

Questions received on Audit Services and DASNY's responses:

1. How many auditors were in the field last year and for approximately how many days?

Response: DASNY would like each firm to use their professional judgement and similar engagement experiences to design and plan the audit, including proper staffing.

2. What was the fee for the prior year's services?

DASNY would like each firm to use their professional judgement and similar engagement experiences to develop and present their proposed fee.

3. What type of assistance does DASNY's internal audit staff typically provide during each year's audit?

Response: DASNY would like each firm to determine how they might use DASNY's internal audit staff and the related fee impact.

4. Our Firm has offices in New York and Florida and provides services to clients in all 50 states. We provide audit and related services to over 175 governmental entities, including some of the largest public authorities in New York State. Before expending the resources necessary to prepare an appropriate proposal in response to the RFP we wanted to make sure that our firm would be considered to meet the "nationally recognized" qualification in Section 2.2 – Qualifications in the RFP?

Response: This is based on DASNY's judgment – may include criteria such as number and location of firm's offices, firm's Financial statement audit experiences of similar size state government agencies, including client list, firm's membership in a group practice or affiliation with another firm and firm's industry reputation.

5. What were the total hours incurred by the Authority's auditor for each of the previous three years?

Response: DASNY would like each firm to use their professional judgement and similar engagement experiences to design and plan the audit, including proper staffing.

6. What were the total fees paid by the Authority for the services requested for each of the previous three years?

DASNY would like each firm to use their professional judgement and similar engagement experiences to develop and present their proposed fee.

7. Is it possible to get a copy of the current auditor's report on the procedures performed, and related findings (if any) in connection with the investment review services?

Response: See attached.

8. Is it possible to get a copy of the Authority's individual restricted debt issue financial statements, including opinions and footnotes for the most recent period available?

Response: See attached.

9. Has the Authority performed its own assessment of the potential impact of the implementation of Governmental Accounting Standards Board Statements No. 84, *Fiduciary Activities* and No. 87, *Leases*?

Response: DASNY is currently evaluating the impact of these new GASB pronouncements and will consult with the selected firm on the implementation of these pronouncements.

10. What level of assistance, if any, has the Authority's Internal Audit Department provided in the past?

Response: DASNY would like each firm to determine how they might use DASNY's internal audit staff and the related fee impact.

11. Has the Authority encountered any significant unusual transactions to date in fiscal year 2020 that could affect the scope of the audit?

Response: No.



KPMG LLP
515 Broadway
Albany, NY 12207-2974

Independent Accountants' Report

The Board of Directors
Dormitory Authority of the
State of New York:

We have examined the Dormitory Authority of the State of New York's (DASNY's) compliance with the requirements of Section 201.3 of Title Two of the *Official Compilation of Codes, Rules, and Regulations of the State of New York* during the period April 1, 2018 to March 31, 2019. Management of DASNY is responsible for DASNY's compliance with the specified requirements. Our responsibility is to express an opinion on DASNY's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether DASNY complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether DASNY complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on DASNY's compliance with specified requirements.

Our examination disclosed material noncompliance with Section V of the Dormitory Authority Investment Policy and Guidelines requiring no more than a maximum of approximately 50% of all investments be held at a single bank. During the audit period, DASNY exceeded the prescribed threshold with one institution exceeding 63%. As of March 31, 2019, DASNY was in compliance with Section V and no single bank exceeded the 50% requirement.

In our opinion, except for the material noncompliance described in the preceding paragraph, DASNY complied, in all material respects, with the aforementioned requirements for the period ended March 31, 2019.

The purpose of this report is to provide our opinion on management's assertion that DASNY complied with the requirements of Section 201.3 of Title Two of the *Official Compilation of Codes, Rules, and Regulations of the State of New York*, except for compliance with Section V of the Dormitory Authority Investment Policy and Guidelines requiring no more than a maximum of 50% of all investments be held in a single bank during the period April 1, 2018 to March 31, 2019. Accordingly, this report is not suitable for any other purpose.

KPMG LLP

Albany, New York
June 19, 2019



DORMITORY AUTHORITY OF THE STATE OF NEW YORK
(A Component Unit of the State of New York)

Financial Statements

March 31, 2018

(With Independent Auditors' Report Thereon)



KPMG LLP
515 Broadway
Albany, NY 12207-2974

Independent Auditors' Report

Dormitory Authority of the
State of New York:

Report on the Financial Statements

We have audited the accompanying Statement of Assets and Liabilities of the Funds Relating to [REDACTED] as of March 31, 2018, and the related Statement of Cash Receipts and Disbursements by Funds for the fiscal year 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 the bond or note resolution related to the Fund and the Dormitory Authority of the State of New York (DASNY) as described in note 1; 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 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 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 accompanying financial statements referred to above present fairly, in all material respects, the assets and liabilities of the Fund as of March 31, 2018, and its cash receipts and disbursements by funds for the year then ended in accordance with the basis of accounting described in note 1.



Basis of Accounting

We draw attention to note 1 of the financial statements, which describes the basis of accounting. As described in note 1 of the financial statements, the financial statements are prepared by DASNY on the basis of the financial reporting provisions of the Fund bond or note resolution, which is a basis of accounting other than U.S. generally accepted accounting principles, to comply with the financial reporting provisions of the contract referred to above. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated September 26, 2018 on our consideration of DASNY's internal control over financial reporting and on our tests of its compliance with certain provisions of law, regulations, contracts, and grant agreements and other matters related to the Fund. 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 effectiveness of DASNY's internal control over financial reporting or on compliance related to the Fund. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, in considering DASNY's internal control over financial reporting and compliance related to the Fund.

Report on Other Legal and Regulatory Requirements

In connection with our audit, nothing came to our attention that caused us to believe that there has been a default by DASNY in the fulfillment of any terms, covenants, or provisions of the Fund bond or note resolution, insofar as they relate to accounting matters. However, our audit was not directed primarily towards obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding DASNY's noncompliance with the above referenced terms, covenants, provisions, or conditions of the Fund bond or note resolution insofar as they related to accounting matters.

Restriction on Use

Our report is intended solely for the information and use of the Members of DASNY, management of DASNY, the trustee and other parties as is defined and required by the bond or note resolution, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

Albany, New York
September 26, 2018

DORMITORY AUTHORITY OF NYS
Statement of Assets and Liabilities
As of March 31, 2018

Description	Amount
Assets	
Cash & Cash Equivalents	10,356.05
Debt Service Fund	10,356.05
Total Cash & Cash Equivalents	351,861.30
Investments	351,861.30
Debt Service Fund	351,861.30
Total Investments	<63,365,516.60>
Net Project Facilities Cost	281,931,048.56
Discount/<Premium> on Bonds	599,058,015.23
Transfer To Defease Issue	<4,027,526.96>
Construction Costs/Loan Disbursements	<959,872.02>
Construction Fund Equity	<46,344,248.15>
Contributions/Grants	<543,755,000.00>
Transfer From Other Issue	717,608,099.94
Equity From Payment Of Bonds	940,145,000.00
Bond Proceeds Used	940,507,217.35
Total Net Proj Facilities Cost	940,507,217.35
Total Assets	1,483,900,000.00
Liabilities and Fund Equity	<543,755,000.00>
Bonds & Commercial Paper Outstanding	940,145,000.00
Bonds Issued	362,217.35
Less: Bonds Redeemed	362,217.35
Total Bonds & Comm Paper Outstanding	940,507,217.35
Fund Equity	362,217.35
Debt Service Fund	362,217.35
Total Fund Equity	940,507,217.35
Total Liab & Fund Equity	940,507,217.35

See accompanying notes to financial statements.

Dormitory Authority of the State of New York
 Cash Receipts And Disbursements By Funds
 For the 12 Months Ended
 March 31, 2018

Description	Total Funds	Construction Fund	Debt Service Fund	Arbitrage Rebate Fund
Beg Cash & Cash Equivalents Balance	160,778.78	.00	160,778.78	.00
Cash Receipts				
Rentals - Interest	40,678,924.71	.00	40,678,924.71	.00
Principal Repayment	22,660,000.00	.00	22,660,000.00	.00
Investment Sales & Maturities	62,864,591.61	.00	62,864,591.61	.00
Income on Investments	25,339.06	.00	25,339.06	.00
Cash Transfer From Other Issue	154.68	.00	154.68	.00
Total Cash Receipts	126,229,010.06	.00	126,229,010.06	.00
Cash Disbursements				
Investment Purchases-Principal	63,130,006.11	.00	63,130,006.11	.00
Investment Purchases-Interest	9,634.32	.00	9,634.32	.00
Interest on Bonds	40,577,447.40	.00	40,577,447.40	.00
Bond Redemptions	22,660,000.00	.00	22,660,000.00	.00
Assets to Institution	2,190.28	.00	2,190.28	.00
Cash Transfer To Other Issue	154.68	.00	154.68	.00
Total Cash Disbursements	126,379,432.79	.00	126,379,432.79	.00
End Cash & Cash Equivalents Balance	10,356.05	.00	10,356.05	.00

See accompanying notes to financial statements.

DORMITORY AUTHORITY OF THE STATE OF NEW YORK
(A Component Unit of the State of New York)

Funds Relating to [REDACTED]

Notes to Financial Statements

March 31, 2018

(1) Summary of Significant Accounting Policies

(a) DASNY

The Dormitory Authority of the State of New York (DASNY) is a public benefit corporation established in 1944 and is governed by Title 4 and 4B, Article 8 of the Public Authorities Law of the State of New York. DASNY is an independent corporate agency with governmental functions delegated to it by the State of New York (the State). It is not a municipal corporation. Employees of DASNY are not employees of the State or of a civil service division thereof.

DASNY's authorized purpose is to finance, design, construct, purchase, reconstruct, and/or rehabilitate buildings (projects) for use by public and private educational, health care, and other not-for-profit institutions (institutions) located within the State; certain State agencies; local school districts; and cities and counties with respect to court facilities. DASNY is also authorized to make, finance, and purchase loans related to students enrolled at participating institutions of higher education in the State and finance the purchase and leasing of equipment and various short-term capital projects. To accomplish its purpose, DASNY has the power to borrow money and to issue negotiable bonds or notes, in conformity with the applicable provisions of the Uniform Commercial Code, and to provide for the rights of the holders of such debt instruments. Obligations of DASNY are not a debt of the State. All debt issues of DASNY are subject to the approval of the Public Authorities Control Board of the State.

The accompanying financial statements present the accounts of DASNY which are restricted for the bond issue and are not intended to be a complete presentation of the financial position, change in financial position, or cash flows of DASNY or [REDACTED] (the Institution).

The assets, liabilities, and fund equity of each project are accounted for separately. The accounts reported in the accompanying financial statements are restricted for the payment of the outstanding debt. The fund equities are restricted for the benefit of the Institution. Monies remaining upon retirement of the debt are returned to the Institution.

The monies of DASNY relating to this issue are maintained in separate cash, cash equivalents and investment accounts to ensure the observance of limitations and restrictions specified in the related bond or note resolution. The balances in the debt service reserve fund and building and equipment reserve fund, if any, meet the requirements of the bond or note resolution.

DORMITORY AUTHORITY OF THE STATE OF NEW YORK
(A Component Unit of the State of New York)

Funds Relating to [REDACTED]

Notes to Financial Statements

March 31, 2018

(b) Basis of Accounting and Presentation

The accompanying financial statements are prepared for the purpose of complying with the bond or note resolution and are not intended to be a presentation in conformity with U.S. generally accepted accounting principles. Cash transactions, as well as those transactions related to the subject bonds or notes (i.e., net project facilities and unpaid bond or note principal), are reported in a manner consistent with the related bond or note resolution, which results in the presentation of the following two financial statements:

- Assets and Liabilities
- Cash Receipts and Disbursements by Funds

Transactions that occur most frequently are as follows:

- Receipt and disbursement of interest payments on debt;
- Income on investments;
- Transactions with the institution;
- Transfers between bond issues; and
- Transfers between funds.

Investments are recorded at amortized cost, which approximates fair value.

Net project facilities cost as reported on the Statement of Assets and Liabilities arising from cash transactions is composed of cumulative construction cost, fund equity of the construction fund, cumulative payments of principal on debt, transfers relating to defeasances, and other uses of bond proceeds to the extent applicable to the Institution.

The bonds or notes are special obligations of DASNY, payable from monies to be received from the Institution pursuant to the agreement between DASNY and the Institution and from monies and securities to be held by DASNY or the trustee under the bond or note resolution. In addition to the scheduled mandatory redemptions, the bonds or notes may be subject to an optional redemption provision as outlined in the related bond or note resolution and may also be subject to various other redemption provisions as more fully described in the related bond or note resolution.



KPMG LLP
515 Broadway
Albany, NY 12207-2974

**Independent Auditors' Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Dormitory Authority of the
State of New York:

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 Statement of Assets and Liabilities and the Statement of Cash Receipts and Disbursements by Funds of the Funds Relating to [REDACTED] (the Fund), as of and for the fiscal year ended March 31, 2018, and the related notes to the financial statements, and have issued our report thereon dated September 26, 2018, which included an emphasis of matter paragraph indicating that the financial statements were prepared on the basis of the financial reporting provisions of the Fund bond or note resolution, which is a basis of accounting other than U.S. generally accepted accounting principles. Our opinion was not modified with respect to this matter.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Dormitory Authority of the State of New York's (DASNY) internal control over financial reporting (internal control) related to the Fund 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 DASNY's internal control. Accordingly, we do not express an opinion on the effectiveness of DASNY's internal control related to the Fund.

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 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 the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 DASNY's internal control or on compliance related to the Fund. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering DASNY's internal control and compliance related to the Fund. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Albany, New York
September 26, 2018



DORMITORY AUTHORITY OF THE STATE OF NEW YORK
(A Component Unit of the State of New York)

Funds Relating to

Financial Statements

March 31, 2018

(With Independent Auditors' Report Thereon)



KPMG LLP
515 Broadway
Albany, NY 12207-2974

Independent Auditors' Report

Dormitory Authority of
the State of New York:

Report on the Financial Statements

We have audited the accompanying Statement of Assets and Liabilities of the Funds Relating to ~~_____~~ (the Fund) as of March 31, 2018, and the related Statement of Cash Receipts and Disbursements by Funds for the fiscal year 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 the bond or note resolution related to the Fund and the Dormitory Authority of the State of New York (DASNY) as described in note 1; 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 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 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 accompanying financial statements referred to above present fairly, in all material respects, the assets and liabilities of the Fund as of March 31, 2018, and its cash receipts and disbursements by funds for the year then ended in accordance with the basis of accounting described in note 1.



Basis of Accounting

We draw attention to note 1 of the financial statements, which describes the basis of accounting. As described in note 1 of the financial statements, the financial statements are prepared by DASNY on the basis of the financial reporting provisions of the Fund bond or note resolution, which is a basis of accounting other than U.S. generally accepted accounting principles, to comply with the financial reporting provisions of the contract referred to above. Our opinion is not modified with respect to this matter.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated September 26, 2018 on our consideration of DASNY's internal control over financial reporting and on our tests of its compliance with certain provisions of law, regulations, contracts, and grant agreements and other matters related to the Fund. 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 effectiveness of DASNY's internal control over financial reporting or on compliance related to the Fund. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, in considering DASNY's internal control over financial reporting and compliance related to the Fund.

Report on Other Legal and Regulatory Requirements

In connection with our audit, nothing came to our attention that caused us to believe that there has been a default by DASNY in the fulfillment of any terms, covenants, or provisions of the Fund Bond or note resolution, insofar as they relate to accounting matters. However, our audit was not directed primarily towards obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding DASNY's noncompliance with the above referenced terms, covenants, provisions, or conditions of the Fund bond or note resolution insofar as they related to accounting matters.

Restriction on Use

Our report is intended solely for the information and use of the Members of DASNY, management of DASNY, the trustee and other parties as is defined and required by the bond or note resolution, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

Albany, New York
September 26, 2018

DORMITORY AUTHORITY OF NYS
Statement of Assets and Liabilities
As of March 31, 2018

Description	Amount
Assets	
Cash & Cash Equivalents	42,707.32
Construction Fund	8,821.99
Debt Service Fund	1,636.22
Building & Equipment Res Fund	45,165.53
Total Cash & Cash Equivalents	98,331.06
Investments	
Construction Fund	499,074.05
Debt Service Fund	8,636,147.56
Building & Equipment Res Fund	12,528,465.02
Total Investments	21,663,686.63
Net Project Facilities Cost	
Discount/ Premium on Bonds	<19,617,507.01>
Transfer to Defeas Issue	217,533,392.97
Construction Costs/Loan Disbursements	370,438,207.32
Construction Fund Equity	<20,614,330.21>
Contributions/Grants	<73,498,026.52>
Transfer From Other Issue	<10,335,081.88>
Equity From Payment Of Bonds	<332,990,000.00>
Bond Proceeds Used	10,366,482.08
Total Net Proj Facilities Cost	141,283,136.75
Other Assets	3,070,863.08
Total Assets	166,062,851.99
Liabilities and Fund Equity	
Bonds & Commercial Paper Outstanding	
Bonds Issued	485,150,000.00
Less: Bonds Redeemed	<324,525,000.00>
Total Bonds & Comm Paper Outstanding	160,625,000.00
Fund Equity	
Debt Service Fund	171,969.55
Building & Equipment Res Fund	5,265,882.44
Total Fund Equity	5,437,851.99
Total Liab & Fund Equity	166,062,851.99

See accompanying notes to financial statements.

Dormitory Authority of the State of New York
Cash Receipts And Disbursements By Funds
For the 12 Months Ended
March 31, 2018



Description	Total Funds	Construction Fund	Debt Service Fund	Bldg & Equip Res Fund
Reg Cash & Cash Equivalents Balance	71,120.63	66,781.18	2,279.82	2,059.63
Cash Receipts				
Required Reserve Deposit	1,928,170.92	.00	.00	1,928,170.92
Rentals - Interest	8,117,415.02	.00	8,117,415.02	.00
Principal Repayment	17,010,000.00	.00	17,010,000.00	.00
Investment Sales & Maturities	47,737,406.98	638,878.51	25,327,527.24	21,771,001.23
Income on Investments	194,409.81	5,418.27	111,992.77	76,998.77
Bond Proceeds	.00	<477.64>	477.64	.00
Cash Transfer From Other Issue	57,391.83	.00	57,391.83	.00
Cash Transfers In	126.68	.00	126.68	.00
Total Cash Receipts	75,044,921.24	643,819.14	50,624,931.18	23,776,170.92
Cash Disbursements				
Construction Costs/Loan Disbursemen	131,326.85	131,326.85	.00	.00
Investment Purchases-Principal	49,620,232.37	479,047.64	25,364,590.40	23,776,594.33
Investment Purchases-Interest	54,383.59	.00	54,383.59	.00
Interest on Bonds	8,117,415.02	.00	8,117,415.02	.00
Bond Redemptions	17,090,000.00	.00	17,090,000.00	.00
Cash Transfer To Other Issue	57,391.83	57,391.83	.00	.00
Cash Transfers Out	126.68	126.68	.00	.00
Total Cash Disbursements	75,070,876.34	667,893.00	50,626,389.01	23,776,594.33
End Cash & Cash Equivalents Balance	45,165.53	42,707.32	821.99	1,636.22

See accompanying notes to financial statements.

DORMITORY AUTHORITY OF THE STATE OF NEW YORK
(A Component Unit of the State of New York)



Notes to Financial Statements

March 31, 2018

(1) Summary of Significant Accounting Policies

(a) DASNY

The Dormitory Authority of the State of New York (DASNY) is a public benefit corporation established in 1944 and is governed by Title 4 and 4B, Article 8 of the Public Authorities Law of the State of New York. DASNY is an independent corporate agency with governmental functions delegated to it by the State of New York (the State). It is not a municipal corporation. Employees of DASNY are not employees of the State or of a civil service division thereof.

DASNY's authorized purpose is to finance, design, construct, purchase, reconstruct, and/or rehabilitate buildings (projects) for use by public and private educational, health care, and other not-for-profit institutions (institutions) located within the State; certain State agencies; local school districts; and cities and counties with respect to court facilities. DASNY is also authorized to make, finance, and purchase loans related to students enrolled at participating institutions of higher education in the State and finance the purchase and leasing of equipment and various short-term capital projects. To accomplish its purpose, DASNY has the power to borrow money and to issue negotiable bonds or notes, in conformity with the applicable provisions of the Uniform Commercial Code, and to provide for the rights of the holders of such debt instruments. Obligations of DASNY are not a debt of the State. All debt issues of DASNY are subject to the approval of the Public Authorities Control Board of the State.

The accompanying financial statements present the accounts of DASNY which are restricted for the bond issue and are not intended to be a complete presentation of the financial position, change in financial position, or cash flows of DASNY or the [REDACTED] (the Institution).

The assets, liabilities, and fund equity of each project are accounted for separately. The accounts reported in the accompanying financial statements are restricted for the payment of the outstanding debt. The fund equities are restricted for the benefit of the Institution. Monies remaining upon retirement of the debt are returned to the Institution.

The monies of DASNY relating to this issue are maintained in separate cash, cash equivalents and investment accounts to ensure the observance of limitations and restrictions specified in the related bond or note resolution. The balances in the debt service reserve fund and building and equipment reserve fund, if any, meet the requirements of the bond or note resolution.

DORMITORY AUTHORITY OF THE STATE OF NEW YORK
(A Component Unit of the State of New York)

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Notes to Financial Statements

March 31, 2018

(b) Basis of Accounting and Presentation

The accompanying financial statements are prepared for the purpose of complying with the bond or note resolution and are not intended to be a presentation in conformity with U.S. generally accepted accounting principles. Cash transactions, as well as those transactions related to the subject bonds or notes (i.e., net project facilities and unpaid bond or note principal), are reported in a manner consistent with the related bond or note resolution, which results in the presentation of the following two financial statements:

- Assets and Liabilities
- Cash Receipts and Disbursements by Funds

Transactions that occur most frequently are as follows:

- Receipt and disbursement of interest payments on debt;
- Income on investments;
- Transactions with the institution;
- Transfers between bond issues; and
- Transfers between funds.

Investments are recorded at amortized cost, which approximates fair value.

Net project facilities cost as reported on the Statement of Assets and Liabilities arising from cash transactions is composed of cumulative construction cost, fund equity of the construction fund, cumulative payments of principal on debt, transfers relating to defeasances, and other uses of bond proceeds to the extent applicable to the Institution.

The bonds or notes are special obligations of DASNY, payable from monies to be received from the Institution pursuant to the agreement between DASNY and the Institution and from monies and securities to be held by DASNY or the trustee under the bond or note resolution. In addition to the scheduled mandatory redemptions, the bonds or notes may be subject to an optional redemption provision as outlined in the related bond or note resolution and may also be subject to various other redemption provisions as more fully described in the related bond or note resolution.



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**Independent Auditors' Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Dormitory Authority of the
State of New York:

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 Statement of Assets and Liabilities and the Statement of Cash Receipts and Disbursements by Funds of the Funds Relating to [REDACTED] (the Fund), as of and for the fiscal year ended March 31, 2018, and the related notes to the financial statements, and have issued our report thereon dated September 26, 2018, which included an emphasis of matter paragraph indicating that the financial statements were prepared on the basis of the financial reporting provisions of the Fund bond or note resolution, which is a basis of accounting other than U.S. generally accepted accounting principles. Our opinion was not modified with respect to this matter.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Dormitory Authority of the State of New York's (DASNY) internal control over financial reporting (internal control) related to the Fund 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 DASNY's internal control. Accordingly, we do not express an opinion on the effectiveness of DASNY's internal control related to the Fund.

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 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 the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 DASNY's internal control or on compliance related to the Fund. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering DASNY's internal control and compliance related to the Fund. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Albany, New York
September 26, 2018