenues	1,135,925	785,119
Total operating revenues	12,470,554	12,220,590
Operating expenses:		
Instruction	7,136,340	11,584,769
Academic support	4,596,880	5,867,897
Student services	2,041,213	3,394,858
Institutional support	9,017,747	13,982,402
Operations and maintenance	5,108,639	5,907,160
Student aid	2,007,760	1,273,780
Depreciation and amortization	3,374,114	3,584,324
Total operating expenses	33,282,693	45,595,190
Operating loss	(20,812,139)	(33,374,600)
Non-operating revenues (expenses):		
County appropriations - local sponsor	3,083,377	2,508,134
Other counties' appropriations	2,304,818	2,575,584
State appropriations	8,132,781	8,129,854
Federal and state financial aid	7,000,093	5,781,981
Federal non-operating grants	-	168,318
Interest income	15,910	6,239
Interest expense	(33,802)	(51,240)
Total non-operating revenues	20,503,177	19,118,870
Loss before capital appropriations	(308,962)	(14,255,730)
Capital appropriations	5,404,387	3,965,757
Change in net position	5,095,425	(10,289,973)
Net position - beginning of year	(13,070,462)	(2,780,489)
Net position - end of year	\$ (7,975,037)	\$ (13,070,462)

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

Statements of Cash Flows

For the years ended August 31,	2025	2024
Operating activities:		
Tuition and fees, net	\$ 5,272,775	\$ 5,572,338
Federal, state, and local grants and contracts	5,862,163	7,362,388
Payments to employees for services and benefits	(21,430,682)	(20,809,026)
Payments to vendors and suppliers	(9,670,752)	(9,861,797)
Student aid	(2,007,760)	(1,273,780)
Other	1,186,537	738,900
Net operating activities	(20,787,719)	(18,270,977)
Non-capital financing activities:		
State appropriations	8,132,781	8,129,854
County appropriations	5,297,906	5,078,163
Federal and state financial aid	7,009,720	5,860,828
Federal non-operating grant	-	146,014
Net non-capital financing activities	20,440,407	19,214,859
Capital and related financing activities:		
Purchases of capital assets	(290,047)	(752,293)
Principal payments on leases	(598,697)	(581,259)
Interest on leases	(33,802)	(51,240)
Net capital and related financing activities	(922,546)	(1,384,792)
Investing activities:		
Interest income	15,910	6,239
Net change in cash	(1,253,948)	(434,671)
Cash - beginning of year	16,415,549	16,850,220
Cash - end of year	\$ 15,161,601	\$ 16,415,549
Reconciliation of net operating loss to net cash used in operating activities:		
Operating loss	\$ (20,812,139)	\$ (33,374,600)
Adjustments to reconcile operating loss to net cash flows used in operating activities:		
Depreciation and amortization	3,374,114	3,584,324
Net pension activity	(255,988)	749,548
Net OPEB activity	(2,973,731)	9,200,058
Changes in other assets and liabilities:		
Accounts and other receivables	89,618	(50,108)
Due from federal, state, and other governments	129,193	1,078,123
Prepaid expenses	2,971	(14,844)
Accounts payable and accrued liabilities	(31,483)	32,080
Unearned revenue	(417,994)	372,773
Due to related entities	50,104	52,248
Other liabilities	57,616	99,421
Net operating activities	\$ (20,787,719)	\$ (18,270,977)
Non-cash transactions:		
Construction costs funded by State and County	\$ 5,404,387	\$ 3,965,757

See accompanying notes.

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

Balance Sheets
Component Units

	May 31, 2025	August 31, 2025	May 31, 2024	August 31, 2024
	Association	Foundation	Association	Foundation
Assets				
Current assets:				
Cash	\$ 69,154	\$ 122,607	\$ 65,195	\$ 316,044
Contributions and other receivables, net	59,759	144,559	47,025	65,630
Bookstore inventory	109,580	-	113,782	-
Prepaid expenses	33,228	22,344	25,769	-
	<u>271,721</u>	<u>289,510</u>	<u>251,771</u>	<u>381,674</u>
Noncurrent assets:				
Contributions and other receivables, net	5,000	138,431	7,500	93,733
Property and equipment, net	516,860	-	559,205	-
Investments	450,700	12,383,492	564,574	11,269,164
	<u>972,560</u>	<u>12,521,923</u>	<u>1,131,279</u>	<u>11,362,897</u>
Total assets:	<u>\$ 1,244,281</u>	<u>\$ 12,811,433</u>	<u>\$ 1,383,050</u>	<u>\$ 11,744,571</u>
Liabilities and Net Assets				
Liabilities:				
Current liabilities:				
Due to College	\$ -	\$ 66,443	\$ -	\$ 122,930
Accounts payable and accrued liabilities	228,888	4,288	160,591	307
Deferred revenue	2,500	-	2,500	5,000
Agency funds	-	216,003	-	220,170
	<u>231,388</u>	<u>286,734</u>	<u>163,091</u>	<u>348,407</u>
Noncurrent liabilities:				
Deferred revenue	5,000	-	7,500	-
Deferred compensation agreement	235,157	-	317,743	-
Total liability:	<u>471,545</u>	<u>286,734</u>	<u>488,334</u>	<u>348,407</u>
Net assets:				
Without donor restrictions	772,736	1,780,118	894,716	1,953,363
With donor restrictions	-	10,744,581	-	9,442,801
Total net asset:	<u>772,736</u>	<u>12,524,699</u>	<u>894,716</u>	<u>11,396,164</u>
Total liabilities and net asset:	<u>\$ 1,244,281</u>	<u>\$ 12,811,433</u>	<u>\$ 1,383,050</u>	<u>\$ 11,744,571</u>

See accompanying notes.

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

**Statements of Activities
Component Units**

For the years ended	May 31,	August 31,	May 31,	August 31,
	2025	2025	2024	2024
	Association	Foundation	Association	Foundation
Changes in net assets without donor restrictions:				
Revenue and other support:				
Sales and services	\$ 887,042	\$ -	\$ 954,284	\$ -
Student fees and related services	40,955	-	37,873	-
Contributions - in-kind	-	188,670	-	176,910
Contributions - public support	-	521,412	-	157,884
Contributions - SUNY grant	67,907	-	63,168	-
Special events	-	156,014	-	112,255
Investment income	30,475	129,778	27,431	333,313
Other income	18,140	4,661	27,743	2,708
Net assets released from restriction	-	749,419	-	589,833
Total revenue and other support without donor restrictions	<u>1,044,519</u>	<u>1,749,954</u>	<u>1,110,499</u>	<u>1,372,903</u>
Expenses:				
Cost of sales	601,034	-	609,059	-
Scholarships	-	425,264	-	275,455
Program service	67,907	918,076	63,168	528,623
Operating	497,558	-	587,200	-
Management and general	-	93,056	-	106,421
Fundraising	-	486,803	-	415,326
Total expenses	<u>1,166,499</u>	<u>1,923,199</u>	<u>1,259,427</u>	<u>1,325,825</u>
Change in net assets without donor restrictions	<u>(121,980)</u>	<u>(173,245)</u>	<u>(148,928)</u>	<u>47,078</u>
Changes in net assets with donor restrictions:				
Contributions - public support	-	1,202,303	-	573,325
Investment income	-	848,896	-	1,351,050
Net assets released from restriction	-	(749,419)	-	(589,833)
Change in net assets with donor restrictions	<u>-</u>	<u>1,301,780</u>	<u>-</u>	<u>1,334,542</u>
Change in net assets	(121,980)	1,128,535	(148,928)	1,381,620
Net assets - beginning	894,716	11,396,164	1,043,644	10,014,544
Net assets - ending	<u>\$ 772,736</u>	<u>\$ 12,524,699</u>	<u>\$ 894,716</u>	<u>\$ 11,396,164</u>

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, 2025 and 2024.
- 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 counties, 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 adopted 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 acquired. 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 generally records capital assets at actual or estimated historical cost. Financed right-to-use lease assets are recorded at the present values of the initial 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 assets, 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

Unearned Revenue

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

Compensated Absences

The liability for compensated absences reported in the financial statements consists of unpaid and unused accumulated vacation and sick time that is more likely than not to be used, paid, or settled by noncash means prior to or at termination of employment. Such accumulated time is valued based on a combination of the applicable employees' rates of pay at year end and contractual rates of payout at retirement, based on estimates of amounts to be used for each. Year to year changes in the liability are presented as a net increase or decrease (Note 5).

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 (Note 6) 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 for 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 they are legally available for expenditure. 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 financial aid and scholarship or scholarship allowances offsetting tuition and fees revenue. For the years ended August 31, 2025 and 2024, approximately \$5,379,000 and \$4,474,000 were distributed to the College for PELL grants, and \$1,621,000 and \$1,308,000 for TAP awards, respectively.

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, students 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) and as such, operations 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, 2025, 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

	2025	2024
Student tuition and fees	\$ 1,039,814	\$ 1,163,133
Other	39,404	88,703
	1,079,218	1,251,836
Allowance for doubtful accounts	(889,000)	(972,000)
	\$ 190,218	\$ 279,836

4. Capital Assets

August 31, 2025	September 1, 2024	Additions	Retirements/ Reclassifications	August 31, 2025
Nondepreciable capital assets:				
Land	\$ 713,209	\$ -	\$ -	\$ 713,209
Construction in progress	4,171,880	4,462,101	(1,894,826)	6,739,155
Total nondepreciable capital assets	4,885,089	4,462,101	(1,894,826)	7,452,364
Depreciable capital assets:				
Buildings and infrastructure	77,255,963	942,286	1,894,826	80,093,075
Land improvements	713,140	-	-	713,140
Furniture, fixtures, and equipment	12,798,314	290,047	-	13,088,361
Total depreciable assets	90,767,417	1,232,333	1,894,826	93,894,576
Accumulated depreciation:				
Buildings and infrastructure	(43,995,276)	(2,121,563)	-	(46,116,839)
Land improvements	(654,151)	(14,829)	-	(668,980)
Furniture, fixtures, and equipment	(9,112,923)	(694,486)	-	(9,807,409)
Total accumulated depreciation	(53,762,350)	(2,830,878)	-	(56,593,228)
Total depreciable assets, net	37,005,067	(1,598,545)	1,894,826	37,301,348
Right-to-use lease assets:				
Buildings	5,441,133	-	-	5,441,133
Accumulated amortization	(4,699,786)	(543,236)	-	(5,243,022)
Total right-to-use lease assets, net	741,347	(543,236)	-	198,111
Net capital assets	\$ 42,631,503	\$ 2,320,320	\$ -	\$ 44,951,823

As of August 31, 2025, net investment in capital assets consists of the following:

Capital assets, net of accumulated depreciation and amortization	\$ 44,951,823
Lease liability	(528,048)
	<u>\$ 44,423,775</u>

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

As of August 31, 2024, net investment in capital assets consists of the following:

Capital assets, net of accumulated depreciation and amortization	\$ 42,631,503
Lease liability	(1,126,745)
	<u>\$ 41,504,758</u>

5. Other Liabilities

	September 1, 2024	Increases	Decreases	August 31, 2025	Due Within One Year
Compensated absences	\$ 1,477,018	\$ 57,616	\$ -	\$ 1,534,634	\$ 331,118
Leases	1,126,745	-	598,697	528,048	499,688
	<u>\$ 2,603,763</u>	<u>\$ 57,616</u>	<u>\$ 598,697</u>	<u>\$ 2,062,682</u>	<u>\$ 830,806</u>
	September 1, 2023	Increases	Decreases	August 31, 2024	Due Within One Year
Compensated absences	\$ 1,377,596	\$ 99,422	\$ -	\$ 1,477,018	\$ 251,093
Leases	1,708,004	-	581,259	1,126,745	598,697
	<u>\$ 3,085,600</u>	<u>\$ 99,422</u>	<u>\$ 581,259</u>	<u>\$ 2,603,763</u>	<u>\$ 849,790</u>

Existing Obligations

Description	Maturity	Rate	Balance
113 State Street	March 2027	3.00%	\$ 84,255
Mill Lane	December 2025	3.00%	56,782
Center City	August 2026	3.00%	387,011
			<u>\$ 528,048</u>

Debt Service Requirements

Years ending August 31,	Principal	Interest
2026	\$ 499,688	\$ 15,841
2027	28,360	851
	<u>\$ 528,048</u>	<u>\$ 16,692</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. The 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 10.11% and 9.76% for 2025 and 2024, 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 12.8% - 19.6% for 2025 and 11.4% - 17.9% for 2024.

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, 2025 and 2024 was \$291,952 and \$267,109, respectively. The amount outstanding and payable to ERS as of August 31, 2025 and 2024 was \$424,704 and \$356,379, respectively.

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

The College reported an asset of \$584,533 and \$257,104 as of August 31, 2025 and 2024 for its proportionate share of the TRS net pension position. The College also recognized a liability of \$3,556,838 and \$2,844,018 as of August 31, 2025 and 2024 for its proportionate share of the ERS net pension position.

The TRS total pension liability at the June 30, 2025 measurement date was determined by an actuarial valuation as of June 30, 2024, with update procedures applied to roll forward the total pension liability to June 30, 2025 (measurement date of June 30, 2024, with an actuarial valuation as of June 30, 2023 with update procedures applied to roll forward the total pension liability to June 30, 2024 for the August 31, 2024 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, 2025, the College's proportion was 0.009872%, an increase of 0.001255 from its proportion measured at June 30, 2024.

The ERS total pension liability at the March 31, 2025 measurement date was determined by an actuarial valuation as of April 1, 2024, with update procedures applied to roll forward the total pension liability to March 31, 2025 (measurement date of March 31, 2024 with an actuarial valuation as of April 1, 2023 with update procedures applied to roll forward the total pension liability to March 31, 2024 for the August 31, 2024 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, 2025, the College's proportion was 0.0207448%, an increase of 0.0014293 from its proportion measured at March 31, 2024.

For the year ended August 31, 2025, net pension expense was \$941,569 (TRS revenue of \$15,144 and ERS expense of \$956,713). For the year ended August 31, 2024, the College recognized net pension expense of \$1,529,607 (TRS expense of \$159,370 and ERS expense of \$1,370,237). 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, 2025				
Differences between expected and actual experience	\$ 306,425	\$ -	\$ 882,831	\$ (41,644)
Changes of assumptions	231,398	(6,302)	149,167	-
Net difference between projected and actual earnings on pension plan investments	-	(456,519)	279,060	-
Changes in proportion and differences between College contributions and proportionate share of contributions	73,536	(48,243)	30,927	(171,631)
Contributions subsequent to the measurement date	95,980	-	424,704	-
	<u>\$ 707,339</u>	<u>\$ (511,064)</u>	<u>\$ 1,766,689</u>	<u>\$ (213,275)</u>
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>

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
2026	\$ 308,400	\$ 561,876
2027	(111,698)	876,387
2028	(124,969)	(326,586)
2029	(24,832)	17,033
2030	45,118	-
Thereafter	8,276	-
	\$ 100,295	\$ 1,128,710

Actuarial Assumptions

For TRS, the actuarial assumptions used in the June 30, 2024 valuation, with update procedures used to roll forward the total pension liability to June 30, 2025, were based on the results of an actuarial experience study for the period July 1, 2019 to June 30, 2024. These assumptions are:

- Inflation* – 2.5% (2.4% for 2024)
- Salary increases* – Based on TRS member experience, dependent on service, ranging from 2.04%-5.80% (1.95%-5.18% for 2024)
- Projected Cost of Living Adjustments (COLA)* – 1.4% compounded annually (1.3% for 2024)
- 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, 2024 valuation, with update procedures used to roll forward the total pension liability to March 31, 2025, 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* – 4.3% (4.4% for 2024)
- 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 assumption) 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%	6.7%	25%	3.5%
Global and international equities	19%	7.0%-7.4%	14%	6.6%
Private equities	9%	9.8%	15%	7.3%
Real estate equities	11%	6.5%	12%	5.0%
Domestic fixed income securities	16%	2.6%	22%	2.0%
Global and high-yield bonds	8%	2.4%-3.8%	-	-
Cash and cash equivalents	1%	0.6%	1%	0.3%
Other	3%	4.7%-6.1%	11%	5.3%-5.6%
	<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)	\$ (1,123,187)	\$ 584,533
College's proportionate share of the ERS net pension asset (liability)	\$ (10,293,936)	\$ (3,556,838)	\$ 2,068,644

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, 2025 and 2024 were \$452,485 and \$522,129, 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	-
	<hr/>
	327
	<hr/>

Total OPEB Liability

The College's total OPEB liability of August 31, 2025 of \$42,254,289 was measured as of August 31, 2025 and was determined by an actuarial valuation as of September 1, 2023 rolled forward through an interim valuation. The College's total OPEB liability as of August 31, 2024 of \$45,797,826 was measured as of August 31, 2024 and was determined by an actuarial valuation as of September 1, 2023.

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 v2025_1b (previously Model v2024_1b) with a rate of 7.75% initially for pre-65 and 6.00% 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 – 4.79% (previously 3.99%) 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, 2023	<u>\$ (37,237,027)</u>
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	<u>1,569,880</u>
Net changes	<u>(8,560,799)</u>
Balance at August 31, 2024	<u>(45,797,826)</u>
Changes for the year:	
Service cost	(1,577,165)
Interest	(1,857,661)
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions or other inputs	5,344,218
Benefit payments	<u>1,634,145</u>
Net changes	<u>3,543,537</u>
Balance at August 31, 2025	<u>\$ (42,254,289)</u>

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 (3.79%)	Discount Rate (4.79%)	1.0% Increase (5.79%)
Total OPEB liability	<u>\$ (47,849,876)</u>	<u>\$ (42,254,289)</u>	<u>\$ (37,632,514)</u>

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	<u>\$ (36,709,664)</u>	<u>\$ (42,254,289)</u>	<u>\$ (49,113,839)</u>

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources

For the year ended August 31, 2025 the College recognized OPEB income of \$1,339,586 and for the year ended August 31, 2024 the College recognized OPEB expense of \$10,769,938 and reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

August 31, 2025	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (4,701,899)
Changes of assumptions or other inputs	<u>1,759,135</u>	<u>(7,757,026)</u>
	<u>\$ 1,759,135</u>	<u>\$ (12,458,925)</u>

August 31, 2024	Deferred Outflows of Resources	Deferred Inflows of Resources
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>

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,	
2026	\$ (4,395,308)
2027	(3,243,913)
2028	(1,641,058)
2029	(1,155,348)
2030	(264,163)
	<u>\$ (10,699,790)</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 materially 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 various 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 2025 and 2024 not described elsewhere include:

August 31, 2025	College	Association	Foundation
Accounts receivable	\$ -	\$ 579,372	\$ -
Accounts payable	\$ 579,372	\$ -	\$ -
Contributed services	\$ (188,670)	\$ -	\$ 188,670
Contributions (expense)	\$ 411,666	\$ -	\$ (411,666)

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)

12. Natural Classification of Expenses

August 31, 2025	Personal Services	Equipment	Contractual	Employee Benefits	Depreciation	Total
Instruction	\$ 5,198,351	\$ 339	\$ 400,166	\$ 1,537,484	\$ -	\$ 7,136,340
Academic support	2,473,012	338	1,528,439	595,091	-	4,596,880
Student services	1,613,082	100	81,873	346,158	-	2,041,213
Institutional support	3,994,927	10,581	4,064,772	947,467	-	9,017,747
Operations and maintenance	1,241,344	938	3,493,083	373,274	-	5,108,639
Student aid	-	-	2,007,760	-	-	2,007,760
Depreciation and amortization - unallocated	-	-	-	-	3,374,114	3,374,114
Interest - unallocated	-	-	-	-	33,802	33,802
	<u>\$ 14,520,716</u>	<u>\$ 12,296</u>	<u>\$ 11,576,093</u>	<u>\$ 3,799,474</u>	<u>\$ 3,407,916</u>	<u>\$ 33,316,495</u>

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
	<u>\$ 14,017,502</u>	<u>\$ 45,157</u>	<u>\$ 11,278,934</u>	<u>\$ 16,669,273</u>	<u>\$ 3,635,564</u>	<u>\$ 45,646,430</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.

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.

	2025		2024	
	Association	Foundation	Association	Foundation
Contributions receivable	\$ -	\$ 323,219	\$ -	\$ 179,945
Other receivables	162,561	-	145,086	-
	<u>162,561</u>	<u>323,219</u>	<u>145,086</u>	<u>179,945</u>
Allowance for credit losses, uncollectibles, and unamortized discount	(97,802)	(40,229)	(90,561)	(20,582)
	<u>64,759</u>	<u>282,990</u>	<u>54,525</u>	<u>159,363</u>
Current portion	(59,759)	(144,559)	(47,025)	(65,630)
Noncurrent amount	<u>\$ 5,000</u>	<u>\$ 138,431</u>	<u>\$ 7,500</u>	<u>\$ 93,733</u>

Property and Equipment – Association

	2025	2024
Leasehold improvements	\$ 886,746	\$ 886,746
Furniture and equipment	438,334	439,692
	1,325,080	1,326,438
Accumulated depreciation	(808,220)	(767,233)
	<u>\$ 516,860</u>	<u>\$ 559,205</u>

Investments

Investments for the Association and Foundation are as follows:

	2025		2024	
	Association	Foundation	Association	Foundation
Marketable securities				
Money market funds	\$ -	\$ 562,277	\$ -	\$ 1,019,372
Fixed income	-	3,201,148	-	2,783,409
Equities	-	8,548,661	-	7,457,727
Nonmarketable investments				
Mutual funds	450,700	-	564,574	-
Other	-	71,406	-	8,656
	<u>\$ 450,700</u>	<u>\$ 12,383,492</u>	<u>\$ 564,574</u>	<u>\$ 11,269,164</u>

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

	2025	2024
Dividends and interest, net	\$ 158,587	\$ 156,173
Net realized and unrealized gains	820,087	1,528,190
	<u>\$ 978,674</u>	<u>\$ 1,684,363</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, 2025 and 2024 totaled \$235,157 and \$317,743.

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:

	2025	2024
Scholarships	\$ 7,077,048	\$ 5,949,593
Campus programs	3,662,956	3,488,631
Capital projects	4,577	4,577
	<u>\$ 10,744,581</u>	<u>\$ 9,442,801</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 \$7,359,789 and \$6,492,641 as of August 31, 2025 and 2024 are included in net assets with donor restrictions, and the related earnings, once appropriated, are expendable to provide scholarships and support for campus programs.

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 Teachers' Retirement System

As of the measurement date of June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
College's proportion of the net pension position	0.009872%	0.008617%	0.009248%	0.010469%	0.010723%	0.011938%	0.011698%	0.012302%	0.011571%	0.013414%
College's proportionate share of the net pension asset (liability)	\$ 584,533	\$ 257,104	\$ (105,755)	\$ (200,888)	\$ 1,858,253	\$ (329,870)	\$ 303,911	\$ 222,449	\$ 87,947	\$ (143,673)
College's covered payroll	\$ 1,938,388	\$ 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
College's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	30.16%	15.63%	(6.19%)	(10.83%)	102.10%	(16.28%)	15.56%	11.10%	4.80%	(6.94%)
Plan fiduciary net position as a percentage of the total pension liability	104.00%	102.09%	99.17%	98.57%	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%

The following is a summary of changes of assumptions:

Inflation	2.5%	2.4%	2.4%	2.4%	2.4%	2.2%	2.2%	2.25%	2.5%	2.5%
Salary increases (range)	2.04%-5.80%	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%
Cost of living adjustments	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.5%	1.5%	1.5%
Investment rate of return	6.95%	6.95%	6.95%	6.95%	6.95%	7.1%	7.1%	7.25%	7.25%	7.5%
Discount rate	6.95%	6.95%	6.95%	6.95%	6.95%	7.1%	7.1%	7.25%	7.25%	7.5%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2021	MP-2021	MP-2020	MP-2019	MP-2018	MP-2014	MP-2014	MP-2014

SCENECTADY 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,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 195,971	\$ 160,584	\$ 175,749	\$ 181,751	\$ 173,455	\$ 179,521	\$ 207,362	\$ 196,375	\$ 214,891	\$ 274,478
Contribution in relation to the contractually required contribution	195,971	160,584	175,749	181,751	173,455	179,521	207,362	196,375	214,891	274,478
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's covered payroll	\$ 1,938,388	\$ 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
Contributions as a percentage of covered payroll	10.11%	9.76%	10.29%	9.80%	9.53%	8.86%	10.62%	9.80%	11.72%	13.26%

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,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
College's proportion of the net pension position	0.0207448%	0.0193155%	0.0160958%	0.0204583%	0.0214626%	0.0205495%	0.0214614%	0.0221441%	0.0221723%	0.0248170%
College's proportionate share of the net pension asset (liability)	\$ (3,556,838)	\$ (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)
College's covered payroll	\$ 6,799,106	\$ 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
College's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	(52.31%)	(45.77%)	(55.53%)	27.77%	(0.36%)	(89.11%)	(25.55%)	(11.85%)	(35.67%)	(64.99%)
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

The following is a summary of changes of assumptions:

Inflation	2.9%	2.9%	2.9%	2.7%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%
Salary increases	4.3%	4.4%	4.4%	4.4%	4.4%	4.2%	4.2%	3.8%	3.8%	3.8%
Cost of living adjustments	1.5%	1.5%	1.5%	1.4%	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%
Investment rate of return	5.9%	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%
Discount rate	5.9%	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2021	MP-2020	MP-2020	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,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 943,095	\$ 702,001	\$ 498,861	\$ 842,781	\$ 800,273	\$ 780,036	\$ 800,441	\$ 853,752	\$ 842,903	\$ 944,922
Contribution in relation to the contractually required contribution	943,095	702,001	498,861	842,781	800,273	780,036	800,441	853,752	842,903	944,922
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's covered payroll	\$ 6,799,106	\$ 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
Contributions as a percentage of covered payroll	13.87%	11.30%	8.03%	14.00%	13.63%	12.77%	13.45%	14.15%	14.43%	15.67%

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,	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability - beginning	\$ (45,797,826)	\$ (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	(1,577,165)	(1,085,413)	(1,156,424)	(1,844,001)	(2,058,505)	(2,077,756)	(1,484,106)	(1,820,295)
Interest	(1,857,661)	(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	5,344,218	(2,159,281)	796,645	10,466,790	(2,093,895)	(1,022,881)	(10,038,272)	1,583,213
Benefit payments	1,634,145	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	3,543,537	(8,560,799)	(37,299)	13,402,715	536,293	1,287,153	(11,587,531)	6,306,218
Total OPEB liability - ending	\$ (42,254,289)	\$ (45,797,826)	\$ (37,237,027)	\$ (37,199,728)	\$ (50,602,443)	\$ (51,138,736)	\$ (52,425,889)	\$ (40,838,358)
Covered-employee payroll	\$ 10,259,418	\$ 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	411.9%	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 2025, 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%	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%	2.50%	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%	2.00%
Discount rate	4.79%	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-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, 2025

	Revenues	Expenses	
Totals by fund:			
Unrestricted current funds (per annual report)	\$ 24,791,822	\$ 25,845,133	
Restricted current funds (per annual report)	13,364,179	13,364,179	
Plant fund	5,404,387	-	
Totals (all funds)	43,560,388	39,209,312	
Adjustments to reconcile to financial statements:			
Scholarship allowances	(5,148,468)	(5,148,468)	
GASB 75 OPEB adjustment	-	(2,973,731)	
Depreciation and amortization	-	3,374,114	
Expended for plant fund	-	(290,047)	
GASB 68 net pension adjustments	-	(255,988)	
GASB 87 lease adjustments	-	(598,697)	
Adjusted totals	\$ 38,411,920	\$ 33,316,495	
Per audited financial statements:			
Operating revenues/expenses	\$ 12,470,554	\$ 33,282,693	
Non-operating revenues/expenses	20,536,979	33,802	
Capital appropriations	5,404,387	-	
Totals per financial statements	\$ 38,411,920	\$ 33,316,495	
	Annual Report	Unrestricted Current Fund	Reconciled Difference
Total unrestricted expenses	\$ 25,845,133	\$ 22,615,414	\$ 3,229,719
Total revenues - offset to expense	1,882,514	1,882,514	-
Net operating costs	\$ 23,962,619	\$ 20,732,900	\$ 3,229,719
Explanation of reconciling difference			
GASB 75 OPEB costs not included in annual report	\$ (2,973,731)		
GASB 68 pension costs not included in annual report	(255,988)		
	\$ (3,229,719)		
Net position/fund balance reconciliation:		Reported Amounts	
Current unrestricted fund balance per annual report		\$ 1,777,883	
Net GASB 75 liability, deferred outflows, and deferred inflows		(52,954,079)	
Net GASB 68 pension asset/liability, deferred outflows, and deferred inflows		(1,222,616)	
Unrestricted net position (deficit) per financial statements		\$ (52,398,812)	

SCHENECTADY 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, 2025

Total operating costs per Annual Report	\$ 25,845,133			
Total revenues - offset to expense	1,882,514			
Costs not allowable for state aid	<u>-</u>			
Net operating costs	<u>\$ 23,962,619</u>	@	40%	<u>\$ 9,585,048</u>
Rental costs - physical space				\$ 352,367
Low enrollment aid				78,333
Funded FTE students - basic aid			<u>Net FTE</u>	
			<u>Allowable</u>	
2021-22 Actual	1,823.7	x .20 =		364.7
2022-23 Actual	1,751.9	x .30 =		525.6
2023-24 Actual	1,825.6	x .50 =		<u>912.8</u>
2024-25 Calculated FTE (20-30-50% rule)				<u>1,803.1</u>
2024-25 Funded FTE (greater of 20-30-50% rule or prior year actual)				<u>1,825.6</u>
Funded FTE students - basic aid (rounded)	1,825.6	@	\$ 2,997	<u>\$ 5,471,323</u>
100% of approved 2023-24 FTE budget				<u>\$ 7,702,081</u>
Funded FTE aid (greater of funded FTE students or 100% of approved 2023-24 FTE budget)				<u>7,702,081</u>
Funded FTE aid, rental costs, and low enrollment aid				<u>\$ 8,132,781</u>
Total basic aid - lesser of net operating costs or funded FTEs, and rental costs funding				<u>\$ 8,132,781</u>

SCENECTADY 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, 2025

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

	Headcount Credit Hours and FTE	Rate	Equated Tuition
Full-time Student Headcount			
Fall 2024 full-time students per end of term SDF	1,077.0	\$ 2,484	\$ 2,675,268
Spring 2025 full-time students per end of term SDF	891.0	2,484	2,213,244
Summer 2025 full-time students per end of term SDF	3.0	2,484	7,452
Total full-time headcount	<u>1,971.0</u>		
Total credit hours of full-time students	<u>27,855.0</u>		
Part-time Student Credit Hours			
Fall 2024 part-time credits per end of term SDF	13,384.0	207	2,770,488
Spring 2025 part-time credits per end of term SDF	7,804.0	207	1,615,428
Summer 2025 part-time credits per end of term SDF	3,894.0	207	806,058
Fall 2024 per Form 24	40.3	-	-
Spring 2025 per Form 24	29.7	-	-
Summer 2025 per Form 24	5.2	-	-
Total part-time credit hours	<u>25,157.2</u>		
Total credit hours	<u>53,012.2</u>		
Total non-credit FTEs	<u>77.2</u>		
Total State-aidable FTE	<u>1,844.3</u>		
Total calculated tuition based on headcount and credit hours			<u>10,087,938</u>
Reconciliation to Annual Report and Audited Financial Statements:			
Less:	Bad debt expense charged to tuition		(160,173)
	Difference in tuition for discounted classes Excelsior		-
	Difference in tuition for discounted classes		(2,028,148)
	Learning centers - credits generated - no tuition charged		(15,554)
	Other - miscellaneous		<u>(21,286)</u>
	Tuition revenue reported on annual report (lines 205-208)		<u>7,862,777</u>
Add:	Charges to non-resident students		165,138
	Out-of-state resident tuition		31,607
	Service fees, including technology fee		1,483,680
	Student revenue - non State-aidable courses		<u>575,809</u>
	Tuition and fee revenue per audited financial statements		<u>\$ 10,119,011</u>

SCHENECTADY 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, 2025

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	\$ 92,424
<u>U.S. Department of Education</u>			
Direct Programs:			
Student Financial Assistance Cluster:			
Federal Supplemental Educational Opportunity Grants	84.007	n/a	105,175
Federal Work-Study Program	84.033	n/a	91,742
Federal Pell Grant Program	84.063	n/a	5,379,267
Federal Direct Student Loans	84.268	n/a	2,602,147
Title IV Administration	84.XXX	n/a	6,650
Total Student Financial Assistance Cluster			8,184,981
TRIO Student Support Services (part of TRIO cluster)	84.042	n/a	399,415
Passed Through New York State Education Department:			
Career and Technical Education -- Basic Grants to States	84.048	8000-24-6490	176,862
Career and Technical Education -- Basic Grants to States	84.048	8000-25-6490	13,460
			190,322
Total U.S. Department of Education			8,774,718
<u>U.S. Department of Health and Human Services</u>			
Direct Program:			
Health Profession Opportunity Grants	93.093	n/a	12,475
Total Expenditures of Federal Awards			\$ 8,879,617

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 (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 entities, 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, 2025 were as follows:

Direct Subsidized Loans	\$ 1,060,498
Direct Unsubsidized Loans	1,283,989
Direct PLUS Loans	<u>257,660</u>
	<u>\$ 2,602,147</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, 2025, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated January 30, 2026. 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, Inc. (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.

January 30, 2026

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON

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, 2025. 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, 2025.

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

January 30, 2026

Schedule of Findings and Questioned Costs

For the year ended August 31, 2025

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	\$ 105,175
Federal Work-Study Program	84.033	91,742
Federal Pell Grant Program	84.063	5,379,267
Federal Direct Student Loans	84.268	2,602,147
Title IV Administration	84.XXX	6,650
		<u>\$ 8,184,981</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.