DOCTORAL AND GRADUATE STUDENTS' COUNCIL
OF THE CITY UNIVERSITY OF NEW YORK -
GRADUATE SCHOOL AND UNIVERSITY
CENTER FIDUCIARY ACCOUNTS

Financial Statements and
Supplementary Information

June 30, 2013 and 2012

(With Independent Auditors’ Report Thereon)
Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Auditors’ Report</td>
<td>1 - 2</td>
</tr>
<tr>
<td>Management’s Discussion and Analysis</td>
<td>3 - 7</td>
</tr>
<tr>
<td>Financial Statements:</td>
<td></td>
</tr>
<tr>
<td>Statements of Net Position</td>
<td>8</td>
</tr>
<tr>
<td>Statements of Revenue, Expenses and Changes in Net Position</td>
<td>9</td>
</tr>
<tr>
<td>Statements of Cash Flows</td>
<td>10</td>
</tr>
<tr>
<td>Notes to Financial Statements</td>
<td>11 - 15</td>
</tr>
</tbody>
</table>

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INDEPENDENT AUDITORS’ REPORT

The Board of Directors
Doctoral and Graduate Students’ Council of the City
University of New York - Graduate School and
University Center Fiduciary Accounts:

Report on the Financial Statements

We have audited the accompanying financial statements of Doctoral and Graduate Students’ Council of the City University of New York - Graduate School and University Center Fiduciary Accounts (the Association) as of and for the years ended June 30, 2013 and 2012, and the related notes to financial statements, which collectively comprise the Association’s financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of Doctoral and Graduate Students’ Council of the City University of New York - Graduate School and University Center Fiduciary Accounts as of June 30, 2013 and 2012, and the respective changes in financial position and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters


Required Supplementary Information

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

Toski & Co., CPAs, P.C.

Williamsville, New York
November 25, 2013
The intent of management’s discussion and analysis (MD&A) is to provide readers with a comprehensive overview of the Doctoral and Graduate Students’ Council of the City University of New York - Graduate School and University Center Fiduciary Accounts (the Association) financial position as of June 30, 2013, and changes in its net position for the year then ended. Since this MD&A is designed to focus on current activities, resulting changes, and currently known facts, it should be read in conjunction with the accompanying audited financial statements and related notes.

Financial Highlights

- The Association’s net position increased by $32,848 or 15%.
- Operating revenue decreased by $60,735 or 9%.
- Operating expenses decreased by $64,788 or 10%.

Financial Position

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

New Accounting Pronouncements

For the year ended June 30, 2013, the Association adopted the provisions of the following Governmental Accounting Standards Board (GASB) Statements:

- GASB Statement No. 63 - “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position.” This statement amends the net asset reporting requirements in Statement No. 34 - “Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments” and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.
- GASB Statement No. 65 - “Items Previously Reported as Assets and Liabilities.” This statement established accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.
DOCTORAL AND GRADUATE STUDENTS’ COUNCIL OF
THE CITY UNIVERSITY OF NEW YORK - GRADUATE SCHOOL
AND UNIVERSITY CENTER FIDUCIARY ACCOUNTS
Management’s Discussion and Analysis, Continued

Statements of Net Position

The following summarizes the Association’s assets, liabilities, and net position as of June 30, 2013 and 2012, under the accrual basis of accounting:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>Dollar change</th>
<th>Percent change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>$263,562</td>
<td>223,073</td>
<td>40,489</td>
<td>18%</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>14,063</td>
<td>6,422</td>
<td>7,641</td>
<td>119%</td>
</tr>
<tr>
<td>Total net position</td>
<td>$249,499</td>
<td>216,651</td>
<td>32,848</td>
<td>15%</td>
</tr>
</tbody>
</table>

At June 30, 2013, the Association’s total net position increased by $32,848 or 15%, compared to the previous year.

At June 30, 2013, the Association’s total liabilities increased by $7,641 or 119%, compared to the previous year. The increase in total liabilities was due to the timing of operating expense payments.

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

The following illustrates the Association’s net position at June 30, 2013 and 2012 by category:

Statements of Revenue, Expenses and Changes in Net Position

The statements of revenue, expenses and changes in net position present the operating results of the Association, as well as nonoperating revenue and expenses, if any. The major components of revenue and expenses for the years ended June 30, 2013 and 2012, are as follows:
Revenue

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>Dollar change</th>
<th>Percent change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student activity fees</td>
<td>$ 375,203</td>
<td>380,058</td>
<td>$ (4,855)</td>
<td>(1%)</td>
</tr>
<tr>
<td>Donated space and services</td>
<td>$ 277,548</td>
<td>333,428</td>
<td>$ (55,880)</td>
<td>(17%)</td>
</tr>
<tr>
<td>Total operating revenue</td>
<td>652,751</td>
<td>713,486</td>
<td>$ (60,735)</td>
<td>(9%)</td>
</tr>
<tr>
<td>Nonoperating revenue</td>
<td>$ 23,216</td>
<td>15,636</td>
<td>$ 7,580</td>
<td>48%</td>
</tr>
<tr>
<td>Total revenue</td>
<td>$ 675,967</td>
<td>729,122</td>
<td>$ (53,155)</td>
<td>(7%)</td>
</tr>
</tbody>
</table>

The Association’s total revenue for the year ended June 30, 2013 amounted to $675,967, a decrease of $53,155 or 7%, compared to the previous year. The major component of this variance is related to the decrease in market value of donated facilities.

Student activity fees represented approximately 56% and donated space and services represented 41% of total revenue and, accordingly, the Association is dependent upon this level of support to carry out its operations.

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

The following illustrates the Association’s revenue, by source, for the year ended June 30, 2013:
DOCTORAL AND GRADUATE STUDENTS’ COUNCIL OF THE CITY UNIVERSITY OF NEW YORK - GRADUATE SCHOOL AND UNIVERSITY CENTER FIDUCIARY ACCOUNTS

Management’s Discussion and Analysis, Continued

Expenses

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>Dollar change</th>
<th>Percent change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student organizations and activities</td>
<td>$433,406</td>
<td>494,884</td>
<td>(61,478)</td>
<td>(12%)</td>
</tr>
<tr>
<td>Medical center</td>
<td>99,294</td>
<td>104,123</td>
<td>(4,829)</td>
<td>(5%)</td>
</tr>
<tr>
<td>Management and general</td>
<td>38,413</td>
<td>37,490</td>
<td>923</td>
<td>2%</td>
</tr>
<tr>
<td>Publications and cultural affairs</td>
<td>41,266</td>
<td>40,670</td>
<td>596</td>
<td>1%</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>612,379</td>
<td>677,167</td>
<td>(64,788)</td>
<td>(10%)</td>
</tr>
<tr>
<td>Nonoperating expenses</td>
<td>30,740</td>
<td>19,839</td>
<td>10,901</td>
<td>55%</td>
</tr>
<tr>
<td>Total expenses</td>
<td>$643,119</td>
<td>697,006</td>
<td>(53,887)</td>
<td>(8%)</td>
</tr>
</tbody>
</table>

Total expenses for the year ended June 30, 2013 were $643,119, a decrease of $53,887 or 8%, compared to the previous year. The major component of this variance was related to the decrease in student organizations and activities expenses.

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

The following illustrates the Association’s expenses, by category, for the year ended June 30, 2013:
Cash Flows

The statement of cash flows provides information about cash receipts and cash payments during the year. This statement assists users to assess the Association's ability to generate net cash flows, meet its obligations as they come due, and its dependency on external financing. The following summarizes the Association's cash flows for the year ended June 30, 2013:

![Cash Flows Diagram]

Economic Factors That May Affect the Future

There are no known economic factors that may influence the future, with the exception of student enrollment, which directly relates to the amount of revenue earned, as well as related expenses incurred.
DOCTORAL AND GRADUATE STUDENTS' COUNCIL OF
THE CITY UNIVERSITY OF NEW YORK - GRADUATE SCHOOL
AND UNIVERSITY CENTER FIDUCIARY ACCOUNTS
Statements of Net Position
June 30, 2013 and 2012

<table>
<thead>
<tr>
<th>Assets</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and equivalents</td>
<td>$ 102,526</td>
<td>59,835</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>147,754</td>
<td>148,126</td>
</tr>
<tr>
<td>Accounts receivable, net of allowance for</td>
<td></td>
<td></td>
</tr>
<tr>
<td>doubtful accounts of $1,620 in 2013 and 2012</td>
<td>11,291</td>
<td>12,912</td>
</tr>
<tr>
<td>Other assets</td>
<td>1,991</td>
<td>2,200</td>
</tr>
<tr>
<td>Total current assets</td>
<td>263,562</td>
<td>223,073</td>
</tr>
</tbody>
</table>

| Liabilities                                 |           |           |
| Current liabilities - accounts payable and  |           |           |
|   accrued expenses                          | 14,063    | 6,422     |

| Net Position                                |           |           |
| Unrestricted                                | $ 249,499 | 216,651   |

See accompanying notes to financial statements.
DOCTORAL AND GRADUATE STUDENTS' COUNCIL OF
THE CITY UNIVERSITY OF NEW YORK - GRADUATE SCHOOL
AND UNIVERSITY CENTER FIDUCIARY ACCOUNTS
Statements of Revenue, Expenses and Changes in Net Position
Years ended June 30, 2013 and 2012

Operating revenue:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student activity fees</td>
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<tr>
<td>Donated space and services</td>
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<td>333,428</td>
</tr>
<tr>
<td><strong>Total operating revenue</strong></td>
<td><strong>652,751</strong></td>
<td><strong>713,486</strong></td>
</tr>
</tbody>
</table>

Operating expenses:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student organizations and activities</td>
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<td>41,266</td>
<td>40,670</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td><strong>612,379</strong></td>
<td><strong>677,167</strong></td>
</tr>
</tbody>
</table>

Income from operations

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>40,372</td>
<td>36,319</td>
</tr>
</tbody>
</table>

Nonoperating revenue (expenses):

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>342</td>
<td>758</td>
</tr>
<tr>
<td>Other revenue</td>
<td>22,874</td>
<td>14,878</td>
</tr>
<tr>
<td>Other expenses</td>
<td>(30,740)</td>
<td>(19,839)</td>
</tr>
<tr>
<td><strong>Total nonoperating revenue (expenses), net</strong></td>
<td><strong>(7,524)</strong></td>
<td><strong>(4,203)</strong></td>
</tr>
</tbody>
</table>

Increase in net position

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>32,848</td>
<td>32,116</td>
</tr>
</tbody>
</table>

Net position at beginning of year

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>216,651</td>
<td>184,535</td>
</tr>
</tbody>
</table>

Net position at end of year

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>$249,499</strong></td>
<td><strong>216,651</strong></td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
DOCTORAL AND GRADUATE STUDENTS' COUNCIL OF
THE CITY UNIVERSITY OF NEW YORK - GRADUATE SCHOOL
AND UNIVERSITY CENTER FIDUCIARY ACCOUNTS
Statements of Cash Flows
Years ended June 30, 2013 and 2012

Cash flows from operating activities:
  Cash receipts from student activity fees $ 376,824  376,237
  Cash payments to vendors            (326,981)  (342,426)

  Net cash provided by operating activities  49,843   33,811

Cash flows from noncapital financing activities:
  Cash receipts from noncapital sources    22,874   14,878
  Cash payments to noncapital sources     (30,740)  (19,839)

  Net cash used in financing activities    (7,866)  (4,961)

Cash flows from investing activities:
  Interest income                      342       758
  Sale (purchase) of investments       372       372

  Net cash provided by investing activities  714      386

Net increase in cash and equivalents  42,691    29,236
Cash and equivalents at beginning of year  59,835    30,599

Cash and equivalents at end of year $102,526    59,835

Reconciliation of gain from operations to net cash provided by operating activities:
  Income from operations                 40,372    36,319
  Adjustments to reconcile gain from operations to net cash provided by operating activities - changes in:
    Accounts receivable                   1,621   (3,821)
    Other assets                          209      (1,852)
    Accounts payable and accrued expenses 7,641     3,165

  Net cash provided by operating activities $ 49,843   33,811

Supplemental schedule of cash flow information:
  Donated space and services             $277,548  333,428
  Donated personnel                       38,788    38,788
  Donated facilities                     238,760   294,640

$ 277,548  333,428

See accompanying notes to financial statements.
DOCTORAL AND GRADUATE STUDENTS’ COUNCIL OF
THE CITY UNIVERSITY OF NEW YORK - GRADUATE SCHOOL AND UNIVERSITY CENTER FIDUCIARY ACCOUNTS

Notes to Financial Statements
June 30, 2013 and 2012

(1) Nature of Organization

The Doctoral and Graduate Students’ Council of the City University of New York - Graduate School and University Center Fiduciary Accounts (the Association) is an entity created for the principal purpose of developing and cultivating educational, social, cultural, and recreational activities among students of the Graduate Center (the School) of the City University of New York (CUNY or the University). The Association’s revenue is derived primarily from student activity fees levied by a resolution of the Board of Director’s of the University and collected by the School. While the Association is not a legal entity, the accompanying financial statements have been prepared on the basis of it being a separate entity.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

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

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

(b) New Accounting Pronouncements

For the year ended June 30, 2013, the Association adopted the provisions of the following GASB Statements:


- GASB Statement No. 63 - “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position.” This statement amends the net asset reporting requirements in Statement No. 34 - “Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments” and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the require components of the residual measure and by renaming that measure as net position, rather than net assets.
(2) Summary of Significant Accounting Policies, Continued

(b) New Accounting Pronouncements, Continued

- GASB Statement No. 65 - “Items Previously Reported as Assets and Liabilities.” This statement established accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes as outflows of resources or inflows of resources, certain items that were previously reported as assets or liabilities.

(c) Net Position

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

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

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

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

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

At June 30, 2013, the Association had no investment in capital assets and no restricted net position.

(d) Cash and Equivalents

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

(e) Revenue Recognition

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

(f) Donated Space and Services

The Association operates on the campus of the College and, utilizes office space and certain services made available to it as well as personal services of certain college employees. The cost savings associated with such arrangements are recorded as donated space and services and are recognized as revenue and expenses in the accompanying financial statements based on the fair value of such services (note 4).
(2) Summary of Significant Accounting Policies, Continued

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

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

(i) Subsequent Events
The Association has evaluated events after June 30, 2013, and through November 25, 2013, which is the date the financial statements were available to be issued, and determined that any events or transactions occurring during this period that would require recognition or disclosure are properly addressed in these financial statements.

(j) Reclassifications
Reclassifications have been made to certain 2012 balances in order to conform them to the 2013 presentation.

(3) Cash and Equivalents and Investments

(a) Custodial Credit Risk - Deposits
Custodial credit risk of deposits is the risk that the Association’s deposits may not be returned in the event of a bank failure. At June 30, 2013, $12,783 of the Association’s bank balance of $115,029 was exposed to custodial credit risk as it was uninsured.

(b) Custodial Credit Risk - Investments
Custodial credit risk as it relates to investments is the risk that the Association will not be able to recover the value of its investment portfolio that is in the possession of a failed counterparty in the event of failure of that counterparty of a transaction. At June 30, 2013, none of the Association’s investment portfolio balance of $147,754 was exposed to custodial credit risk as it was insured. This investment represents a short-term certificate of deposit.
(4) Donated Space and Services

The Association utilizes certain facilities provided by the School at no cost. The estimated fair value of the donated office space, which is used solely by the Association, amounted to $238,760 and $294,640 for the years ended June 30, 2013 and 2012 respectively. Additionally, professional services were provided by certain College employees and amounted to $38,788 for the years ended June 30, 2013 and 2012. These donated services are included in both revenue and expenses in the accompanying statements of revenue, expenses and changes in net position.

(5) Accounting Standards Issued But Not Yet Implemented

- GASB Statement No. 66 - “Technical Corrections - 2012 - an Amendment of GASB Statements No. 10 and No. 62” improves accounting and financial reporting for a governmental entity by resolving conflicting guidance that resulted from the issuance of two pronouncements. Statements No. 54 - “Fund Balance Reporting and Governmental Fund Type Definitions” and No. 62 - “Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.” This statement amends Statement No. 10 by removing the provision that limits fund-based reporting of an entity’s risk financing activities to the general fund and the internal service fund type. This statement also amends Statement No. 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. The requirements of this statement are effective for periods beginning after December 15, 2012, which is the fiscal year beginning July 1, 2013 for the Association. This statement is not expected to have a material effect on the financial statements of the Association.

- GASB Statement No. 67 - “Financial Reporting for Pension Plans - an Amendment of GASB Statement No. 25” replaces existing standards for financial reporting and note disclosure for most pension plans that are administered through trusts or equivalent arrangements. The statement specifies the required approach for measuring the pension liability of all employers and nonemployer contributing entities participating in a pension plan and details required note disclosures for financial reporting. The requirements of this statement are effective for periods beginning after June 15, 2013, which is the fiscal year beginning July 1, 2013 for the Association. This statement is not expected to have a material effect on the financial statements of the Association.
(5) Accounting Standards Issued But Not Yet Implemented, Continued

- GASB Statement No. 68 - “Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27” replaces existing standards of accounting and financial reporting for pension plans that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements. The statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources and deferred inflows of resources, and expense/expenditures. The requirements of this statement are effective for periods beginning after June 15, 2014, which is the fiscal year beginning July 1, 2014 for the Association. This statement is not expected to have a material effect on the financial statements of the Association.

- GASB Statement No. 69 - “Government Combinations and Disposals of Government Operations” establishes accounting and financial reporting standards for government mergers, acquisitions and disposals. The statement requires disclosures to be made about government combinations and disposals or government operations to enable financial statement users to evaluate the nature and financial effect of those transactions. The requirements of this statement are effective for periods beginning after December 15, 2013, which is the fiscal year beginning July 1, 2014 for the Association. This statement is not expected to have a material effect on the financial statements of the Association.

- GASB Statement No. 70 - “Accounting and Financial Reporting for Nonexchange Financial Guarantees” improves the accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. The statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The statement also requires a government that has issued an obligation guaranteed in a nonexchange transaction to recognize revenue to the extent of the reduction in its guaranteed liabilities. The requirements of this statement are effective for periods beginning after June 15, 2013, which is the fiscal year beginning July 1, 2013 for the Association. This statement is not expected to have a material effect on the financial statements of the Association.