NEW YORK MEDICAL COLLEGE

Financial Statements

June 30, 2015 and 2014

(With Independent Auditors' Report Thereon)

KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

The Board of Trustees
New York Medical College:

We have audited the accompanying financial statements of New York Medical College, which comprise the statements of financial position as of June 30, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New York Medical College as of June 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

KPMG LLP

October 28, 2015

NEW YORK MEDICAL COLLEGE

Statements of Financial Position

June 30, 2015 and 2014

(Dollars in thousands)

Assets		**2015**	**2014**
Cash and cash equivalents	$	599	15,092
Receivables (note 3):			
Student tuition and fees, net		147	81
Student loans, net		11,016	11,598
Other		12,491	8,779
Investments (notes 4, 5, and 11)		80,829	77,555
Deposits with bond trustee (notes 5 and 8)		31,814	30,998
Property and equipment, net (note 9)		174,395	174,289
Intangible and other assets, net (note 10)		13,918	15,357
Beneficial interest in perpetual trusts (notes 2 and 5)		12,122	12,584
Total assets	$	337,331	346,333
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued expenses (note 16)	$	11,795	11,937
Accrued payroll and related benefits payable (note 14)		10,299	10,904
Deferred revenue		5,577	4,943
Short-term debt (note 11)		21,200	21,650
Long-term debt (note 12)		87,574	89,985
Refundable federal student loans		9,629	9,511
Other liabilities		2,716	2,271
Total liabilities		148,790	151,201
Contingencies and commitments (notes 12, 13, 14, and 16)			
Net assets (notes 6 and 7):			
Unrestricted		130,547	140,923
Temporarily restricted		20,941	20,235
Permanently restricted		37,053	33,974
Total net assets		188,541	195,132
Total liabilities and net assets	$	337,331	346,333

See accompanying notes to financial statements.

NEW YORK MEDICAL COLLEGE

Statements of Activities

Years ended June 30, 2015 and 2014

(Dollars in thousands)

	2015				2014			
	Unrestricted	Temporarily restricted	Permanently restricted	Total	Unrestricted	Temporarily restricted	Permanently restricted	Total
Changes in unrestricted net assets:								
Operating revenue:								
Tuition and fees	$ 57,955	—	—	57,955	57,450	—	—	57,450
Less scholarships and grants	(3,821)	—	—	(3,821)	(3,905)	—	—	(3,905)
Net tuition and fees	54,134	—	—	54,134	53,545	—	—	53,545
Affiliation contracts and faculty practice	37,247	—	—	37,247	49,111	—	—	49,111
Government grants for research and sponsored projects	20,880	—	—	20,880	25,933	—	—	25,933
Contributions and private grants	2,277	1,527	3,506	7,310	2,284	283	271	2,838
Investment return (note 4)	3,430	—	—	3,430	3,371	—	—	3,371
Auxiliary enterprises	4,775	—	—	4,775	4,564	—	—	4,564
Other	3,559	—	48	3,607	1,859	44	96	1,999
Total operating revenue	126,302	1,527	3,554	131,383	140,667	327	367	141,361
Operating expenses:								
Instructional and research	60,634	—	—	60,634	57,699	—	—	57,699
Academic support	6,132	—	—	6,132	5,764	—	—	5,764
Affiliation contracts and faculty practice	35,778	—	—	35,778	47,448	—	—	47,448
Student services	6,083	—	—	6,083	6,192	—	—	6,192
Institutional support	23,532	—	—	23,532	24,103	—	—	24,103
Auxiliary enterprises	2,450	—	—	2,450	1,692	—	—	1,692
Total operating expenses	134,609	—	—	134,609	142,898	—	—	142,898
Change in net assets from operating activities	(8,307)	1,527	3,554	(3,226)	(2,231)	327	367	(1,537)
Nonoperating activities:								
Investment return (less) greater than amounts appropriated for operations (note 4)	(1,009)	(821)	(13)	(1,843)	3,818	3,353	6	7,177
Postretirement-related changes other than net periodic benefit cost (note 14)	(915)	—	—	(915)	(739)	—	—	(739)
(Depreciation) appreciation in fair value of beneficial interest in perpetual trust (note 5)	—	—	(462)	(462)	—	—	1,230	1,230
Loss on defeasance of long-term debt	—	—	—	—	(519)	—	—	(519)
Other	(145)	—	—	(145)	(985)	—	—	(985)
Total nonoperating activities	(2,069)	(821)	(475)	(3,365)	1,575	3,353	1,236	6,164
Change in net assets	(10,376)	706	3,079	(6,591)	(656)	3,680	1,603	4,627
Net assets at beginning of year	140,923	20,235	33,974	195,132	141,579	16,555	32,371	190,505
Net assets at end of year	$ 130,547	20,941	37,053	188,541	140,923	20,235	33,974	195,132

See accompanying notes to financial statements.

NEW YORK MEDICAL COLLEGE

Statements of Cash Flows

Years ended June 30, 2015 and 2014

(Dollars in thousands)

		2015	2014
Cash flows from operating activities:			
Change in net assets	$	(6,591)	4,627
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:			
Depreciation and amortization		9,277	8,366
Amortization of bond premium, net		(90)	—
Provision for doubtful receivables		392	579
Loss on defeasance of long-term debt		—	519
Postretirement-related changes other than net periodic benefit cost		915	739
Accretion of imputed interest related to long-term debt		171	186
Net appreciation in fair value of investments		(689)	(9,663)
Permanently restricted contributions		(3,506)	(271)
Grant revenue restricted for capital		(499)	(4,489)
Loss on disposal/sale of assets		—	21
Depreciation (appreciation) in fair value of beneficial interest in perpetual trusts		462	(1,230)
Changes in operating assets and liabilities:			
Student tuition and fees receivable, net		(66)	(7)
Other receivables		(1,537)	2,161
Other assets, net		630	38
Accounts payable and accrued expenses		(142)	(1,018)
Accrued payroll and related benefits payable		(1,520)	684
Deferred tuition revenue		634	(583)
Other liabilities, net		445	(352)
Net cash (used in) provided by operating activities		(1,714)	307
Cash flows from investing activities:			
Purchases of property and equipment		(8,870)	(19,054)
Disbursement of student loans		(1,894)	(1,394)
Collection of student loans		3,223	2,882
Sales of investments		159,308	96,728
Purchase of investments		(161,893)	(95,990)
Increase in accounts payable related to construction		—	300
Net cash used in investing activities		(10,126)	(16,528)
Cash flows from financing activities:			
(Decrease) increase in short-term debt, net		(450)	2,775
Increase in deposits with bond trustee		(816)	(25,920)
Proceeds from long-term debt		—	86,249
Repayment of long-term debt		(2,492)	(48,557)
Increase in deferred financing costs		—	(2,149)
Refundable federal student loans		100	86
Permanently restricted contributions		506	271
Grant revenue restricted for capital		499	1,856
Net cash (used in) provided by financing activities		(2,653)	14,611
Net decrease in cash and cash equivalents		(14,493)	(1,610)
Cash and cash equivalents:			
Beginning of year		15,092	16,702
End of year	$	599	15,092
Supplemental disclosures:			
Interest paid	$	2,448	2,836
Conversion of long-term debt to short-term debt		—	3,375

See accompanying notes to financial statements.

(1) Description of Organization

New York Medical College (the College), a member of the Touro College and University System, is a health sciences university whose enrollment approximates 1482 students. The College is committed to educating individuals for careers in the medical, science, and health professions. The College is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The College is a membership, not-for-profit corporation in the State of New York. On May 13, 2011 NYMC, LLC, a wholly controlled subsidiary of Touro College (Touro), a New York State not-for-profit education corporation, acquired 100% of the membership interest in the College from the then current members and thereby the right to exercise the reserved powers and authority as the sole member of the College.

There are three schools within the College – a School of Medicine, conferring the MD degree; and two graduate schools, the Graduate School of Basic Medical Sciences and the School of Health Sciences and Practice, which offer Master of Science (MS), Master of Public Health (MPH), and doctoral (PhD, Dr. PH, DPT) degrees in 16 program areas and 7 certification programs.

The College is the only academic biomedical research institution in the Hudson Valley region. Nearly 200 scientists at the College conduct research ranging from fundamental investigations in molecular biology to investigations of potential new drugs used in the treatment of patients. Support for the College’s research programs, from both government and private sources, is significant.

The College’s healthcare network extends south into New York City and its metropolitan area, north into Westchester County and the mid-Hudson Valley in New York State, east into Connecticut, and west into New Jersey. Educational resources are provided to the College by 25 affiliated facilities that include large urban medical centers, small suburban hospitals, and technologically advanced, regional tertiary care facilities. This network enables the College to offer its medical students diverse patient care experiences. The College has a national reputation for a strong educational program in primary care. The College has a contractual relationship with Westchester Medical Center (WMC), an academic medical center in Valhalla, New York, responsible for advancing the quality of the nation’s health through its teaching and research activities. The College has other affiliation contracts with other healthcare organizations to provide physician services under these arrangements.

(2) Summary of Significant Accounting Policies

(a) Financial Statement Presentation

The accompanying financial statements of the College have been prepared on the accrual basis of accounting in accordance with standards established by the Financial Accounting Standards Board for external financial reporting by not-for-profit organizations. Those standards require the classification of activities and net assets into one of three classes as follows:

- *Unrestricted*: Net assets that are not subject to donor-imposed restrictions.
- *Temporarily restricted*: Net assets subject to donor-imposed restrictions that will be met by either actions of the College or the passage of time.

- *Permanently restricted*: Net assets subject to donor-imposed restrictions that stipulate that they be maintained permanently by the College, but permit the College to expend all or part of the income derived therefrom.

Revenue and gains and losses on investments and other assets are reported as increases or decreases in unrestricted net assets unless their use is limited by explicit donor-imposed restrictions or by law. Expenses are reported as decreases in unrestricted net assets. Contributions and investment return subject to donor-imposed restrictions that are met in the same reporting period as received are reported as unrestricted revenue. Expiration of temporary restrictions on prior year net asset balances is reported as net assets released from restrictions.

(b) Cash and Cash Equivalents

The College considers all highly liquid debt instruments with original maturities of three months or less to be cash and cash equivalents, except those cash and cash equivalents that are held for investment as part of the College's long-term investment strategy. The carrying amounts of cash and cash equivalents approximate fair value because of the short maturities of those instruments.

The College maintains cash and cash equivalents on deposit primarily at several regional banks. It is the College's policy to monitor the financial strength of these institutions and funds on an ongoing basis. Management believes the credit risk related to these deposits is minimal.

(c) Student Tuition and Fees and Other Receivables

Tuition and fees and scholarships are recognized as earned over the respective academic term. The policy of the College has been to award tuition discounts to deserving students in lieu of accepting only students who have the ability to pay full tuition. Student tuition and other receivables balances are reduced for an allowance for doubtful accounts. The process for estimating the ultimate collection of receivables involves significant assumptions and judgments. In establishing the allowance, management considers the aging of receivables as well as student and others' payment patterns, financial condition, receivables in dispute, and relationship with the College. The College reviews its allowance periodically during the year. Account balances are written off against the allowance when management determines it is probable the receivable will not be recovered.

A significant portion of tuition and fees is reliant on government-sponsored loan programs.

(d) Student Loans Receivable

The College makes uncollateralized loans to students based on financial need. Student loans are funded mainly through federal government loan programs. The College's student loan receivables represent the amounts due from current and former students under the Federal Perkins, Primary Care, and College-sponsored loan programs. Loans disbursed under the Federal Perkins and Primary Care loan programs are able to be assigned to the federal government in certain nonrepayment situations. In these situations, the federal portion of the loan balance is guaranteed.

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Management regularly assesses the adequacy of the allowance for credit losses by performing ongoing evaluations of the student loan portfolio, including consideration of economic risks associated with each loan category, the financial condition of specific borrowers, the economic environment in which the borrowers operate, the level of delinquent loans, the value of any collateral, the aging of loans, loan default rate, and where applicable, the existence of any guarantees or indemnifications. The amount of the allowance is adjusted based on the results of management's analysis.

(e) Refundable Federal Student Loans

Funds provided by the federal government under federal loan programs are loaned to qualified students and may be loaned again after cash collections. These funds are ultimately refundable to the government and are recognized as a liability in the accompanying statements of financial position.

(f) Pledges Receivable

Unconditional promises to give (pledges) are recorded as revenue at fair value in the period pledged. Fair value is estimated giving consideration to anticipated future cash receipts (after allowance is made for uncollectible contributions) and discounting such amounts at a risk-adjusted rate commensurate with the duration of the donor's payment plan. The inputs to the fair value are considered Level 3 in the fair value hierarchy. Amortization of the discount is recorded as additional contribution revenue. Conditional pledges and pledges subject to a substantial risk of forfeiture are not recorded until the conditions are substantially met or the risks eliminated.

(g) Operating Measure

The operating activities of the College include all revenue and expenses related to carrying out its mission of educating students. The operating measure also includes amounts related to the spending rate policy and any additional budgeted investment returns on endowment funds as approved by the Board of Trustees of the College to protect the inflation-adjusted value of the endowment. The operating activities exclude investment return in excess of (less than) the spending rate, postretirement-related changes other than net periodic benefit cost, change in fair value of beneficial interest in perpetual trusts, and other nonrecurring items.

(h) Investments

Investments with readily determinable fair values are reported at fair value based upon quoted market prices. Alternative investments, including equity and fixed income funds, are reported at estimated fair value based on, as a practical expedient, net asset values provided by investment managers. These values are reviewed and evaluated by College management for reasonableness. The reported values may differ from the values that would have been reported had a ready market for these investments existed.

Purchases and sales are reflected on a trade-date basis. Realized gains and losses are determined on the basis of average cost of securities sold and are reflected on the statement of activities. Dividend income is recorded on the ex-dividend date, and interest income is recorded on an accrual basis.

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Investments are exposed to various risks, such as interest rate, market, credit, and other risks. Due to such risks and the level of uncertainty related to changes in the value of investment securities, it is at least possible that changes in the values of investment securities could occur in the near term and such changes could materially affect the amounts reported in the financial statements.

(i) Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. A fair value hierarchy was established, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The College measures the fair value of its financial investments and nonfinancial assets and liabilities utilizing a three-tiered hierarchy, defined as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date.
- Level 2 inputs are inputs other than active market pricing within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement.

The College early adopted Accounting Standards Update (ASU) No. 2015-07, *Disclosure for Investments in Certain Entities That Calculate New Asset Value per Share (or Its Equivalent)*, which removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient and removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. The College applied the provisions of this ASU retrospectively to 2014.

At June 30, 2015 and 2014, the fair values of the College’s financial instruments other than loans receivable from students under government loan programs and long-term debt approximate their carrying values due to the short-term nature of such instruments and would be considered to be Level 3 in the fair value hierarchy.

A reasonable estimate of the fair value of loans receivable from students under government loan programs (carrying amounts of approximately $4,057 and $4,732 at June 30, 2015 and 2014, respectively) could not be made because the notes are not saleable and can only be assigned to the U.S. government or its designees.

(j) Beneficial Interest in Perpetual Trusts

The College is the recipient of beneficial interests whereby donors have established and funded perpetual trusts administered and held by financial institutions. The College is entitled to the income earned on the trust assets in perpetuity; therefore, they are recorded as permanently restricted net assets. The College has no control over investment decisions regarding these assets. The beneficial interests in perpetual trusts are categorized as Level 3 in the fair value hierarchy due to the lack of control of the permanently restricted trust assets. The fair value of the assets of perpetual trusts is based upon quoted market prices at year-end. As of June 30, 2015 and 2014, the fair value of the perpetual trusts is $12,122 and $12,584, respectively.

(k) Property and Equipment

Property and equipment are recorded at cost at the date of acquisition or fair value at date of donation, if gifted to the College.

Depreciation is provided on a straight-line basis over the estimated useful lives, or the terms of the lease for the applicable plant assets, if shorter, as follows: buildings and building improvements, 25–43 years; library holdings, 10–20 years; equipment and computer software, 3–15 years; leasehold improvements, 25–30 years; and interest in leased properties, 20–30 years. Maintenance and repair costs are charged to operations as incurred. Expenditures, which extend the useful lives of existing assets, are capitalized. Upon retirement or sale, the cost and accumulated depreciation are removed from the accounts and the resulting gains or losses are reported on the statement of activities.

(l) Long-Lived Assets

Long-lived assets and identifiable intangible assets with finite useful lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The College measures the recoverability of assets to be held and used by a comparison of the carrying amount of the assets to the expected net future cash flows to be generated by the asset, or, for identifiable intangible assets with finite useful lives by determining whether the amortization of the intangible asset balance over its remaining life can be recovered through undiscounted future cash flows. If such assets are deemed to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. There was no impairment loss for the years ended June 30, 2015 and 2014.

(m) Affiliation Contracts

Revenue and expenses from affiliation contracts primarily reflect the contractual relationship with Westchester Medical Center (WMC) and the Westchester Institute for Human Development (WIHD) for the provision of salaries and fringe benefits and allowable overhead for physicians providing services under the arrangement. For the years ended June 30, 2015 and 2014, revenue from WMC totaled $20,235 and $24,081, respectively, and revenue from WIHD totaled $6,180 and $12,326, respectively.

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(n) Intangible Assets

Intangible assets consist of enrolled students, research programs, and trade name and accreditation status. The enrolled students and research programs intangible assets are amortized over their estimated useful lives of four years. The trade name and accreditation status intangible asset is indefinite lived, and is evaluated for impairment on an annual basis.

(o) Grants and Contributions

The College receives grants and contributions from a number of sources including the federal government, private foundations, and individuals. The contracts or gift instruments are evaluated as to whether the transaction qualifies as exchange transactions or a contribution. Grants and contributions that are treated as exchange transactions are reported as unrestricted revenue when expenses are incurred in accordance with contractual terms. The excess of amounts received in exchange transactions over the amount of expenditures incurred are reported as deferred tuition and other revenue on the statement of financial position.

Receipts qualifying as contributions, including unconditional promises to give (pledges), are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

(p) Fundraising

Institutional support expenses included total fundraising costs of $1,034 and $1,038 for the years ended June 30, 2015 and 2014, respectively. Fundraising activities of the College include the salaries and employee benefits of program staff that develop proposals for fundraising, solicit contributions, and conduct specific fundraising events. Fundraising costs are expensed as incurred.

(q) Functional Reporting of Expenses

The costs of the College's activities have been presented on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the activities benefited. The College allocates operation and maintenance of plant, depreciation, and interest expense based on proportional expenditures using estimates of building square footage and the functional use of each facility financed by debt.

(r) Accounting for Uncertainty in Income Taxes

The College prescribes to a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. As of June 30, 2015 and 2014, the College does not have any uncertain tax positions or any unrelated business income tax liability which would have a material impact upon its financial statements.

(s) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingencies at the date of the financial statements and the reported amounts of revenue, expenses, gains, and losses during the reporting period. The most significant estimates are the allowance for doubtful accounts, fair value of investments, postretirement benefit obligation, and the allocation of expenses to their functional categories. Actual results could differ from those estimates.

(Dollars in thousands)

(3) Receivables

Receivables at June 30, 2015 and 2014 consist of the following:

		2015		
		Accounts receivable	**Allowance for doubtful accounts**	**Net receivable**
Student tuition and fees	$	293	(146)	147
Student loans		11,543	(527)	11,016
Other:				
Government and other grants	$	3,271	—	3,271
Affiliation contracts		2,639	(1,096)	1,543
Faculty practice plans		3,173	(2,904)	269
Pledges and bequests receivable		5,366	—	5,366
Miscellaneous		3,202	(1,160)	2,042
Total other	$	17,651	(5,160)	12,491

		2014		
		Accounts receivable	**Allowance for doubtful accounts**	**Net receivable**
Student tuition and fees	$	227	(146)	81
Student loans		12,557	(959)	11,598
Other:				
Government and other grants	$	4,983	—	4,983
Affiliation contracts		2,640	(1,034)	1,606
Faculty practice plans		2,179	(2,105)	74
Pledges and bequests receivable		863	—	863
Miscellaneous		2,450	(1,197)	1,253
Total other	$	13,115	(4,336)	8,779

(Continued)

(Dollars in thousands)

The following tables provide an analysis of the aging of certain receivables as of June 30, 2015 and 2014:

	2015						
		1–30 days past due	30–60 days past due	Greater than 60 days past due	Total past due	Current	Total
Student loans	$	100	2	1,402	1,504	10,039	11,543
Affiliation contracts		35	36	1,564	1,635	1,004	2,639
Faculty practice plans		105	105	2,858	3,068	105	3,173
Pledges and bequests		—	—	—	—	5,366	5,366
Miscellaneous		5	4	1,201	1,210	1,992	3,202

	2014						
		1–30 days past due	30–60 days past due	Greater than 60 days past due	Total past due	Current	Total
Student loans	$	1,538	—	2,806	4,344	8,213	12,557
Affiliation contracts		121	32	1,044	1,197	1,443	2,640
Faculty practice plans		90	90	1,909	2,089	90	2,179
Pledges and bequests		—	—	—	—	863	863
Miscellaneous		14	11	1,175	1,200	1,250	2,450

(4) Investments

Investments, at fair value, as of June 30, 2015 and 2014 consist of the following:

		2015	2014
Cash and cash equivalents	$	1,972	12,046
Equity securities		15	2
Mutual funds		35,003	74
Alternative investments:			
Equity and fixed income funds:			
Global equity funds (a)		13,827	—
Global large/mid cap funds (b)		3,108	3,386
High quality bond fund (c)		9,727	45,065
Global bond fund (d)		1,038	1,121
Hedge fund strategies:			
Diversifying funds (e)		2,434	2,402
Global hedged equity funds (f)		5,946	4,532
Relative value and event driven (g)		4,146	5,016
Real assets (h)		815	1,062
Real estate partnership (i)		2,213	2,450
Other		585	399
Total alternative investments		43,839	65,433
Total investments	$	80,829	77,555

(Continued)

(a) Consists of securities in emerging and developed markets diversified across growth and value styles.

(b) Consists of investments in large and mid cap equity securities using an indexing investment approach.

(c) Consists of high quality, investment grade only, fixed income securities.

(d) Consists of securities issued by U.S. and foreign governments, their agencies and instrumentalities, U.S. and foreign corporations, and asset-backed and mortgage-backed securities.

(e) Includes investments designed to identify opportunities through mathematical, algorithmic and technical models, including international and domestic investments within equity indices, currencies, interest rates, and commodities.

(f) Funds that invest in long and short positions on equity securities primarily issued by international companies.

(g) Investments in three strategies; credit, event driven, and multi-strategy. Credit funds consist of investments in assets such as distressed and current pay bonds and bank debt, mortgage-backed securities, both residential and commercial, as well as post re-organization equity liquidations. Event driven funds consist of investments in common and preferred equities and various types of debt, often based on the assessment that a particular event will occur. Multi-strategy funds consist of investments in multiple investment strategies including but not limited to hedged equity, event driven, and diversified hedge.

(h) Investments across a broad range of commodity oriented asset categories and pursues a multi-strategy approach to investing in commodities markets. At least 80% of the net assets of the fund will have investment exposure to commodities with the remaining portion allocated to noncommodity investments.

(i) Investments in real estate funds invested in office, multifamily, industrial, and other commercial real estate properties or other commercial real estate investments located primarily in the United States. The objective of the partnership is to achieve long-term gross returns while focusing on the preservation of capital. The partnerships do not permit redemptions.

Equity and fixed income and hedge fund strategies may be redeemed once a month with approximately two weeks' notice required.

Certain investments have been pledged as security for its outstanding debt obligations (notes 11 and 12).

(Dollars in thousands)

The following schedule summarizes the investment return for the years ended June 30, 2015 and 2014:

		2015	2014
Dividends and interest, net of investment management fees of $102 for 2015 and $118 for 2014	$	898	885
Net appreciation in fair value of investments		689	9,663
Total investment return		1,587	10,548
Investment return appropriated for operations		3,430	3,371
Investment return (less than) greater than amounts appropriated for operations	$	(1,843)	7,177

(5) Fair Value Measurements

The fair value of the College's financial assets that are measured at fair value in the financial statements at June 30, 2015 and 2014 is as follows:

		2015			
		Total	Level 1	Level 2	Level 3
Investments:					
Cash and cash equivalents	$	1,972	1,972	—	—
Equity mutual funds		35,003	62	34,941	—
Equity securities		15	15	—	—
		36,990	2,049	34,941	—
Investments measured at net asset value as a practical expedient for fair value		43,839			
Total Investments		80,829			
Beneficial interest in perpetual trusts		12,122	—	—	12,122
Deposits with bond trustee:					
U.S. government obligations		31,814	31,814	—	—
Total financial assets	$	124,765	33,863	34,941	12,122

(Dollars in thousands)

		2015			
		Total	Level 1	Level 2	Level 3
Investments:					
Cash and cash equivalents	$	12,046	12,046	—	—
Equity mutual funds		74	74	—	—
Equity securities		2	2	—	—
		12,122	12,122	—	—
Investments measured at net asset value as a practical expedient for fair value		65,433			
Total Investments		77,555			
Beneficial interest in perpetual trusts		12,584	—	—	12,584
Deposits with bond trustee:					
U.S. government obligations		30,998	30,998	—	—
Total financial assets	$	121,137	43,120	—	12,584

The activity with respect to the College's beneficial interest in perpetual trusts which are Level 3 is as follows:

		June 30	
		2015	2014
Balance at beginning of year	$	12,584	11,354
Net (depreciation) appreciation in fair value of investments		(462)	1,230
Balance at end of year	$	12,122	12,584

There were no transfers between Level 1 and Level 2 securities for the year ended June 30, 2015.

(6) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets at June 30, 2015 and 2014 consist principally of pledges receivable and appreciation on donor-restricted endowment funds and are available for the following purposes:

		2015	2014
Student support	$	3,823	3,775
Departmental support		6,114	6,495
General operating support		6,302	5,159
Research		4,481	4,626
Educational programs		221	180
Total	$	20,941	20,235

(Continued)

(Dollars in thousands)

Permanently restricted net assets, including beneficial interest in perpetual trusts of $12,122 and $12,584, respectively, at June 30, 2015 and 2014 are restricted to investment in perpetuity, with investment return available to support the following activities:

		2015	2014
Student support	$	3,887	3,513
Departmental support		23,842	21,260
General operating support		1,313	1,331
Research		1,789	1,802
Revolving loan funds		5,936	5,873
Educational programs		286	195
Total	$	37,053	33,974

(7) Endowments

The College's endowment consists of approximately 105 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments.

The New York Prudent Management of Institutional Funds Act (NYPMIFA) imposes guidelines on the management and investment of endowment funds. The Board of Trustees of the College has interpreted NYPMIFA as allowing the College to appropriate for expenditure or accumulate so much of an endowment fund as the College determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. Unless stated otherwise in the gift instrument, the assets in an endowment fund shall be donor-restricted assets until appropriated for expenditure by the Board of Trustees. As a result of this interpretation, the College continues to classify as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment; and (c) accumulations of income to the permanent endowment made in accordance with the direction of the applicable donor gift instruments.

Accounting guidance associated with the enactment of NYPMIFA requires the portion of a donor-restricted endowment fund that is not classified as permanently restricted to be classified as temporarily restricted net assets until appropriated for expenditure in a manner consistent with the standard of prudence prescribed by NYPMIFA.

In accordance with NYPMIFA, the Board of Trustees considers the following factors in making a determination to appropriate or accumulate endowment funds:

(a) The duration and preservation of the endowment fund;

(b) The purposes of the College and the endowment fund;

(c) General economic conditions;

(Dollars in thousands)

(d) The possible effect of inflation and deflation;

(e) The expected total return from income and the appreciation of investments;

(f) Other resources of the College;

(g) Alternatives to expenditure of the endowment fund; and

(h) The investment policies of the College.

Endowment net assets, excluding beneficial interest in perpetual trusts and donor-restricted revolving loan funds, consist of the following at June 30:

	2015			
	Unrestricted	**Temporary restricted**	**Permanently restricted**	**Total**
Donor restricted	$ —	18,566	18,995	37,561
Quasi (board designated)	28,784	—	—	28,784
Total funds	$ 28,784	18,566	18,995	66,345

	2014			
	Unrestricted	**Temporary restricted**	**Permanently restricted**	**Total**
Donor restricted	$ —	19,362	15,517	34,879
Quasi (board designated)	28,235	—	—	28,235
Total funds	$ 28,235	19,362	15,517	63,114

Expenditures from a donor-restricted fund are limited to the uses and purposes for which the endowment fund was established. The College has limited the use of realized and unrealized gains unless the fair value of a donor-restricted fund exceeds 105% of its historic dollar value.

The College's spending policy rate is designed to stabilize annual spending levels and to preserve the real value of endowment investments over time. To meet these objectives, the Board of Trustees has authorized a spending rate of 5% of the moving average of the fair value of endowment investments for the previous twenty quarters.

(Dollars in thousands)

Changes in the College's endowment net assets were as follows:

		2015			
		Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment funds, June 30, 2014	$	28,235	19,362	15,517	63,114
Investment return:					
Investment income		325	410	—	735
Net appreciation (depreciation)		172	208	(13)	367
Total investment return		497	618	(13)	1,102
Contributions and transfers		1,055	25	3,491	4,571
Appropriation for expenditure		(1,003)	(1,439)	—	(2,442)
Endowment funds, June 30, 2015	$	28,784	18,566	18,995	66,345

		2014			
		Unrestricted	Temporarily restricted	Permanently restricted	Total
Endowment funds, June 30, 2013	$	24,302	15,859	15,385	55,546
Investment return:					
Investment income		316	416	—	732
Net appreciation		3,423	4,357	6	7,786
Total investment return		3,739	4,773	6	8,518
Contributions and transfers		1,134	139	126	1,399
Appropriation for expenditure		(940)	(1,409)	—	(2,349)
Endowment funds, June 30, 2014	$	28,235	19,362	15,517	63,114

(8) Deposits with Trustee

Under loan agreements related to bonds issued by the Dormitory Authority of the State of New York (DASNY), bond proceeds and monthly payments are deposited with the trustee for capital expenditures related to construction, renovations, and improvements to campus buildings and debt service. Deposits with bond trustee as of June 30, 2015 and 2014 consist of the following:

		2015	2014
Construction fund	$	20,630	20,898
Debt service		3,038	—
Debt service reserve fund		6,194	6,167
Capitalized interest fund		1,952	3,933
	$	31,814	30,998

(Dollars in thousands)

(9) Property and Equipment, Net

At June 30, 2015 and 2014, the College's property and equipment consists of the following:

		2015	2014
Land and land improvements	$	21,248	20,621
Buildings and building improvements		120,643	116,192
Interest in leased properties		30,660	30,529
Equipment and computer software		16,779	14,288
Library holdings		14,904	13,311
Leasehold improvements		392	392
		204,626	195,333
Less accumulated depreciation and amortization		30,231	21,044
Property and equipment, net	$	174,395	174,289

Interest in leased properties represents the fair value of the College's long-term leases under which the rental commitment is one dollar per annum.

(10) Intangible and Other Assets

Intangible and other assets as of June 30 consist of the following:

		2015	2014
Intangible assets (a)	$	10,200	11,009
Restricted cash		287	487
Deferred financing costs		2,041	2,149
Prepaid expenses		1,187	1,543
Other		203	169
Total	$	13,918	15,357

(a) Intangible Assets

Intangible assets and their initial estimated useful lives as of June 30 are as follows:

	Initial estimated useful lives		2015	2014
Enrolled students	4	$	2,400	2,400
Research programs	4		1,300	1,300
Less accumulated amortization			(3,700)	(2,891)
			—	809
Trade name and accreditation	Indefinite		10,200	10,200
		$	10,200	11,009

(Dollars in thousands)

(11) Short-Term Debt

NYMC had a short-term note of $2,700 and $3,150, respectively, and a line of credit with $18,500 available and outstanding at June 30, 2015 and 2014. Both the note and line of credit bear interest at LIBOR plus 0.65%. NYMC pays an annual fee of 0.30% of the unused portion of the credit line and the line is renewable annually. NYMC has pledged $41,025 and $35,836 of its investment portfolio as of June 30, 2015 and 2014, respectively, as collateral for the note payable, line of credit and a letter of credit that secures a note payable in the amount of $3,194 and $3,565 as of June 30, 2015 and 2014, respectively (note 12(b)).

Interest expense on short-term debt for the years ended June 30, 2015 and 2014 totaled $165 and $150, respectively.

(12) Long-Term Debt

Long-term debt outstanding at June 30 is as follows:

Description	Maturity date	Interest rate	2015	2014
Long-term debt				
Dormitory Authority of the State of New York, Revenue Bonds, Series 2014A Bonds (a)	January 2044	4.65%	$ 45,155	45,155
Net premium			3,077	3,183
Total			48,232	48,338
Dormitory Authority of the State of New York, Revenue Bonds, Series 2014B Bonds (a)	January 2029	5.75%	36,375	38,325
Net discount			(227)	(243)
Total			36,148	38,082
Note payable (b)	April 2023	5.00% imputed	3,194	3,565
Long-term debt			$ 87,574	89,985

(a) Pursuant to a Master Trust Indenture (MTI) by and among the College, Touro College, Touro University Nevada, and Touro University (collectively, the Obligated Group) and the Bank of New York Mellon as Master Trustee, on June 26, 2014, 30 year tax-exempt serial and term bonds with an aggregate principal amount of $45,155 (Series 2014A Bonds) and 15 year federally taxable serial and term bonds with an aggregate principal amount of $38,325 (Series 2014B Bonds) were issued on behalf of the College by the Dormitory Authority of the State of New York (DASNY) (the Series 20 14A Bonds and Series 2014B Bonds together, the DASNY Bonds). The Series 2014A Bonds were issued with a net premium of $3,183, and the Series 2014B Bonds were issued at a discount of $243. The College has granted a mortgage on its properties located at 19 Skyline Drive, 7 Dana Road, and 30 Sunshine Cottage Road. The net book value of the properties was approximately $89,333 and

(Continued)

(Dollars in thousands)

$87,680 at June 30, 2015 and 2014, respectively. Deposits with bond trustee (note 8) represent additional collateral until utilized for their designated purposes.

In addition to the DASNY Bonds listed in the table above, bonds with an aggregate principal amount of $64,620 ($63,430 outstanding as of June 30, 2015), were issued on behalf of other members of the Obligated Group all of whose members are jointly and severally liable for the bond obligations described herein. In addition, a security interest is pledged for substantially all revenue of the Obligated Group, provided that this revenue pledge for Touro College is limited to its healthcare related programs, and excludes donations restricted by the donors for uses other than debt service.

In addition to the aforementioned mortgaged properties, the other members of the Obligated Group have granted mortgages on other properties with an aggregate book value of $67,903 and $66,876 as of June 30, 2015 and 2014, respectively, to secure all of the bonds described herein. In connection with the MTI, the Obligated Group is required to maintain certain financial and nonfinancial covenants. As of June 30, 2015, these covenants have been met.

(b) In connection with the acquisition of an office building at 19 Skyline Drive, Hawthorne, New York, the seller of the property provided a $5,000 interest free 10-year note, which was discounted to net present value. The note is secured by a letter of credit which is secured by a portion of the College's investment portfolio and a guarantee of Touro. The note requires monthly installments of $42.

Aggregate long-term debt matures in the fiscal years as follows:

		Principal	Interest
2016	$	2,346	4,211
2017		2,404	4,154
2018		2,627	4,083
2019		2,707	3,995
2020		2,803	4,043
Thereafter		71,837	48,605
		84,724	69,091
Net premium		2,850	—
	$	87,574	69,091

The fair value of the portion of long-term debt representing the Series 2014A and Series 2014B Bonds approximates $88,751 at June 30, 2015. The fair value of the Series 2014A and Series 2014B Bonds was estimated based on the present value of the existing debt service cash flows of each outstanding series using interest rates as of June 30, 2015 to calculate a bond yield (which approximates the cost of equivalent bonds issued as of June 30, 2015) to be used as a discount rate for the outstanding Series 2014A and Series 2014B Bonds. The fair values of the remaining long-term debt approximate the outstanding balances as of June 30, 2015. The fair value of long-term debt can be based on significant observable inputs, which include current market interest rates of equivalent bonds, and would be considered to be Level 2 in the fair value hierarchy.

(Continued)

(Dollars in thousands)

Interest expense on long-term debt for the years ended June 30, 2015 and 2014 totaled $4,312 and $2,404, respectively.

(13) Retirement Plans

The College has a defined contribution retirement plan, which covers substantially all its nonunion employees, and which is funded through direct payments to qualified carriers. For each eligible employee, the College contributes an average of 7% of the employee's salary. The employee's contribution is discretionary, up to 15% of their salary in accordance with all legal regulations. During the years ended June 30, 2015 and 2014, the College contributed $5,174 and $5,690, respectively, to these tax deferred annuity plans for faculty and certain administrative employees.

In addition, $462 was contributed in each of the years ended June 30, 2015 and 2014, to a union administered plan for employees belonging to a collective bargaining unit. The College would be responsible for any withdrawal liability under the agreement with the union.

The College's participation in the union administered plan is outlined below. Unless otherwise noted, the Pension Protection Act (PPS) zone status below is for the plan years beginning January 1, 2015, 2014, and 2013, respectively. The zone status is certified by the plans' actuaries. Among other factors, plans in the red zone are generally less than 65% funded, plans in the yellow zone are less than 80% funded, and plans in the green zone are at least 80% funded. The "FIP/RP Status Pending/Implemented" column indicates plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented. The last column lists the expiration dates of the collective-bargaining agreements to which the plan is subject.

Pension fund	EIN/pension plan number	PPA zone status			FIP/RP status pending/ implemented	Surcharge imposed	Expiration date of collective-bargaining agreement
		2015	2014	2013			
1199 SEIU Health Care Employee Pension Fund	13-3604862/001	Green	Green	Green	*RP Implemented	No	September 30, 2018

* The 1199 Health Care Employee Pension Fund has implemented a rehabilitation plan for the period January 1, 2012 through December 31, 2024.

(14) Postretirement Benefits Other Than Pensions

The College provides medical and life insurance benefits under its Postretirement Life and Health Insurance Plan for Eligible Employees (the Plan). The College's obligation is limited and requires participants to contribute to premiums as determined by the Plan's administrator. The College reserves the right to amend or terminate the Plan at its discretion. These benefits are partially funded through a voluntary employees' beneficiary association (VEBA) trust.

On December 8, 2003, the Medicare Prescription Drug Improvement and Modernization Act of 2003 was signed into law. The Act allows employers who offer actuarially equivalent prescription drug benefits to retirees to receive a federal subsidy starting in 2006. Actuarial equivalence of the program's prescription drug benefit is determined based on a two-prong test. The actuarial values of the prescription drug coverage are based on national statistics and then adjusted to reflect drug utilization for the Plan. Based on these values, it is assumed that the prescription drug benefit for the unfunded plan will be actuarially equivalent in 2006 and for all years thereafter.

(Dollars in thousands)

For those employees who had already retired at the time the VEBA was established, the College pays actual benefits from its general assets. For subsequent retirees, the College's funding policy is to contribute an amount up to the annual expense in years when the Present Value of Future Benefits (PVFB) exceeds assets. Since assets are less than PVFB, the College may elect to make a contribution in fiscal year 2016.

Under the accounting guidance for postretirement benefits, the College recognizes on the statement of financial position the difference between the benefit obligations and any related plan assets. In addition, the accounting guidance requires the unrecognized amount (e.g., net actuarial gains or losses and prior service costs or credits) to be recognized as changes to unrestricted net assets and that these amounts be adjusted as they are subsequently recognized as components of the net periodic benefit cost.

The following tables provide a reconciliation of the changes in the Plan's benefit obligations and fair value of assets for the years ended June 30, 2015 and 2014:

		2015	**2014**
Change in benefit obligation:			
Benefit obligation at beginning of year	$	7,575	6,674
Service cost		61	58
Interest cost		296	318
Plan participants' contributions		673	678
Actuarial loss		247	817
Curtailments/settlements/special term benefits		(97)	—
Benefits paid		(1,326)	(1,154)
Medicare Part D program reimbursement		300	184
Benefit obligation at end of year		7,729	7,575
Change in plan assets:			
Fair value of plan assets at beginning of year		4,264	3,889
Actual return on plan assets		7	664
Employer contributions		201	3
Plan participants' contributions		673	678
Benefits paid		(1,326)	(1,154)
Medicare Part D program reimbursement		300	184
Fair value of plan assets at end of year		4,119	4,264
Unfunded status at end of year, included in accrued payroll and related benefits payable	$	3,610	3,311

(Dollars in thousands)

		June 30	
		2015	**2014**
Amounts not yet recognized in net periodic benefit cost:			
Net actuarial loss	$	601	51
Prior service credit		(854)	(1,219)
	$	(253)	(1,168)

		Year ended June 30	
		2015	**2014**
Components of net periodic benefit credit:			
Service cost	$	61	58
Interest cost		296	318
Expected return on plan assets		(331)	(300)
Amortization of prior service credit		(310)	(320)
Amortization of net actuarial loss		21	34
Effect of curtailment - prior service cost		(55)	—
Effect of curtailment - liability		(97)	—
Net periodic benefit credit	$	(415)	(210)

	2015	**2014**
Weighted average assumptions used to determine benefit obligations:		
Discount rate – funded portion	4.75%	4.50%
Discount rate – unfunded portion	3.50	3.25
Rate of compensation increase	4.00	4.00
Weighted average assumptions used to determine net periodic benefit cost:		
Discount rate:		
Discount rate – funded portion	4.50%	5.00%
Discount rate – unfunded portion	3.25	3.75
Healthcare cost trend:		
Increase from current to next fiscal year	7.50%	8.00%
Ultimate rate of increase	4.50	4.50
Year that the ultimate rate is attained	2022	2022

(Continued)

(Dollars in thousands)

The healthcare cost trend assumption has a significant effect on the amounts reported. A one-percentage-point change in assumed healthcare cost trend rates would have the following effects as of and for the year ended June 30, 2015:

		One percentage-point increase	One percentage-point decrease
Effect on total service and interest cost component	$	31	(25)
Effect on postretirement benefit obligation		594	(504)

The College is not expected to contribute to the Plan in 2016.

The estimated actuarial net gain and prior service credit that will be amortized from unrestricted net assets into net periodic benefit cost in fiscal year 2016 are as follows:

Net actuarial loss	$	65
Prior service credit		(301)
	$	(236)

Expected benefit payments are the total amount expected to be paid from the Plan's or the College's assets. The expected benefit payments, net of plan participant contributions, are as follows:

		Estimated benefits payments
Fiscal year(s):		
2016	$	510
2017		516
2018		518
2019		519
2020		516
2021–2025		2,453

(Continued)

(Dollars in thousands)

The investment policy statement of the College, established by the Board of Trustees, has as its investment objective, the long-term appreciation of assets, and the consistency of total portfolio returns with reasonable efforts to control risk and preserve capital. The policy establishes a goal of an annual return of eight percent. The Plan's target and actual asset allocations as of June 30, 2015 and 2014 are as follows:

Plan assets	Target allocation	Percentage of plan assets	
		2015	2014
Asset category:			
Equity securities	61.0%	76.0%	75.3%
Debt securities	31.0	19.6	20.4
Other	8.0	4.4	4.3

Within the fair value hierarchy, the postretirement plans' investments at fair value by level at June 30, 2015 and 2014 are as follows:

	2015			
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 180	180	—	—
Investments measured at net asset value as a practical expedient for fair value	3,939			
Total assets	$ 4,119			

	2014			
	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	$ 182	182	—	—
Investments measured at net asset value as a practical expedient for fair value	4,082			
Total assets	$ 4,264			

(Dollars in thousands)

(15) Functional Reporting of Expenses

The costs of the College's activities have been presented on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the activities benefited as follows:

	2015				
	Operations and maintenance	**Depreciation**	**Interest expense**	**Direct expenses**	**Total per statement of activities**
Instruction and research	$ 6,228	5,561	2,380	46,465	60,634
Academic support	450	192	—	5,490	6,132
Affiliation contracts and faculty practice	—	—	—	35,778	35,778
Student services	1,135	471	1,704	2,773	6,083
Institutional support	3,500	1,846	229	17,957	23,532
Auxiliary enterprises	1,271	692	—	487	2,450
	$ 12,584	8,762	4,313	108,950	134,609

	2014				
	Operations and maintenance	**Depreciation**	**Interest expense**	**Direct expenses**	**Total per statement of activities**
Instruction and research	$ 6,215	4,608	1,141	45,735	57,699
Academic support	443	184	2	5,135	5,764
Affiliation contracts and faculty practice	—	—	—	47,448	47,448
Student services	1,167	1,133	1,060	2,832	6,192
Institutional support	3,932	1,785	351	18,035	24,103
Auxiliary enterprises	1,338	—	—	354	1,692
	$ 13,095	7,710	2,554	119,539	142,898

(16) Other Contingencies and Commitments

The College is involved in various other legal actions, arising in the normal course of operations. The College is of the opinion that the resolution of these matters will not have a significant effect upon the financial condition of the College.

Certain potential compliance matters have been identified as part of the review of the College's 403(b) plan that are being researched and discussed with the IRS. Plan management does not believe the matters and potential amounts involved are material to the College's financial statements.

Certain funding that the College receives from governmental agencies are subject to audit.

(17) Subsequent Events

The College has performed an evaluation of subsequent events from July 1, 2015 to October 28, 2015, which is the date the financial statements were issued, and concluded that no further disclosures are required.