

ROCKLAND COUNTY  
ECONOMIC ASSISTANCE CORPORATION

INDEPENDENT AUDIT REPORT

DECEMBER 31, 2015



**Korn Rosenbaum LLP**  
**Certified Public Accountants**  
26 Firemens Memorial Drive  
Suite 110  
Pomona, New York 10970  
Telephone: 845-354-4646  
Fax: 845-354-6705  
website: www.krpj.com  
email: info@krpj.com

David W. Wemmer, CPA  
Kathleen M. Haubner, CPA  
Murray L. Korn, CPA  
(1924 - 2007)  
Irwin I. Rosenbaum, CPA  
(1926 - 2009)  
William S. Phillips, CPA  
Thomas F. Jauntig, Jr. CPA

**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, 2015, 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 17, 2016.

**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.



### **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.

A handwritten signature in cursive script that reads "Korn Rosenbaum LLP".

Korn Rosenbaum LLP  
Pomona, NY  
March 17, 2016



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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, 2015 and December 31, 2014, 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 2014 financial statements and, in our report dated March 18, 2015, 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.



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, 2015 and 2014, 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 17, 2016, 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  
Pomona, NY  
March 17, 2016

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

	<u>2015</u>	<u>2014</u>
<u>ASSETS</u>		
<u>CURRENT ASSETS</u>		
Cash and Equivalents	\$ 93,577	\$ 102,539
<u>TOTAL ASSETS</u>	<u>\$ 93,577</u>	<u>\$ 102,539</u>
 <u>LIABILITIES</u>		
Accounts Payable	\$ 5,700	\$ 5,700
<u>TOTAL LIABILITIES</u>	<u>\$ 5,700</u>	<u>\$ 5,700</u>
 <u>NET ASSETS</u>		
Unrestricted	<u>87,877</u>	<u>96,839</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 93,577</u>	<u>\$ 102,539</u>

See accompanying notes.

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

	<u>2015</u>	<u>2014</u>
<u>CHANGES IN UNRESTRICTED NET ASSETS:</u>		
<u>REVENUES AND GAINS</u>		
Closing Fees	\$ -	\$ 27,380
Application Fees	1,000	1,000
Agency Fees	-	64,266
Interest	<u>72</u>	<u>35</u>
<u>TOTAL UNRESTRICTED REVENUES AND GAINS</u>	<u>\$ 1,072</u>	<u>\$ 92,681</u>
<u>EXPENSES</u>		
Office Expenses	\$ -	\$ 197
Administrative Support	7,574	5,700
Advertising	-	2,708
Professional Services	<u>2,460</u>	<u>2,615</u>
<u>TOTAL EXPENSES</u>	<u>\$ 10,034</u>	<u>\$ 11,220</u>
<u>INCREASE IN UNRESTRICTED NET ASSETS</u>	\$ (8,962)	\$ 81,461
Unrestricted Net Assets - Beginning of Year	<u>96,839</u>	<u>15,378</u>
Unrestricted Net Assets - End of Year	<u>\$ 87,877</u>	<u>\$ 96,839</u>

See accompanying notes.

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

	<u>2015</u>	<u>2014</u>
Net Assets, Beginning of Year	\$ 96,839	\$ 15,378
Increase (Decrease) in Net Assets	<u>(8,962)</u>	<u>81,461</u>
<u>NET ASSETS, END OF YEAR</u>	<u>\$ 87,877</u>	<u>\$ 96,839</u>

See accompanying notes.

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

	<u>2015</u>	<u>2014</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Increase (Decrease) in Net Assets - Unrestricted	\$ (8,962)	\$ 81,461
Increase in Accounts Payable	-	5,700
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>	<u>\$ (8,962)</u>	<u>\$ 87,161</u>
 <u>NET INCREASE (DECREASE) IN CASH</u>	 <u>\$ (8,962)</u>	 <u>\$ 87,161</u>
CASH - BEGINNING OF YEAR	102,539	15,378
CASH - END OF YEAR	<u>\$ 93,577</u>	<u>\$ 102,539</u>
 <u>SUPPLEMENTAL CASH FLOW INFORMATION:</u>		
Cash Paid for Interest	\$ -	\$ -

ROCKLAND COUNTY ECONOMIC ASSISTANCE CORPORATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2015

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.