SU THEATRE CORPORATION
(d/b/a Syracuse Stage)

Financial Statements and Supplemental Information

June 30, 2017 and 2016

Together with Independent Auditors' Report

Bonadio & Co., LLP
Certified Public Accountants

SU THEATRE CORPORATION
(d/b/a Syracuse Stage)

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Bonadio & Co., LLP
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INDEPENDENT AUDITOR'S REPORT

November 16, 2017

To the Board of Trustees of
SU Theatre Corporation (d/b/a Syracuse Stage):

Report on the Financial Statements

We have audited the accompanying financial statements of SU Theatre Corporation (d/b/a Syracuse Stage) which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, and cash flows for the 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinion
In our opinion, the 2017 financial statements referred to above present fairly, in all material respects, the financial position of SU Theatre Corporation (d/b/a Syracuse Stage) as of June 30, 2017, and the change in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements
The financial statements of SU Theatre Corporation (d/b/a Syracuse Stage) as of June 30, 2016, were audited by other auditors whose report dated November 7, 2016, expressed an unmodified opinion on those statements.

Report on Supplemental Information
Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 2017 supplementary information contained on Schedule I is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole. The 2016 supplementary information contained on Schedule I was subjected to the auditing procedures applied in the 2016 audit of the basic financial statements by other auditors, whose report on such information stated that it was fairly stated in all material respects in relation to the 2016 financial statements as a whole.

Bonadio & Co., LLP

SU THEATRE CORPORATION
(d/b/a Syracuse Stage)

Statements of Financial Position

June 30, 2017 and 2016

Assets		**2017**		**2016**
Current assets:				
Cash and cash equivalents	$	484,372	$	345,223
Short-term investments		110,148		108,722
Accounts receivable, net		14,937		38,537
Pledges receivable, net		33,136		47,888
Operating grants receivable, net		17,893		26,873
Renovation grants receivable, net		—		20,784
Prepaid expenses and other assets		170,537		127,244
Total current assets		831,023		715,271
Investments held by Syracuse University		1,335,701		1,246,391
Property and equipment, net		331,010		382,302
Total assets	$	2,497,734	$	2,343,964
Liabilities and Net Assets				
Current liabilities:				
Accounts payable and accrued expenses	$	62,176	$	65,564
Payable to Syracuse University		18,021		64,800
Deferred revenue		665,088		541,773
Total current liabilities		745,285		672,137
Net assets:				
Unrestricted		916,699		831,799
Temporarily restricted		121,455		125,733
Permanently restricted		714,295		714,295
Total net assets		1,752,449		1,671,827
Total liabilities and net assets	$	2,497,734	$	2,343,964

The accompanying notes are an integral part of these statements.

SU THEATRE CORPORATION
(d/b/a Syracuse Stage)

Statements of Activities

Years ended June 30, 2017 and 2016

	2017	2016
Change in unrestricted net assets:		
Revenues:		
Ticket sales	$ 2,010,016	$ 1,774,574
Co-Production Revenue	—	43,300
Concessions	123,213	93,793
Interest and investment income	48,148	45,338
Production service	42,067	43,650
Program advertising	78,763	62,481
Education	39,208	333,437
Miscellaneous	64,983	36,195
Subsidies, grants, benefits, and donations	3,181,052	3,037,886
In-kind contributions and donated goods and services	476,779	535,078
Fundraising and Stage Guild activities	121,260	109,178
Net assets released from restrictions	21,408	6,725
Total revenues	6,206,897	6,121,635
Expenses:		
Production	3,539,879	3,104,788
Marketing, education and fundraising	1,112,699	1,371,420
Administration	1,506,562	1,578,378
Fundraising and Stage Guild events	53,593	42,816
Total expenses	6,212,733	6,097,402
Change in unrestricted net assets before unrealized change in fair value of investments	(5,836)	24,233
Unrealized change in fair value of investments	90,736	(16,289)
Change in unrestricted net assets	84,900	7,944
Change in temporarily restricted net assets:		
Temporarily restricted contributions	17,130	17,848
Net assets released from restrictions	(21,408)	(6,725)
Change in temporarily restricted net assets	(4,278)	11,123
Change in permanently restricted net assets:		
Permanently restricted contributions	—	114,286
Change in net assets	80,622	133,353
Net assets, beginning of year	1,671,827	1,538,474
Net assets, end of year	$ 1,752,449	$ 1,671,827

The accompanying notes are an integral part of these statements.

SU THEATRE CORPORATION
(d/b/a Syracuse Stage)

Statements of Cash Flows

Years ended June 30, 2017 and 2016

		2017		2016
Cash flows from operating activities:				
Change in net assets	$	80,622	$	133,353
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation		68,015		73,924
Bad debt expense		21,654		—
Unrealized change in fair value of investments held by Syracuse University		(89,310)		19,701
Unrealized change in fair value of short-term investments		(1,426)		(3,413)
Changes in operating assets and liabilities:				
Accounts receivable		1,946		47,805
Pledges receivable		14,752		(33,367)
Operating grants receivable		8,980		28,076
Renovation grant receivable		20,784		—
Prepaid expenses and other assets		(43,293)		7,516
Accounts payable and accrued expenses		(3,388)		(1,813)
Payable to Syracuse University		(46,779)		7,831
Deferred revenue		123,315		17,207
Net cash provided by operating activities		155,872		296,820
Cash flows from investing activities:				
Purchases of property and equipment		(16,723)		(9,012)
Purchase of investments		—		(114,286)
Net cash used in investing activities		(16,723)		(123,298)
Net increase in cash and cash equivalents		139,149		173,522
Cash and cash equivalents:				
Beginning of year		345,223		171,701
End of year	$	484,372	$	345,223

The accompanying notes are an integral part of these statements.

(1) Summary of Significant Accounting Policies

(a) Description of Business

SU Theatre Corporation (d/b/a Syracuse Stage) (the Corporation) is a not-for-profit theatre whose purpose is to create theatre events of the highest artistic merit to be shared between artist and audience. As a resident professional theatre since 1974, the Corporation has an ongoing commitment to serve individuals of all ages and backgrounds in the Central New York community by offering entertainment, art, educational programming, and cultural inclusiveness through the unique medium of live theatre.

Our Mission: Syracuse Stage is a global village square where renowned artists and audiences of all ages gather to celebrate our cultural richness, witness the many truths of our common humanity, and explore the transformative power of live theatre. As a professional theatre in residence at Syracuse University, we create innovative, adventurous, and entertaining productions of new plays, classics and musicals, and offer interactive education and outreach programs to Central New York.

Our Vision: Syracuse Stage illuminates the many truths of our common humanity through the transformative power of live theatre.

(b) Basis of Presentation

The Corporation's financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles and with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*, which addresses the presentation of financial statements for not-for-profit entities. Accordingly, the Corporation's financial position and activities are classified based on the existence or absence of donor-imposed restrictions. The net assets of the Corporation are classified as follows:

Unrestricted net assets are not subject to donor stipulations restricting their use, but may be designated for specific purposes by the Corporation or may be limited by contractual agreements with outside parties.

Temporarily restricted net assets are subject to donor stipulations that expire by the passage of time or can be fulfilled by actions pursuant to the stipulations.

Permanently restricted net assets are subject to donor stipulations requiring that they be maintained permanently. The funds under the endowment are permanent in nature and may be utilized for short-term borrowing, subject to certain limitations. Earnings on the funds may be expended for general purposes as needed.

Expenses are reported as decreases in unrestricted net assets. Expirations of donor-imposed stipulations that simultaneously increase one class of net assets and decrease another are reported as reclassifications between the applicable classes of net assets.

(Continued)

(c) Cash and Cash Equivalents

Investments acquired with an original maturity date of three months or less are reported as cash equivalents, unless they are part of long-term investment funds.

(d) Investments

Investments are reported at estimated fair value. Fair values for investments that are in the long-term investment pool are reported by Syracuse University (the University) at the unit fair value. The unit fair value for the pool is used to account for pool transactions and as a practical expedient to estimate the fair value of the Corporation's interest therein, unless it is probable that all or a portion of the investment will be sold for an amount different from unit fair value. As of June 30, 2017 and 2016, the Corporation had no specific plans or intentions to sell investments at amounts different than unit fair value. The Corporation believes the carrying amounts of these financial instruments are reasonable estimates of fair value. The estimates, because of the inherent uncertainty of valuations for these investments, may differ from the values that would have been used had ready markets existed.

(e) Fair Value Measurements

The Corporation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Corporation determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.
- Level 2 inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.
- Investments reported at net asset value or its equivalent (NAV) as a practical expedient to estimated fair value are not classified in the fair value hierarchy.

(f) Accounts and Pledges Receivable

Accounts and pledges receivable represent amounts owed to the Corporation from organizations, businesses and individuals. It is the Corporation's policy to write off uncollectible receivables when management determines that the receivable will not be collected. Accounts receivable are shown net of allowances for doubtful accounts of $786 and $2,028 at June 30, 2017 and 2016, respectively. Pledges receivable, which are generally due in one year or less, are shown net of allowances of $1,744 and $2,520 for June 30, 2017 and 2016, respectively.

(g) Operating and Renovation Grants Receivable

Operating and renovation grants receivable represent the balance on grants from governmental entities and foundations. Grants are shown net of allowances of $942 and $2,509 at June 30, 2017 and 2016, respectively.

(h) Property and Equipment

Property and equipment are stated at cost. Depreciation on plant and equipment is calculated on the straight-line method over the estimated useful lives of the related assets.

General infrastructure/public spaces	7 – 10 years
Electrical systems	15 years
Theatre seats	15 years
Theatre equipment	3 – 5 years
Leasehold improvements	7 – 15 years
Production equipment	5 – 10 years
Vehicles	5 – 7 years
Computer hardware	3 – 5 years

Property and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. If circumstances require a long-lived asset or asset group be tested for possible impairment, the Corporation first compares undiscounted cash flows expected to be generated by that asset or asset group to its carrying amount. If the carrying amount of the long-lived asset or asset group is not recoverable on an undiscounted cash flow basis, an impairment is recognized to the extent that the carrying amount exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary.

(i) Revenue Recognition

The Corporation recognizes revenue in the fiscal year of the performance. Advance single ticket sales, subscriptions and flex packs are deferred and recognized in the fiscal year the performances are presented.

In-kind contributions and donated goods and services consist of vehicle and property insurance, rent, custodial and building maintenance, fundraising materials and supplies, auction items and other services that were donated to the Corporation. Donated services and in-kind contributions are recorded as revenues and corresponding expenses at fair value when the services are performed or goods are provided.

(j) Advertising Costs

Advertising costs are expensed in the year they are associated with. Advertising expense was $151,710 and $207,617 for the years ended June 30, 2017 and 2016, respectively.

(k) Income Taxes

The Corporation is a tax-exempt corporation as described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from income taxes pursuant to Section 501(a) of the Internal Revenue Code. In addition, the Corporation has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. The Corporation believes it has taken no significant uncertain tax positions.

(l) 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 and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those amounts. Significant estimates made in the preparation of these financial statements include the allowances for receivables, the valuation of in-kind gifts and investments, and useful lives of property and equipment.

(2) Related-Party Transactions

Syracuse University contributes to the support of the Corporation by directly paying certain operating expenses, which totaled $503,649 and $776,607 in fiscal years ended 2017 and 2016, respectively. The University also allows the rent-free use of the Regent Theatre Complex, valued at $302,547 and $301,595 in fiscal years ended 2017 and 2016, respectively, recognized as part of in-kind contributions and donated goods and services. See note 10.

The University provided a general subsidy of $1,866,134 and $1,479,805 recognized in subsidies, grants, benefits, and donations on the statements of activities in fiscal years ended 2017 and 2016, respectively. If the University were to reduce this funding it could have a material adverse effect on the Corporation's results of operations and financial position.

(3) Investments

The investment objective of the Corporation is to invest its assets in a prudent manner to achieve a long-term rate of return sufficient to fund a portion of its spending and to increase investment value after inflation. In order to accomplish this objective, the Corporation's long-term investments are held and managed by the University in a long-term investment pool. The University diversifies these investments among asset classes by incorporating several strategies and managers. The Corporation has the ability to redeem these investments on demand.

The June 30, 2017 and 2016, unit fair values for the pooled investments were $440.5068 and $411.0527, respectively, and the distributions of investment income to the Corporation were $48,091 and $46,110 in fiscal years ended 2017 and 2016, respectively.

In addition to the long-term investments managed by the University, the Corporation invests in a mutual fund. Fair values for shares in registered mutual funds are based on share prices reported by the fund as of the last business day of the fiscal year and are classified in Level 1 of the fair value hierarchy.

Effective in fiscal year ended 2017, the Corporation retrospectively adopted the provisions of the Financial Accounting Standard Board Accounting Standards Update No. 2015-07, *Fair Value Measurement: Disclosures for Investments in Certain Entities that Calculate NAV per Share (or its Equivalent)* (ASU 2015-07). Among other things, ASU 2015-07 removes the requirement to classify within the fair value hierarchy investments in certain funds measured at net asset value (NAV) or its equivalent as a practical expedient to estimate fair value. The adoption resulted only in changes to the Corporation's disclosures related to investments. The Corporation's investments held by the University meet the criteria of ASU 2015-07 and are not classified based on the fair value hierarchy.

The Corporation's investments as June 30, 2017 and 2016 are summarized in the following table:

	2017		2016	
	Level 1	**Total**	**Level 1**	**Total**
Short-term investments, measured at fair value:				
Mutual fund	$ 110,148	$ 110,148	$ 108,722	$ 108,722
Investments held by Syracuse University, measured at net asset value		$ 1,335,701		$ 1,246,391

As of June 30, 2017 and 2016, the long-term investment pool of the University was invested as follows:

	2017	**2016**
Marketable equity securities	30.3%	34.6%
Fixed income	11.7	11.7
Real assets	7.7	6.7
Hedge funds	29.4	22.4
Private equity	20.9	24.6
	100.0%	100.0%

(4) Endowment Funds

The Corporation's endowment consists of five individual funds established for a variety of purposes, including both donor-restricted endowment funds and funds designated by the Corporation to function as endowments (quasi-endowments). At June 30, 2017 and 2016, the fair value of one permanent endowment account was less than the original gift (underwater) by a total of $26,677 and $72,654, respectively.

The Corporation invests its endowment with the University. The University employs asset allocation models having multiyear investment horizons, and it manages its long-term investments in accordance with the total return concept and the goal of maximizing long-term return within acceptable levels of risk. The University's spending policy is aligned with the asset allocation model and is designed to provide a stable level of financial support and to preserve the real value of its endowment. The University compares the performance of its investments against several benchmarks, including its asset allocation spending model policy index.

The Corporation, in accordance with the approval of the Finance Committee of its Board of Directors, utilizes the amount of distribution received from the University for operating purposes.

The Corporation adheres to the New York State Prudent Management of Institutional Funds Act (NYPMIFA). The Corporation has interpreted NYPMIFA as allowing the Corporation to spend or accumulate the amount of an endowment fund that the Corporation 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. The Corporation has not changed the way permanently restricted net assets are classified as a result of this interpretation and classifies as permanently restricted net assets (a) the original values of gifts donated to permanent endowments, (b) the original values of subsequent gifts to permanent endowments, and (c) accumulations to permanent endowments made in accordance with the directions of the applicable donors' gift instruments at the times the accumulations are added to the funds. The portion of a donor restricted endowment fund that is not classified in permanently restricted net assets is required to be classified as temporarily restricted net assets until those amounts are appropriated for spending by the Finance/Administrative Operations Committee of the Corporation's Board of Directors in a manner consistent with the standard of prudence prescribed by NYPMIFA.

In accordance with NYPMIFA, the Finance/Administrative Operations Committee of the Board of Directors considers the following factors in making a determination to appropriate or accumulate endowment funds:

- The duration and preservation of the fund
- The purposes of the Corporation and the endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Corporation
- Where appropriate and where circumstances would otherwise warrant, alternatives to expenditure of an endowment fund, giving due consideration to the effect that such alternatives may have on the Corporation
- The investment policies of the Corporation

Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The endowment net asset donor-restricted amounts reported below included appreciation, net of the underwater amount of endowment funds, reported as unrestricted net assets.

Endowment net assets consisted of the following at June 30, 2017 and 2016:

	2017					
		Unrestricted		Permanently restricted		Total
Donor restricted	$	(26,677)	$	714,295	$	687,618
Quasi (board designated)		648,083		—		648,083
Total	$	621,406	$	714,295	$	1,335,701

	2016					
		Unrestricted		Permanently restricted		Total
Donor restricted	$	(72,654)	$	714,295	$	641,641
Quasi (board designated)		604,750		—		604,750
Total	$	532,096	$	714,295	$	1,246,391

Changes in endowment net assets for the fiscal years ended June 30, 2017 and 2016 were as follows:

	2017					
		Unrestricted		Permanently restricted		Total
Net assets, June 30, 2016	$	532,096	$	714,295	$	1,246,391
Investment return		48,091		—		48,091
Unrealized gain		89,310		—		89,310
Distributions		(48,091)		—		(48,091)
Net assets, June 30, 2017	$	621,406	$	714,295	$	1,335,701

		Unrestricted		Permanently restricted		Total
Net assets, June 30, 2015	$	551,797	$	600,009	$	1,151,806
Investment return		46,110		—		46,110
Unrealized gain		(19,701)		—		(19,701)
Contributions		—		114,286		114,286
Distributions		(46,110)		—		(46,110)
Net assets, June 30, 2016	$	532,096	$	714,295	$	1,246,391

(5) Property and Equipment

Property and equipment consisted of the following at June 30:

	2017	2016
General infrastruction/public spaces	$ 146,712	$ 146,712
Electrical systems	307,594	307,594
Theatre seats	121,343	121,343
Theatre equipment	55,440	55,440
Leasehold Improvements/Theatre Reconfiguration	29,871	29,871
Production equipment	381,701	377,420
Vehicles	48,781	48,781
Computer hardware	88,453	78,444
	1,179,895	1,165,605
Less: accumulated depreciation	(848,885)	(783,303)
Total	$ 331,010	$ 382,302

Total depreciation expense for the years ended June 30, 2017 and 2016 was $68,015 and $73,924, respectively.

(6) Commitments

The Corporation is required to maintain a reserve of $70,000 under a union contract with Actors' Equity Association. The reserve represents two weeks of the maximum actors and stage managers' payroll, pension and benefit costs for the applicable season.

The Corporation has a $70,000 line of credit with Manufacturers and Traders Trust Company (M&T Bank) with an annual expiration. As of June 30, 2017 and 2016, there were no amounts outstanding under this line of credit.

(7) Temporarily Restricted Net Assets

Temporarily restricted net assets consisted of the following at June 30:

	2017	2016
Time restricted:		
Pledges receivable	$ 12,130	$ 20,908
Individual donation	—	500
Organization donation	5,000	—
Purpose restricted:	—	—
Capital campaign, individual donation	104,325	104,325
Total temporarily restricted net assets	$ 121,455	$ 125,733

(8) Benefit Plans

Actors, directors, and designers employed by the Corporation are eligible to participate in the Equity League Pension Trust Fund, SDC League Pension Fund, and the United Scenic Artists Pension Fund. In accordance with the union agreements, the Corporation is required to contribute 8%, 8%, and 9%, respectively, of the members' gross earnings to the funds. The totals contributed by the Corporation amounted to $53,450 and $43,693 for the fiscal years ended June 30, 2017 and 2016, respectively.

Eligible, nonunion employees participate in a TIAA defined-contribution plan. Expenses under the plan, which were based on 3%, 7%, or 11% of qualifying payroll, based on years of service, amounted to $93,130 and $96,656 for the fiscal years ended June 30, 2017 and 2016, respectively.

(9) Fundraising and Stage Guild Events

Revenues and expenses recognized by Fundraising events and the Stage Guild (a division of the Corporation) were recorded as an addition to unrestricted net assets as follows:

	2017	2016
Fundraising and Stage Guild events:		
Revenues	$ 121,260	$ 109,178
Expenses	(53,593)	(42,816)
Excess of revenues over expenses	$ 67,667	$ 66,362

(10) Subsidies, Grants, Benefits, and Donations

	2017	2016
Subsidies:		
Syracuse University – general	$ 1,866,134	$ 1,479,805
Syracuse University – operating	503,649	776,607
Grants:		
Federal	—	10,000
New York State	36,000	70,000
Onondaga County	37,671	76,574
Foundations	224,860	250,750
Donations:		
Individuals	347,127	255,319
Corporations	155,111	113,131
Service organizations	10,500	5,700
Subtotal	3,181,052	3,037,886
In-kind contributions and donated goods and services	476,779	535,078
Total	$ 3,657,831	$ 3,572,964

(11) Concentrations of Credit Risk

The Corporation maintains its principal banking relationship with one financial institution. At times, the Corporation has deposit funds in excess of Federal Deposit Insurance Corporation (FDIC) limits. The Corporation has never experienced losses in such accounts.

(12) Subsequent Events

The Corporation has evaluated subsequent events for potential recognition or disclosure through November 16, 2017, the date on which the financial statements were available to be issued.

SU THEATRE CORPORATION
(d/b/a Syracuse Stage)

Supplemental Schedule of Expenses

Years ended June 30, 2017 and 2016

	2017					2016				
	SU Theatre Corporation	**Syracuse University**	**In-kind contributions**	**Allocation to/from other functional expense categories**	**Total**	**SU Theatre Corporation**	**Syracuse University**	**In-kind contributions**	**Allocation to/from other functional expense categories**	**Total**
Payroll & fees expense:										
Guest artist payroll & fees	$ 742,802	$ —	$ —	$ —	$ 742,802	$ 573,467	$ —	$ —	$ —	$ 573,467
Fringe & payroll tax	196,918	—	—	—	196,918	158,856	—	—	—	158,856
Production staff payroll	1,171,736	146,806	—	—	1,318,542	992,134	241,740	—	—	1,233,874
Fringe & payroll tax	355,527	42,472	—	—	397,999	306,073	81,846	—	—	387,919
Marketing, fundraising and education staff payroll	560,799	—	—	—	560,799	788,853	—	—	—	788,853
Fringe & payroll tax	123,956	—	—	—	123,956	155,707	—	—	—	155,707
Administrative staff payroll	458,808	48,360	—	—	507,168	444,307	55,055	—	—	499,362
Fringe & payroll tax	84,985	18,260	—	—	103,245	80,960	21,687	—	—	102,647
Allocated to other categories	—	—	—	(3,951,429)	(3,951,429)	—	—	—	(3,900,685)	(3,900,685)
	3,695,531	255,898	—	(3,951,429)	—	3,500,357	400,328	—	(3,900,685)	—
Production expense:										
Royalties	215,631	—	—	—	215,631	165,282	—	—	—	165,282
Scripts	1,383	—	—	—	1,383	4,868	—	—	—	4,868
Guest artist housing	78,195	85,052	—	—	163,247	94,162	77,066	—	—	171,228
Casting services	40,294	—	—	—	40,294	36,548	—	—	—	36,548
Production materials	188,287	—	—	—	188,287	186,162	—	—	—	186,162
Production supplies	33,425	—	—	—	33,425	29,175	—	—	—	29,175
Hairstyling and make-up	351	—	—	—	351	700	—	—	—	700
Travel and per diem expense	130,639	—	—	—	130,639	111,551	—	—	—	111,551
Co-production expense	53,738	—	—	—	53,738	340	—	—	—	340
Accessibility and open captioning	7,942	—	—	—	7,942	6,605	—	—	—	6,605
Miscellaneous production expense	21,013	5,584	—	—	26,597	14,470	—	—	—	14,470
Production depreciation expense	22,084	—	—	—	22,084	23,743	—	—	—	23,743
Allocated payroll expenses	—	—	—	2,656,261	2,656,261	—	—	—	2,354,116	2,354,116
	792,982	90,636	—	2,656,261	3,539,879	673,606	77,066	—	2,354,116	3,104,788
Marketing, education and fundraising expense:										
Printing	56,339	45,454	—	—	101,793	49,326	47,409	—	—	96,735
Advertising	151,710	—	—	—	151,710	94,775	42,842	70,000	—	207,617
Mailing services	44,264	—	—	—	44,264	33,088	2,569	—	—	35,657
Community engagement	5,457	—	—	—	5,457	3,957	—	—	—	3,957
Miscellaneous marketing	28,605	—	—	—	28,605	15,918	—	—	—	15,918
Educational programs	29,833	—	—	—	29,833	24,282	—	—	—	24,282
Fundraising activities	30,913	—	35,369	—	66,282	27,196	—	15,498	—	42,694
Allocated payroll expenses	—	—	—	684,755	684,755	—	—	—	944,560	944,560
	347,121	45,454	35,369	684,755	1,112,699	248,542	92,820	85,498	944,560	1,371,420

(Continued)

SU THEATRE CORPORATION
(d/b/a Syracuse Stage)

Supplemental Schedule of Expenses

Years ended June 30, 2017 and 2016

	2017					2016				
	SU Theatre Corporation	**Syracuse University**	**In-kind contributions**	**Allocation to/from other functional expense categories**	**Total**	**SU Theatre Corporation**	**Syracuse University**	**In-kind contributions**	**Allocation to/from other functional expense categories**	**Total**
Administration expense:										
Insurance	1,191	-	8,411	-	9,602	1,146	-	5,507	-	6,653
Telephone	727	19,855	-	-	20,582	26	21,897	-	-	21,923
Postage/shipping	1,370	5,812	-	-	7,182	1,113	6,389	-	-	7,502
Banking service charges	1,813	-	-	-	1,813	28,683	-	-	-	28,683
Office equipment and supplies	14,362	2,539	-	-	16,901	12,721	4,641	-	-	17,362
Dues and subscriptions	17,328	-	-	-	17,328	16,722	-	-	-	16,722
Printing	8,631	-	-	-	8,631	4,524	-	-	-	4,524
Meetings and travel expense	13,471	-	-	-	13,471	812	-	-	-	812
Personnel recruitment	27,922	-	-	-	27,922	38,737	52,500	-	-	91,237
Vehicle maintenance and repair	3,524	2,335	-	-	5,859	4,148	9,028	-	-	13,176
Warehouse rental	30,923	16,443	-	-	47,366	30,237	7,686	-	-	37,923
Facility rental	-	-	302,547	-	302,547	-	-	301,595	-	301,595
Accounting fees and services	31,019	-	-	-	31,019	22,847	28,517	-	-	51,364
Physical plant maintenance and supply	6,871	2,076	130,452	-	139,399	1,458	3,307	142,478	-	147,243
Physical plant utilities	-	56,048	-	-	56,048		57,191	-	-	57,191
Computer services	49,176	6,553	-	-	55,729	41,603	15,237	-	-	56,840
Miscellaneous general expense	32,609	-	-	-	32,609	22,892	-	-	-	22,892
Concessions	56,210	-	-	-	56,210	42,546	-	-	-	42,546
Capital campaign depreciation	39,666	-	-	-	39,666	43,614	-	-	-	43,614
Office equipment depreciation	6,265	-	-	-	6,265	6,567	-	-	-	6,567
Allocated payroll expenses	-	-	-	610,413	610,413	-	-	-	602,009	602,009
	343,078	111,661	441,410	610,413	1,506,562	320,396	206,393	449,580	602,009	1,578,378
Fundraising and Stage Guild events	53,593	-	-	-	53,593	42,816	-	-	-	42,816
Total expenses	$ 5,232,305	$ 503,649	$ 476,779	$ -	$ 6,212,733	$ 4,785,717	$ 776,607	$ 535,078	$ -	$ 6,097,402

The accompanying notes are an integral part of these statements.