ROCKLAND COUNTY
ECONOMIC ASSISTANCE CORPORATION

INDEPENDENT AUDIT REPORT

DECEMBER 31, 2013

KRPJ

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INDEPENDENT AUDITOR'S 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*

To the Members of
Rockland County Economic Assistance Corporation
Pearl River, 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 financial statements of Rockland County Economic Assistance Corporation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2013, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 18, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Rockland County Economic Assistance Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Rockland County Economic Assistance Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a 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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rockland County Economic Assistance Corporation'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 the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Korn Rosenbaum LLP

Korn Rosenbaum LLP
Pomona, NY
March 18, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Rockland County Economic Assistance Corporation
Pearl River, New York

We have audited the accompanying financial statements of Rockland County Economic Assistance Corporation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2013 and December 31, 2012, and the related statements of activities, changes in net assets and cash flows for the years then ended, and the related notes to the financial statements. The prior year summarized comparative information has been derived from Rockland County Economic Assistance Corporation's 2012 financial statements and, in our report dated March 15, 2013, we expressed an unqualified opinion on those 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 of 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 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 of 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.

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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 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 Rockland County Economic Assistance Corporation as of December 31, 2013 and 2012, and the changes 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 18, 2014, on our consideration of Rockland County Economic Assistance Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rockland County Economic Assistance Corporation's internal control over financial reporting and compliance.

Korn Rosenbaum LLP

Korn Rosenbaum LLP
Pomona, NY
March 18, 2014

ROCKLAND COUNTY ECONOMIC ASSISTANCE CORPORATION
STATEMENT OF NET ASSETS
AS OF DECEMBER 31,

	2013	2012
ASSETS		
CURRENT ASSETS		
Cash and Equivalents	$ 15,378	$ 39,785
TOTAL ASSETS	$ 15,378	$ 39,785
LIABILITIES		
TOTAL LIABILITIES	$ -	$ -
NET ASSETS		
Unrestricted	15,378	39,785
TOTAL LIABILITIES AND NET ASSETS	$ 15,378	$ 39,785

See accompanying notes.

ROCKLAND COUNTY ECONOMIC ASSISTANCE CORPORATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012
CHANGES IN UNRESTRICTED NET ASSETS:		
REVENUES AND GAINS		
Closing Fees	$ -	$ 35,000
Application Fees	500	750
Interest	51	79
TOTAL UNRESTRICTED REVENUES AND GAINS	$ 551	$ 35,829
EXPENSES		
Community Outreach	$ -	$ -
Software Licensing	-	-
Office Expenses	1,153	648
Administrative Support	19,000	16,829
Advertising	2,500	2,350
Professional Services	2,305	2,950
TOTAL EXPENSES	$ 24,958	$ 22,777
INCREASE IN UNRESTRICTED NET ASSETS	$ (24,407)	$ 13,052
Unrestricted Net Assets - Beginning of Year	39,785	26,733
Unrestricted Net Assets - End of Year	$ 15,378	$ 39,785

See accompanying notes.

ROCKLAND COUNTY ECONOMIC ASSISTANCE CORPORATION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31,

	2013	2012
Net Assets, Beginning of Year	$ 39,785	$ 26,733
Increase (Decrease) in Net Assets	(24,407)	13,052
NET ASSETS, END OF YEAR	$ 15,378	$ 39,785

See accompanying notes.

ROCKLAND COUNTY ECONOMIC ASSISTANCE CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets - Unrestricted	$ (24,407)	$ 13,052
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ (24,407)	$ 13,052
CASH FLOWS FROM INVESTING ACTIVITIES		
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	$ -	$ -
NET INCREASE (DECREASE) IN CASH	$ (24,407)	$ 13,052
CASH - BEGINNING OF YEAR	39,785	26,733
CASH - END OF YEAR	$ 15,378	$ 39,785
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash Paid for Interest	$ -	$ -

See accompanying notes.

ROCKLAND COUNTY ECONOMIC ASSISTANCE CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The books of the Rockland County Economic Assistance Corporation (RCEAC) are maintained on the accrual basis of accounting. Using this method, revenues are recognized when earned and expenses are recognized when incurred.

NOTE B ORGANIZATION

The Corporation was created in 2011 by the Legislature of Rockland County for the purpose of encouraging economic growth for not for profit entities in the County of Rockland. The Corporation, although established by the County of Rockland Legislature, is a separate entity and operates independently of the County of Rockland.

NOTE C INVESTMENTS

The corporation's investment policies are governed by State statutes. Corporation monies must be deposited in FDIC insured commercial banks or trust companies located within the State. The Corporation is authorized to use demand accounts and certificates of deposits. Permissible investments include obligations of the U.S. Treasury, and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit at (105%) of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its Agencies and obligations of the State and its municipalities and school districts.

The RCEAC's cash accounts are fully insured and/or collateralized as required by state requirements.