

ROCKLAND COUNTY
ECONOMIC ASSISTANCE CORPORATION

AUDIT REPORT

DECEMBER 31, 2011



Korn Rosenbaum LLP
Certified Public Accountants
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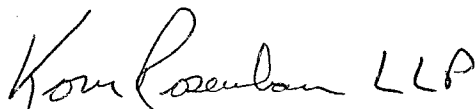
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Murray L. Korn, CPA
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Irwin I. Rosenbaum, CPA
(1926 - 2009)
William S. Phillips, CPA
Thomas F. Jauntig, Jr. CPA

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

We have audited the accompanying statement of financial position of the Rockland County Economic Assistance Corporation as of December 31, 2011 and the related statements of activities, changes in net assets and cash flows for the year ended December 31, 2011. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our 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, 2011, and the results of its operations for the years ended December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.


Korn Rosenbaum LLP
April 26, 2012



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING

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

We have audited the general-purpose financial statements of the Rockland County Economic Assistance Corporation as of and for the year ended December 31, 2011, and have issued our report thereon dated April 26, 2012. 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.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of Rockland County Economic Assistance Corporation is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Rockland County Economic Assistance Corporation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Rockland County Economic Assistance Corporation's internal control over financial reporting.



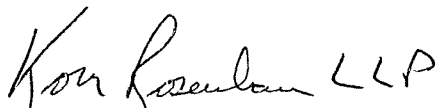
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Rockland County Economic Assistance Corporation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.


Korn Rosenbaum LLP

April 26, 2012

ROCKLAND COUNTY ECONOMIC ASSISTANCE CORPORATION
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2011

2011

ASSETS

CURRENT ASSETS

Cash and Equivalents
Accounts Receivable

\$ 26,733

-

TOTAL ASSETS

\$ 26,733

LIABILITIES

TOTAL LIABILITIES

\$ -

NET ASSETS

Unrestricted

26,733

TOTAL LIABILITIES AND NET ASSETS

\$ 26,733

See notes to the financial statements.

ROCKLAND COUNTY ECONOMIC ASSISTANCE CORPORATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

2011

CHANGES IN UNRESTRICTED NET ASSETS:

REVENUES AND GAINS

Closing Fees	\$	32,610
Interest		<u>22</u>

<u>TOTAL UNRESTRICTED REVENUES AND GAINS</u>	<u>\$</u>	<u>32,632</u>
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EXPENSES

Community Outreach	\$	3,480
Software Licensing		2,200
Office Expenses		<u>219</u>

<u>TOTAL EXPENSES</u>	<u>\$</u>	<u>5,899</u>
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<u>INCREASE IN UNRESTRICTED NET ASSETS</u>	<u>\$</u>	<u>26,733</u>
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Unrestricted Net Assets - Beginning of Year		<u>-</u>
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Unrestricted Net Assets - End of Year	<u>\$</u>	<u>26,733</u>
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See notes to the financial statements.

ROCKLAND COUNTY ECONOMIC ASSISTANCE CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011

2011

CASH FLOWS FROM OPERATING ACTIVITIES

Increase (Decrease) in Net Assets - Unrestricted	\$ <u>26,733</u>
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<u>NET CASH PROVIDED BY OPERATING ACTIVITIES</u>	\$ <u>26,733</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

<u>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</u>	\$ <u>-</u>
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<u>NET (DECREASE) INCREASE IN CASH</u>	\$ 26,733
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CASH - BEGINNING OF YEAR	<u>-</u>
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CASH - END OF YEAR	<u>\$ 26,733</u>
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SUPPLEMENTAL CASH FLOW INFORMATION:

Cash Paid for Interest	<u>\$ -</u>
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See notes to the financial statements.

ROCKLAND COUNTY ECONOMIC ASSISTANCE CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

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.