

THE ROCKLAND COMMUNITY FOUNDATION  
FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
JUNE 30, 2017 AND JUNE 30, 2016

THE ROCKLAND COMMUNITY FOUNDATION  
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
The Rockland Community Foundation  
Nyack, New York 10960

We have audited the accompanying financial statements of The Rockland Community Foundation (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017 and 2016 and the related statements of activities and cash flows for the years 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 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 have 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 The Rockland Community Foundation as of June 30, 2017, 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 Matter*

As discussed in Note 10, the assets managed by Orange Sullivan Community Fund (OCSF) are part of a pooled fund. The Rockland Community Foundation relies on the internal control of the OCSF for reporting of their share of the pooled fund. We have placed reliance on the audit procedures performed by the auditor of OCSF as they performed audit procedures for the year ended June 30, 2017.

*Berard & Associates CPA's PC*

Berard & Associates, CPA's P.C.  
Suffern, New York  
February 16, 2018

**THE ROCKLAND COMMUNITY FOUNDATION  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2017 AND 2016**

<b>ASSETS</b>	<u>2017</u>	<u>2016</u>
Current Assets		
Cash	\$ 22,217	\$ 36,086
Investments	1,933,094	1,822,477
Fees Due from Funds	16,380	10,188
Pledges Receivable	<u>9,750</u>	<u>14,817</u>
Total Current Assets	<u>1,981,441</u>	<u>1,883,568</u>
 Total Assets	 <u>\$ 1,981,441</u>	 <u>\$ 1,883,568</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accrued Expenses	<u>\$ 14,580</u>	<u>\$ 12,301</u>
Total Current Liabilities	<u>14,580</u>	<u>12,301</u>
 Unrestricted Net Assets	 22,217	 36,086
Board Restricted Net Assets		
Total Board Restricted Net Assets	<u>1,642,434</u>	<u>1,624,136</u>
Total Unrestricted Net Assets	<u>1,664,651</u>	<u>1,660,222</u>
 Temporarily (Donor) Restricted Net Assets	 302,210	 211,045
 Permanently Restricted Net Assets	 <u>-</u>	 <u>-</u>
 Total Net Assets	 <u>1,966,861</u>	 <u>1,871,267</u>
 Total Liabilities and Net Assets	 <u>\$ 1,981,441</u>	 <u>\$ 1,883,568</u>

See accompanying notes and independent auditor's report.

**THE ROCKLAND COMMUNITY FOUNDATION  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016**

	Unrestricted	Temporarily Restricted	Permanently Restricted	2017 Total	2016
<b>Support and Revenue</b>					
Support - Contributions	\$ 881,218	\$ 76,461	\$ -	\$ 957,679	\$ 1,177,494
Grants	1,016	-	-	1,016	
Fees Collected	34,880	-	-	34,880	23,639
Fund Raising Events (Net of Expenses of \$8,035 and \$8,669, respectively)	28,070	-	-	28,070	42,301
Dividend and Interest Income	31,330	4,979	-	36,309	19,035
Unrealized Gain/(Loss) on Investments	95,154	17,427	-	112,581	(11,529)
Miscellaneous Income	-	-	-	-	747
<b>Total Support and Revenue</b>	<u>1,071,668</u>	<u>98,867</u>	<u>-</u>	<u>1,170,535</u>	<u>1,251,687</u>
<b>Expenses</b>					
<b>Program Services</b>					
Donations	1,985	-	-	1,985	200
Grants	445,700	5,300	-	451,000	580,381
Fund Program Expenses	493,241	1,341	-	494,582	148,686
Consulting Services	40,181	-	-	40,181	39,996
Postage and Printing	1,928	-	-	1,928	2,184
Telephone	622	-	-	622	552
Marketing	2,013	-	-	2,013	1,156
<b>Total Program Services</b>	<u>985,670</u>	<u>6,641</u>	<u>-</u>	<u>992,311</u>	<u>773,155</u>
<b>Supporting Services</b>					
Accounting Fees	7,075	-	-	7,075	6,159
Admin Fees	46,756	632	-	47,388	21,170
Support Staff	8,865	-	-	8,865	2,907
Office Expense	780	-	-	780	1,409
Dues & Subscriptions	377	-	-	377	745
Filing Fees	275	-	-	275	550
Meetings & Functions	657	-	-	657	832
Insurance - D&O	1,421	-	-	1,421	1,224
Bank and Broker Fees	15,363	429	-	15,792	10,221
<b>Total Supporting Services</b>	<u>81,569</u>	<u>1,061</u>	<u>-</u>	<u>82,630</u>	<u>45,217</u>
<b>Total Expenses</b>	<u>1,067,239</u>	<u>7,702</u>	<u>-</u>	<u>1,074,941</u>	<u>818,372</u>
<b>Change in Net Assets</b>	4,429	91,165	-	95,594	433,315
<b>Net Assets-Beginning of Year</b>	<u>1,660,222</u>	<u>211,045</u>	<u>-</u>	<u>1,871,267</u>	<u>1,437,952</u>
<b>Net Assets-End of Year</b>	<u>\$ 1,664,651</u>	<u>\$ 302,210</u>	<u>\$ -</u>	<u>\$ 1,966,861</u>	<u>1,871,267</u>

See accompanying notes and independent auditor's report.

**THE ROCKLAND COMMUNITY FOUNDATION  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
Operating Activities:		
Change in Net Assets	\$ 95,594	\$ 433,315
Adjustments to reconcile net assets to net cash provided by operating activities:		
Unrealized gain (loss) on investments	(112,581)	11,529
Changes in operating assets and liabilities:		
Increase (decrease) in accounts receivable	(1,125)	(7,781)
(Decrease) increase in accrued expenses	2,279	(15,106)
Net Cash Provided by Operating Activities	<u>(15,833)</u>	<u>421,957</u>
Cash Flows from Investing Activities		
(Purchases) of investments	<u>1,964</u>	<u>(397,486)</u>
Net Cash (Used in) Investing Activities	<u>1,964</u>	<u>(397,486)</u>
Cash Flows from Financing Activities	<u>-</u>	<u>-</u>
Net Increase (decrease) in Cash	(13,869)	24,471
Cash - Beginning of Year	<u>36,086</u>	<u>11,615</u>
Cash - End of Year	<u>\$ 22,217</u>	<u>\$ 36,086</u>
Supplemental Disclosure:		
Income taxes	<u>N/A</u>	<u>N/A</u>
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Non-Cash Disclosure:		
Donated Services	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes and independent auditor's report.

THE ROCKLAND COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

The Rockland Community Foundation (a not-for-profit organization), was organized in the State of New York in 2005. The Rockland Community Foundation is working to improve the quality of life in our region by connecting donors with the local charitable causes they care about most. Whether through grants, scholarships, disaster response, or our position as a community leader addressing pressing needs, we're dedicated to making things better in the place we all call home. The Organization obtains the majority of its income from public donations.

Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (GAAP) for the nonprofit industry.

Financial Statement Presentation

The Rockland Community Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

- Unrestricted Net Assets are net assets that are not subject to donor-imposed stipulations.
- Temporarily Restricted Net Assets are net assets subject to donor-imposed stipulations that may or will be met, whether by actions of the Organization and/or passage of time. Temporarily restricted support is reported as an increase in temporarily restricted net assets and, when the restriction expires, is reclassified to unrestricted net assets. It is the policy of The Rockland Community Foundation to account for temporarily restricted funds, which are expended in the same year, to be recorded as unrestricted.
- Permanently Restricted Net Assets are subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of such assets permit the Organization to use all or part of the income earned on the assets. Currently, the Organization does not have any permanently restricted net assets.

GAAP provides that, if a governing body of an organization has the unilateral power to redirect the use of a donor's contribution to another beneficiary, such contributions must be classified as unrestricted net assets. The Organization's Board of Directors has that ability (variance power); however, they would intend to exercise this authority only if the stated purpose of the contribution becomes no longer applicable and incapable of fulfillment.

The Organization also may also act as an Agent to raise monies for certain other nonprofit organizations.

THE ROCKLAND COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONT')

Revenue Recognition

Contributions are considered available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the contribution was deemed unconditional.

Donated Services

No amounts have been reflected in the financial statements for donated services. The organization generally pays for services requiring specific expertise. Many individuals and professionals volunteer their time and expertise for the tasks that permit the Organization to meet charitable needs throughout the community. No formal accounting is maintained for the thousands of hours of volunteer effort that is expended.

Cash and Cash Equivalents

The Organization considers all highly liquid investments available for current use with a maturity of three months or less to be cash equivalents except money market funds and certificates of deposit at investment companies which are classified as investments.

Pledges Receivable

Unconditional pledges are recorded as receivables in the year pledged. Discounts are currently deemed immaterial and not calculated. Conditional pledges receivable are recognized only when the conditions on which they depend are substantially met. Pledges and other promises to give, whose eventual uses are restricted by the donors, are recorded as increases in temporarily restricted net assets. Unrestricted pledges to be collected in future periods are also recorded as an increase to temporarily restricted net assets and reclassified to unrestricted net assets when received.

Management has assessed the collectability of promises to give based on collection history and past experience with the donors and has estimated that the pledges receivable are fully collectible at year end.

Grants Payable

Grants payable are recognized as expenses when approved. Conditional grants are recognized when the conditions upon which they depend are substantially met.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.



THE ROCKLAND COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES-(CONT'D)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Tax Status

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170 (b)(1)(A) and has been classified as an organization other than a private foundation.

NOTE 2 - PROGRAMS

The Organization provides charitable services in the areas of scholarships, the under-served, youth issues, educational programs and community granting.

**To donors**, we provide a simple yet effective means to achieve both their charitable and tax savings goals, allowing them to address specific issues through funds that they create and we steward.

**To charitable organizations**, we are a source of grant funding for programs that enable them to enhance the quality of life for those they touch.

**To students**, we provide scholarships that will help support their future educational goals.

**In times of crisis**, we are the County's advocate, working with local individuals and businesses to channel their donor dollars for recovery funding at home.

NOTE 3 – INVESTMENTS

At June 30, 2017 and 2016, respectively, investments were \$1,933,094 and \$1,822,477 with The Community Foundation of Orange and Sullivan counties (CFOS) as part of a pooled fund.

For the year ended June 30, 2017 and 2016, investment income was \$36,309 and \$19,035 and unrealized gains/(losses) were \$112,581 and (\$11,529).

THE ROCKLAND COMMUNITY FOUNDATION  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

**NOTE 4 – FAIR VALUE INVESTMENTS**

Fair values of assets measured on a recurring basis at June 30, 2017, are as follows:

	<u>Fair Value</u>	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment with OCSF	<u>\$1,933,094</u>	<u>\$-0-</u>	<u>\$1,933,094</u>	<u>\$ -0-</u>

Fair values of assets measured on a recurring basis at June 30, 2016, are as follows:

	<u>Fair Value</u>	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment with OCSF	<u>\$1,822,477</u>	<u>\$-0-</u>	<u>\$1,822,477</u>	<u>\$ -0-</u>

The Organization follows Financial Accounting Standards Board (FASB) guidance on *Fair Value Measurements*, which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets, which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

**NOTE 5 - CONCENTRATION OF CREDIT RISK**

The Organization has multiple bank accounts at two financial institutions. The balances at the financial institutions are insured by the Federal Deposit Insurance Corporation limit of up to \$250,000. At June 30, 2017, the Organization's cash accounts did not exceed the insured balances.

**NOTE 6 - DEFINITION OF FUNDS**

**Donor Advised Endowed Fund**

A Donor Advised Endowed Fund provides the donor with the privilege of naming the fund and can be established to honor or memorialize a loved one. The Donor Advisor can name successor advisors and can recommend grants to non-profit charitable organizations. All recommendations must be in accordance with IRS Regulations and the RCF Grant Disbursement Rules as set forth in this agreement. Donor Advisors of Endowed Funds may make non-compulsory suggestions regarding investments to their Fund's assets, where practical. A Donor Advised Fund is a permanent charitable fund which is a component fund in the Foundation.

THE ROCKLAND COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

**NOTE 6 - DEFINITION OF FUNDS (CONT'D)**

The donor of an endowment fund may include an explicit spending limitation in the gift instrument and/or limit the expenditure so as not to expend funds below the original dollar value of the gift, in accordance with the New York Prudent Management of Institutional Funds Act. (NYPMIFA).

**Donor Advised Non-Endowed Fund**

A Donor Advised Non-Endowed Fund offers the same benefits as an endowed fund but does not allow for longevity as the fund may eventually be spent down to zero. As a result, it does not offer the same investment benefits as an endowed fund, since monies must be more readily accessible if the intent of the donor is to eventually spend it down.

**Scholarship**

Donations to these types of funds can benefit students at any education level, particular field of study, or specific situation, and can be established to honor or memorialize a loved one. The donor and parties related to the donor may serve on the selection committee but they cannot directly or indirectly control the decisions of the committee. The RCF generally disburses scholarship funds to the institution the recipient attends and not to the individual.

**Agency Designated Fund – Endowed and Non-Endowed**

This type of fund is established by, and supports, one or more specific charitable organizations. The designated organization must be a 501(c)(3) non-profit. It cannot be a private foundation. A Designated Fund may be an endowed or non-endowed (“pass through”) fund.

**Field of Interest Fund**

Supports an area of particular interest to the founder of the fund. Donor has the privilege of naming the fund. The founder of a Field of Interest Fund may refer non-profit organizations that are engaged in charitable work in the fund’s field of interest to the RCF. All recommendations must be in accordance with IRS Regulations and the RCF Grant Disbursement rules as set forth in this agreement. The RCF Grants Committee reviews all funding requests received for these funds and determines what awards and grants are made to organizations that further the expressed mission of the fund.

**Committee Advised Fund**

This type of fund is established by groups of like-minded individuals who wish to pool their resources to maximize the impact of their charitable giving and make grants to the causes that are important to them. Donor has the privilege of naming your fund. The committee identifies the charitable causes it wishes to support and collectively determines and makes recommendations to where the funds can be directed. All recommendations must be in accordance with IRS Regulations and the RCF Grant Disbursement rules as set forth in this agreement. The RCF Gifts and Grants Committee reviews all funding requests received for these funds and determines what awards and grants are made to organizations that further the expressed mission of the fund. Grants are distributed from fund income, principal or a combination of the two.

THE ROCKLAND COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

**NOTE 6 - DEFINITION OF FUNDS (CONT'D)**

**Project Funds**

In certain situations, the RCF may establish a Project Fund to serve as the 501(c)(3) organization for a charitable cause so individuals or groups can avoid the time and expense of creating one. Also, this type of arrangement is often used by organizations who are becoming active and are in the process of filing for 501(c)(3) status and wish to begin collecting donations for their cause. An outline of the Project must be provided for review and approved by the RCF and all related fundraising activities must adhere to RCF Fundraising Policy and are subject to approval by the RCF.

**Board Administered Funds**

Created by the Board of Directors to provide funding support for a particular cause or activity. Monies in support of board directed funds are allocated by the Board from operating revenues or come from donations made directly to the specific funds.

**NOTE 7- ENDOWMENT FUNDS**

The Rockland Community Foundation's endowment consists of funds established for a variety of purposes. Its endowment includes funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

**Interpretation of Relevant Law**

The Board of Directors of The Rockland Community Foundation has interpreted the New York State Prudent Management Institutional Funds Act (NYPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, The Rockland Community Foundation classifies as permanently restricted net assets (a) the original values of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by NYPMIFA.

THE ROCKLAND COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

**NOTE 7- ENDOWMENT FUNDS (CONT'D)**

In accordance with NYPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. General economic conditions
2. The possible effect of inflation and deflation
3. The duration and preservation of the endowment fund
4. The purposes of the endowment fund
5. The expected total return from income and appreciation of investments
6. Other resources of the organization
7. Alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the institution.
8. The investment policy of the institution.

**Return Objectives and Risk Parameters**

The Rockland Community Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. The Rockland Community Foundation expects its endowment funds, over time, to provide an average rate of return of approximately 6 percent annually. Actual returns in any given year may vary from this amount.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, The Rockland Community Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints along with a balance of fixed-income obligations.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Board of Directors of The Rockland Community Foundation has a policy of appropriating for distribution each year 4 percent of the market value of the fund as of December 31<sup>st</sup>, to be spent for general purposes in the following calendar year. The spending rate is set based upon the average of the market value of the Foundation's total earning assets over the preceding twenty - (20) quarter period.

THE ROCKLAND COMMUNITY FOUNDATION  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

NOTE 7- ENDOWMENT FUNDS (CONT'D)

On a monthly basis, all component funds will have the interest income, from the co-mingled investment account that the fund is invested in, allocated to each component fund. Allocations are based on the previous month's average fund balance.

On a quarterly basis, all component funds will have their asset balances restated to market value. Capital gains and losses on Foundation investments will then be allocated to each component fund based on the previous quarter's average fund balance.

In establishing this policy, the Organization considered the long-term expected return on its endowment. Accordingly, over the long term, the Organization expects the current spending policy to allow its endowment to grow at an average of 6 percent annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

CHANGES IN ENDOWMENT NET ASSETS FOR YEAR ENDED JUNE 30, 2017:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets				
Beginning of year	\$ -	\$211,045	\$ -	\$211,045
Contributions	-	76,461	-	\$76,461
Investment return				
Investment income	-	4,979	-	4,979
Net appreciation (realized and unrealized)	-	17,427	-	17,427
Appropriation of endowment assets for expenditure	-	(7,702)	-	(7,702)
Endowment net assets end of year	\$ -	\$ 302,210	\$ -	\$ 302,210

ENDOWMENT NET ASSET COMPOSITION BY TYPE OF FUND AS OF JUNE 30, 2017:

Endowment Funds	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor Restricted	\$ -	\$302,210	\$ -	\$302,210
Board Restricted	-	-	-	-
	\$ -	\$302,210	\$ -	\$302,210

THE ROCKLAND COMMUNITY FOUNDATION  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

**CHANGES IN ENDOWMENT NET ASSETS FOR YEAR ENDED JUNE 30, 2016:**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets				
Beginning of year	\$ -	\$178,896	\$ -	\$178,896
Investment return				
Investment income	-	4,304	-	4,304
Net appreciation (realized and unrealized)	-	1,873	-	1,873
Appropriation of endowment assets for expenditure	-	(5,812)	-	(5,812)
Endowment net assets end of year	\$ -	\$ 179,261	\$ -	\$ 179,261

**ENDOWMENT NET ASSET COMPOSITION BY TYPE OF FUND AS OF JUNE 30, 2016:**

Endowment Funds	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor Restricted	\$ -	\$179,261	\$ -	\$179,261
Board Restricted	-	-	-	-
	\$ -	\$179,261	\$ -	\$179,261

**NOTE 8 - CLASSIFICATION OF FUNDS**

Subsequent to the prior year's audit, the classifications of funds amongst unrestricted, temporarily restricted and permanently restricted were reallocated. To properly report the statement of activities the Net Assets-Beginning of Year have been restated from \$179,261 to \$211,045.

**NOTE 9 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events after the balance sheet date through February 16, 2018, the date the financial statement were available to be issued.

THE ROCKLAND COMMUNITY FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEARS ENDED JUNE 30, 2017 AND 2016

NOTE 10-MANAGEMENT SERVICES WITH CFOS

In the fall of 2015, the Organization contracted with The Community Foundation of Orange & Sullivan counties to manage and administer the majority of the investments and the accounting of the Rockland Community Foundation for a base fee of \$9,000 per year. The Rockland Community Foundation relies on the internal control of the CFOS for reporting of their share of the pooled Fund. Investments included in the pooled fund managed by CFOS at June 30, 2017 and 2016 were \$1,933,094 and \$1,822,477, respectively.