

**NEW YORK STATE ARCHIVES  
PARTNERSHIP TRUST**

AUDITED FINANCIAL STATEMENTS

Year ended March 31, 2017

# NEW YORK STATE ARCHIVES PARTNERSHIP TRUST

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees  
New York State Archives Partnership Trust

We have audited the accompanying statement of net position of New York State Archives Partnership Trust, a component unit of the State of New York, as of March 31, 2017, and the related statements of revenues, expenses and change in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the New York State Archives Partnership Trust's basic 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 opinions on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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 opinions.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of New York State Archives Partnership Trust as of March 31, 2017, and the change in net position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

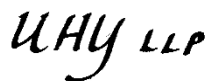
Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3 through 5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was performed for the purpose of forming an opinion on the basic financial statements of New York State Archives Partnership Trust. The other information listed in the table of contents 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other information is fairly stated in all material respects in relation to the basic 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 August 10, 2017, on our consideration of New York State Archives Partnership Trust's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters, including compliance with investment guidelines. The purpose of that report is 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 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 New York State Archives Partnership Trust's internal control over financial reporting and compliance.



Albany, New York  
August 10, 2017

# NEW YORK STATE ARCHIVES PARTNERSHIP TRUST

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of New York State Archives Partnership Trust's (the "Trust") financial statements, the Trust's management provides a narrative discussion and analysis of the financial activities of the Trust for the fiscal year ended March 31, 2017. The Trust's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. This discussion and analysis is intended to serve as an introduction to New York State Archives Partnership Trust's basic financial statements for the fiscal year ended March 31, 2017.

### Overview of the Financial Statements

The Trust is accounted for as a proprietary Trust and, therefore, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The financial statements include the following:

- **Statement of Net Position** - The Statement of Net Position includes all assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position of the Trust using the accrual basis of accounting. The Statement of Net Position reports the Trust's net position in three main categories, including net invested in capital assets, restricted net position and unrestricted net position.
- **Statement of Revenues, Expenses and Change in Net Position** - The Statement of Revenues, Expenses and Change in Net Position records revenue and expenses on the accrual basis. Revenues are recorded when measurable and earned and expenses are recorded when incurred, regardless of when cash is received or paid.
- **Statement of Cash Flows** - The Statement of Cash Flows provides information about the sources and uses of the Trust's cash through operating and investing activities.
- **Notes to the Financial Statements** - The accompanying notes to the financial statements provide information essential to a full understanding of the Trust's financial statements and should be read in conjunction with the financial statements.

### Financial Analysis of the Trust

#### Net Position

The following is a summary of the Trust's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position as of March 31, 2017 and 2016.

	<u>2017</u>	<u>2016</u>
Assets	<u>\$ 4,568,288</u>	<u>\$ 4,286,950</u>
Deferred Outflows of Resources	<u>\$ -</u>	<u>\$ -</u>
Current Liabilities	<u>\$ 190,927</u>	<u>\$ 155,440</u>
Deferred Inflows of Resources	<u>\$ -</u>	<u>\$ -</u>
Net Position		
Net invested in capital assets	\$ -	\$ -
Restricted	4,175,481	3,883,568
Unrestricted	<u>201,880</u>	<u>247,942</u>
Total net position	<u>\$ 4,377,361</u>	<u>\$ 4,131,510</u>

# NEW YORK STATE ARCHIVES PARTNERSHIP TRUST

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The majority of the Trust's assets consist of cash and investments in marketable equity and debt securities, money market funds, certificates of deposit and mutual funds. Funds received from state appropriations and various private donors are deposited into cash or investment accounts until they are subsequently disbursed for Trust operations or project expenditures.

Trust liabilities consist mainly of amounts due to vendors, deferred grant revenue and accrued payroll and related items due to Trust employees at March 31, 2017 and 2016.

The increase in the Trust's net position is mainly the result of an increase in net position related to the endowment account.

### Operations

The following is a summary of the Trust's revenues, expenses and changes in net position for the years ended March 31, 2017 and 2016.

	<b>2017</b>	<b>2016</b>
Operating revenue		
NYS appropriation	\$ 300,000	\$ 300,000
Contributed goods and services	98,616	141,755
Grants and contributions	135,729	116,900
Membership fees	43,711	37,378
Program fees and royalties	17,382	14,530
Advertising income	13,325	14,250
Other operating income	782	854
Total operating revenue	<u>609,545</u>	<u>625,667</u>
Operating expenses		
Public outreach projects	305,043	311,389
Management and general	458,453	415,818
Fundraising	62,170	45,620
Total operating expenses	<u>825,666</u>	<u>772,827</u>
Operating loss	<u>(216,121)</u>	<u>(147,160)</u>
Non-operating revenues (losses)		
Investment income	130,693	171,307
Net realized and unrealized gains (losses) on investments	335,650	(204,330)
Change in value of beneficial interest	(4,371)	(5,591)
Total non-operating revenues (losses)	<u>461,972</u>	<u>(38,614)</u>
Change in net assets	245,851	(185,774)
Net position at beginning of year	<u>4,131,510</u>	<u>4,317,284</u>
Net position at end of year	<u><u>\$ 4,377,361</u></u>	<u><u>\$ 4,131,510</u></u>

# **NEW YORK STATE ARCHIVES PARTNERSHIP TRUST**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Revenues are derived from a NYS appropriation, private donor contributions, contributed goods and services (a non-cash item), investment income and membership dues. The Trust's overall revenues (operating and non-operating revenues) increased by approximately 83% when compared to the prior year, mostly due to an increase in net investment income and a modest increase in grants and contributions, membership fees and program fees. Both contributed goods and services and grants and contributions will vary year-to-year relative to the timing of receipt of such revenue and the implementation of the projects for which it was given. Net investment income, including realized and unrealized gains and losses, increased from a loss of approximately \$33,000 in the prior year to a gain of approximately \$466,000 in the current year due to market fluctuations.

Expenditures increased by approximately 7% when compared to the prior year, most due to an increase in the cost of management and general expenses and fundraising expenses. Operating expenses for public outreach projects will vary year-to-year relative to the timing of both receipt of project revenue and project implementation. Payroll and related expenses represent approximately 64% of the Trust expenditures.

### **Requests for Information**

The accompanying financial statements are designed to provide readers with a general overview of the Trust's finances and to demonstrate the Trust's accountability for the revenue it receives. Questions concerning any of the information provided in this report, or any request for additional information, should be addressed to the Chief Executive Officer, New York State Archives Partnership Trust, Cultural Education Center, Suite 9C49, Albany, NY 12230.

**NEW YORK STATE ARCHIVES PARTNERSHIP TRUST**  
**STATEMENT OF NET POSITION**  
**March 31, 2017**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 387,098
Interest receivable	3,243
Prepaid expenses and other assets	<u>5,709</u>
Total current assets	396,050

**INVESTMENTS**

4,114,824

**PROPERTY AND EQUIPMENT, net of  
accumulated depreciation of \$60,689**

-

**BENEFICIAL INTEREST**

57,414

Total assets

\$ 4,568,288

**DEFERRED OUTFLOWS OF RESOURCES**

\$ -

**CURRENT LIABILITIES**

Accounts payable and accrued expenses	\$ 94,855
Unearned revenue	<u>96,072</u>
Total current liabilities	<u>\$ 190,927</u>

**DEFERRED INFLOWS OF RESOURCES**

\$ -

**NET POSITION**

Net invested in capital assets	\$ -
Restricted for:	
Endowment	4,118,067
Beneficial interest	57,414
Unrestricted	<u>201,880</u>
Total net position	<u><u>\$ 4,377,361</u></u>



**NEW YORK STATE ARCHIVES PARTNERSHIP TRUST**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION**  
**For the Year Ended March 31, 2017**

Operating revenues	
New York State appropriation	\$ 300,000
Contributed goods and services	98,616
Grants and contributions	135,729
Membership dues	43,711
Program fees	17,382
Advertising income	13,325
Other operating income	782
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Total operating revenues	609,545
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Operating expenses	
Public outreach projects	305,043
Management and general	458,453
Fundraising	62,170
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Total operating expenses	825,666
	<hr/>
Operating loss	(216,121)
	<hr/>
Non-operating revenues (losses)	
Investment income	130,693
Net realized and unrealized gain on investments	335,650
Change in value of beneficial interest	(4,371)
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Total non-operating revenues	461,972
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Change in net position	245,851
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Net position at beginning of year	4,131,510
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Net position at end of year	\$ 4,377,361
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*See notes to financial statements.*

**NEW YORK STATE ARCHIVES PARTNERSHIP TRUST**  
**STATEMENT OF CASH FLOWS**  
For the Year Ended March 31, 2017

**CASH FLOWS FROM OPERATING ACTIVITIES**

Proceeds from New York State appropriation	\$ 300,000
Proceeds from grants and contributions	162,200
Proceeds from membership dues	41,470
Proceeds from program fees and royalties	17,382
Proceeds from advertising income	10,175
Proceeds from other operating income	782
Cash payments for public outreach programs expenses	(263,749)
Cash payments for management and general expenses	(386,724)
Cash payments for fundraising expenses	<u>(62,170)</u>
Net cash used in operating activities	<u>(180,634)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from investment income	(601)
Proceeds from sales of securities	681,360
Payments on purchase of securities	<u>(501,158)</u>
Net cash provided by investing activities	<u>179,601</u>

**NET DECREASE IN CASH AND CASH EQUIVALENTS** (1,033)

**CASH AND CASH EQUIVALENTS at beginning of year** 388,131

**CASH AND CASH EQUIVALENTS at end of year** \$ 387,098

**RECONCILIATION OF OPERATING LOSS TO NET CASH  
USED IN OPERATING ACTIVITIES**

Operating loss	\$ (216,121)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Changes in operating assets and liabilities:	
Accounts payable and accrued expenses	14,407
Unearned revenue	<u>21,080</u>
Net cash used in operating activities	<u><u>\$ (180,634)</u></u>

# NEW YORK STATE ARCHIVES PARTNERSHIP TRUST

## NOTES TO FINANCIAL STATEMENTS

March 31, 2017

### NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

New York State Archives Partnership Trust (the Trust), a public benefit corporation, was created in July 1992 under Arts and Cultural Affairs Law of the State of New York to create an endowment to help preserve archival records of the New York State Archives and to make them accessible through research, exhibits and public programs. The Trust is a component unit of the State of New York and is included in the State's basic financial statements.

The statute establishes three separate and distinct accounts. At least annually, the Trust board shall transfer sufficient funds from the endowment account to the operations and maintenance account for the timely payment of estimated costs and operating expenses in accordance with budgets adopted by the Trust board. Earnings from the endowment account may be used by the Trust board for its operation and for other authorized purposes. Funds in the special project account shall be used for carrying out the purposes designated by the donor. A summary of the Trust's significant accounting policies follows:

#### Basis of Presentation

The Trust follows the provisions of Governmental Accounting Standards Board (GASB) statements for external reporting for all state and local government entities, which include a statement of net position, a statement of revenues, expenses and change in net position and a statement of cash flows. It requires classification of net position into three components – net invested in capital assets; restricted; and unrestricted. These classifications are defined as follows:

**Net invested in capital assets:** This component of net position consists of capital assets, net of accumulated depreciation and accumulated amortization, reduced by the outstanding balances of bonds, notes, and other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather that portion of the debt is included in restricted net position.

**Restricted:** This component of net position represents external restrictions imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

**Unrestricted:** This component represents net position that do not meet the definition of "restricted" or "net invested in capital assets".

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America for government entities, as prescribed by GASB. In accordance with the provisions promulgated by GASB, the Trust has elected not to apply Financial Accounting Standards Board (FASB) pronouncements and interpretations issued after November 30, 1989.

The operations of the Trust are accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. Within this measurement focus, all assets and liabilities associated with operations are included on the balance sheet with revenues recorded when earned and expenses recorded at the time liabilities are incurred.

The Trust distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the Trust's principal on-going operations. All revenues and expenses that do not meet this definition are reported as non-operating revenues and expenses.

**NEW YORK STATE ARCHIVES PARTNERSHIP TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2017**

**NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Cash and Cash Equivalents**

Cash and cash equivalents are defined as deposits with and maintained by the New York State Comptroller in the "New York State Archives Partnership Trust Fund." These funds are part of the "New York State Short Term Investment Pool" and are available upon demand. New York State ensures that the deposits held in the Short Term Investment Pool are fully collateralized.

The Trust has also established a special projects account at a bank that is maintained by the Trust. Deposits in this account are available upon demand. The special projects account is collateralized and is monitored by the guidelines of the NYS Office of the State Comptroller.

**Investments**

In accordance with GASB No. 72, investments are recorded at fair value based on quoted market prices. Investments received by gift are recorded at fair value at the date of the gift.

**Property and Equipment**

Acquisitions of property and equipment and expenditures which materially change the capacities or extend the useful lives are capitalized and recorded at historical cost. Routine maintenance and repairs and minor replacement costs are charged to expense as incurred. When an asset is sold or retired, the cost and accumulated depreciation are removed from their respective accounts and the resulting gain or loss is included in the change in net position. Depreciation expense is recorded using the straight-line method over the estimated useful lives of the related assets, generally ranging from 5 to 10 years.

**Beneficial Interest**

Beneficial interest represents the Trust's interest in a charitable remainder trust and is recorded at the estimated fair value. The fair value of the beneficial interest is remeasured annually on the valuation date. Changes in the fair value are recognized as a non-operating gain or loss. The beneficial interest is considered to be restricted net position until the charitable remainder trust terminates and the Trust receives the proceeds.

**New York State Appropriation**

A \$300,000 appropriation is allotted to the Trust from the New York State Local Government Records Management Improvement Fund for services and expenses related to planning, organizing and establishment of the Trust.

**Contributed Goods and Services**

Goods and services are provided to the Trust by other parties. The Trust values donated goods and services based on the estimated fair value of the goods and services provided.

**NEW YORK STATE ARCHIVES PARTNERSHIP TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2017**

**NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Tax Status**

The Trust is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, there is no provision for income taxes in the accompanying financial statements.

The Trust's information return filings are subject to audit by various taxing authorities. Currently, there are no examinations in process nor has the Trust been informed of any pending examination.

**Subsequent Events**

For purposes of preparing this financial statement, the Trust considered events through August 10, 2017, the date which the financial statements were available to be issued.

**NOTE 2 — INVESTMENTS**

The Trust has adopted the guidelines established by the State of New York Office of the State Comptroller (OSC) as its investment policy. The guidelines describe the administration of an investment program and are intended to represent minimum standards for most investment situations. This policy covers those funds that are in the custody of OSC.

Legislation governing the Trust's operations allows the Trust to manage the endowment fund outside the control of the New York State Comptroller. The Trust also has a written investment policy approved by the Board that establishes its own investment policies and procedures relative to the investment activities of the Trust. This policy covers those funds in the custody of the Trust's Board. Investments consist of the following at March 31, 2017:

	<b>2017</b>	
	<b>Cost</b>	<b>Market</b>
Mutual funds	\$ 1,994,585	\$ 2,932,062
Marketable equity and debt securities	368,033	364,277
Certificates of deposit	805,000	799,571
Money market funds	18,914	18,914
	<u>\$ 3,186,532</u>	<u>\$ 4,114,824</u>

**Investments and Fair Value Measurements**

Investments are carried at fair value on a recurring basis, based on current market prices. GASB No. 72, *Fair Value Measurement and Application*, establishes and defines the requirements on how fair value should be measured, which assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of March 31, 2017, all investments measured at fair value were considered Level 1 investments under the fair value hierarchy.

**NEW YORK STATE ARCHIVES PARTNERSHIP TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2017**

**NOTE 3 — RELATED PARTY TRANSACTIONS**

All Trust employees are paid through the New York State Education Department. Additionally, the State Education Department charges the Trust for services rendered by the State, including office space and fringe benefits. Charges for these services are billed to the Trust quarterly and are calculated by applying New York State indirect cost and fringe benefit rates to the gross salaries charged to the Trust. Total costs for these charges for the year ended March 31, 2017 were approximately \$220,000.

The Trust shares the services of its Executive Officer and certain other personnel with the New York State Archives. The New York State Archives is part of the New York State Education Department. These services are funded through the State Education Department and are recorded as contributed services by the Trust. These services totaled approximately \$76,000 for the year ended March 31, 2017.

**NOTE 4 — PENSION PLAN**

Employees of the Trust are eligible to participate in the Teachers Insurance and Annuity Association College Retirement Equities Fund (TIAA CREF) or New York State Employees' Retirement System (NYSERS). TIAA CREF is a defined contribution plan whereas the NYSERS is a defined benefit plan. The benefits provided to members of these pension plans are established by New York State Law and may be amended only by the State Legislature. Benefit and other provisions of the plans vary depending on date of membership as outlined in the plan document.

The Trust does not pay the costs directly, but rather reimburses the NYS Education Department (SED) through the Fringe Benefit Reimbursement rates. The Trust benefits are administered through SED, and, therefore, all Trust employees participating in the plan are included in SED's plan. Accordingly, no liability for pension costs has been recorded.

**NOTE 5 — CONTRIBUTED SERVICES**

Occasionally goods and services will be provided to the Trust without compensation. The value of goods or services, which require expertise, is recorded at fair value. Excluding the services described in Note 3, the Trust recognized contributed revenue and expenses for contributed advertising, guest speakers and various other contributed goods and services of approximately \$23,000 for the year ended March 31, 2017.

**NOTE 6 — OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

The Trust provides post-employment healthcare benefits as a participating employer in the New York State Health Insurance Program (NYSHIP). NYSHIP was established by the New York State Legislature in 1957 to provide health insurance for New York State Employees, retirees and their eligible dependents. The NYSHIP is an agent multiple-employer plan and financial information is reported in an agency fund of the State of New York. The Trust does not pay the costs directly, but rather reimburses the NYS Education Department (SED) through the Fringe Benefit Reimbursement rates. The Trust benefits are administered through SED, and, therefore, all Trust employees participating in the plan are included in SED's plan. Accordingly, no liability for OPEB costs has been recorded.

## **OTHER INFORMATION**

**NEW YORK STATE ARCHIVES PARTNERSHIP TRUST**  
**INVESTMENT INFORMATION FOR NEW YORK STATE**  
**March 31, 2017**

**INVESTMENTS:**

At March 31, 2017, Trust investments consisted of certificates of deposit, money market funds, mutual funds and marketable debt and equity securities held by an outside brokerage house. The total market value of investments was \$4,114,824 at March 31, 2017. In addition, the Trust had deposits ("cash equivalents") with the "New York State Short Term Investment Pool" in the amount of \$106,251 as of March 31, 2017.

**INVESTMENT EARNINGS:**

Investment gain totaled \$466,343 for the year ended March 31, 2017 and consisted of interest, dividends, and net realized and unrealized losses.

**INVESTMENT REPORT:**

The Independent Auditor's Report on compliance and other matters, including compliance with *Investment Guidelines for Public Authorities*, for the year ended March 31, 2017 indicated that there were no instances of noncompliance that were required to be reported under *Government Auditing Standards*.

**FEES AND COMMISSIONS:**

Direct fees, commissions or other charges paid for investment related services were \$47 for the year ended March 31, 2017.



**NEW YORK STATE ARCHIVES PARTNERSHIP TRUST**  
**SCHEDULE I – COMBINING STATEMENTS OF NET POSITION**  
**March 31, 2017**

	2017			
	Operation and Maintenance Account	Special Projects Account	Endowment Account	Total
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 104,284	\$ 282,814	\$ -	\$ 387,098
Interest receivable	-	-	3,243	3,243
Interfund receivable	16,166	-	-	16,166
Prepaid expenses and other assets	5,709	-	-	5,709
Total current assets	126,159	282,814	3,243	412,216
<b>INVESTMENTS</b>	-	-	4,114,824	4,114,824
<b>PROPERTY AND EQUIPMENT, net</b>	-	-	-	-
<b>BENEFICIAL INTEREST</b>	57,414	-	-	57,414
Total assets	\$ 183,573	\$ 282,814	\$ 4,118,067	\$ 4,584,454
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	\$ -	\$ -	\$ -	\$ -
<b>CURRENT LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 87,502	\$ 7,353	\$ -	\$ 94,855
Unearned revenue	-	96,072	-	96,072
Interfund payable	-	16,166	-	16,166
Total current liabilities	\$ 87,502	\$ 119,591	\$ -	\$ 207,093
<b>DEFERRED INFLOWS OF RESOURCES</b>	\$ -	\$ -	\$ -	\$ -
<b>NET POSITION</b>				
Net invested in capital assets	\$ -	\$ -	\$ -	\$ -
Restricted for:				
Endowment	-	-	4,118,067	4,118,067
Beneficial interest	57,414	-	-	57,414
Unrestricted	38,657	163,223	-	201,880
Total net position	\$ 96,071	\$ 163,223	\$ 4,118,067	\$ 4,377,361

See Independent Auditor's Report.

**NEW YORK STATE ARCHIVES PARTNERSHIP TRUST**  
**SCHEDULE II – COMBINING STATEMENTS OF REVENUES,**  
**EXPENSES AND CHANGE IN NET POSITION**  
**For the Year Ended March 31, 2017**

	2017			
	Operation and Maintenance Account	Special Projects Account	Endowment Account	Total
Operating revenues				
New York State appropriation	\$ 300,000	\$ -	\$ -	\$ 300,000
Contributed goods and services	64,148	34,468	-	98,616
Grants and contributions	75,868	58,541	1,320	135,729
Membership dues	-	43,711	-	43,711
Program fees	-	17,382	-	17,382
Advertising income	-	13,325	-	13,325
Other operating income	-	782	-	782
Total operating revenues	440,016	168,209	1,320	609,545
Operating expenses				
Public outreach projects	-	305,043	-	305,043
Management and general	458,453	-	-	458,453
Fundraising	62,170	-	-	62,170
Total operating expenses	520,623	305,043	-	825,666
Operating (loss) income	(80,607)	(136,834)	1,320	(216,121)
Non-operating revenues (losses)				
Investment income	971	-	129,722	130,693
Net realized and unrealized gain on investments	-	-	335,650	335,650
Change in value of beneficial interest	(4,371)	-	-	(4,371)
Total non-operating revenues (losses)	(3,400)	-	465,372	461,972
Change in net position before transfers	(84,007)	(136,834)	466,692	245,851
Transfers	-	170,408	(170,408)	-
Change in net position	(84,007)	33,574	296,284	245,851
Net position at beginning of year	180,078	129,649	3,821,783	4,131,510
Net position at end of year	\$ 96,071	\$ 163,223	\$ 4,118,067	\$ 4,377,361

See Independent Auditor's Report.

**NEW YORK STATE ARCHIVES PARTNERSHIP TRUST**  
**SCHEDULE III –STATEMENT OF FUNCTIONAL EXPENSES**  
**For the Year Ended March 31, 2017**

	2017			
	<b>Public Outreach Projects</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
Payroll	\$ 70,253	\$ 231,820	\$ 28,237	\$ 330,310
Professional fees	89,247	19,000	4,573	112,820
Fringe benefits	43,440	134,312	16,578	194,330
Indirect costs	13,519	53,898	5,063	72,480
Travel and meetings	22,703	-	47	22,750
Advertising	11,263	-	-	11,263
Grant awards	19,618	-	-	19,618
Other program expenses	34,537	5,110	7,672	47,319
Repairs and maintenance	-	9,174	-	9,174
Insurance	-	3,904	-	3,904
Materials and supplies	463	1,235	-	1,698
	<u>\$ 305,043</u>	<u>\$ 458,453</u>	<u>\$ 62,170</u>	<u>\$ 825,666</u>

*See Independent Auditor's Report.*

**REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS, INCLUDING COMPLIANCE WITH INVESTMENT  
GUIDELINES, BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Trustees  
New York State Archives Partnership Trust

We have audited, 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, the financial statements of New York State Archives Partnership Trust (the Trust) as of and for the year ended March 31, 2017, and the related notes to the financial statements, which collectively comprise New York State Archives Partnership Trust's basic financial statements, and have issued our report thereon dated August 10, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered New York State Archives Partnership Trust's internal control over financial reporting (internal control) to determine the 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 Trust's internal control. Accordingly, we do not express an opinion on the effectiveness of the Trust'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 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 over financial reporting 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 may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether New York State Archives Partnership Trust's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters, including *Investment Guidelines for Public Authorities* and the Trust's investment guidelines, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Albany, New York  
August 10, 2017