

JEWISH FEDERATION OF ROCKLAND COUNTY, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

JEWISH FEDERATION OF ROCKLAND COUNTY, INC.
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

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Independent Auditors' Report

The Board of Directors
Jewish Federation of Rockland County, Inc.
450 West Nyack Road
West Nyack, NY 10994

We have audited the accompanying statement of financial position of Jewish Federation of Rockland County (a not-for-profit corporation) as of June 30, 2017, and the related statements of activities, changes in net assets 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 misstatements.

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 Jewish Federation of Rockland County 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.

Rifkin & Company, LLP

November 6, 2017

JEWISH FEDERATION OF ROCKLAND COUNTY, INC.
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2017

Assets

Current Assets

Cash - Operating	\$ 132,272
Unconditional Promises to Give and Accounts Receivable	234,992
Prepaid Expenses	5,087
Investments	1,141,229
Total Current Assets	1,513,580

Other Assets

Security Deposit	3,300
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Total Assets	\$ 1,516,880
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Liabilities and Net Assets

Current Liabilities

Accounts Payable and Accrued Expenses	\$ 1,720
Total Current Liabilities	1,720

Total Liabilities	1,720
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Net Assets

Unrestricted	373,932
Temporarily Restricted	1,141,228
Total Net Assets	1,515,160

Total Liabilities and Net Assets	\$ 1,516,880
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See Independent Auditors' Report.

The accompanying notes are an integral part of these financial statements.

JEWISH FEDERATION OF ROCKLAND COUNTY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

<u>Revenue</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Contributions	\$ 695,924	\$ 11,768	\$ 707,692
Rockland Jewish Initiative	130,382	-	130,382
Unrealized Gain on Investments	-	106,638	106,638
Center For Jewish Education	52,202	-	52,202
Grants	13,275	10,700	23,975
Special Events (Net of Expenses)	2,971	-	2,971
Investment Income	-	34,268	34,268
Total Revenue	<u>894,754</u>	<u>163,374</u>	<u>1,058,128</u>
 Net Assets Released from Restriction	 <u>46,660</u>	 <u>(46,660)</u>	 <u>-</u>
 <u>Functional Expenses</u>			
Program Services	883,381	-	883,381
Management and General	76,208	26,742	102,950
Fundraising	96,690	-	96,690
Total Functional Expenses	<u>1,056,279</u>	<u>26,742</u>	<u>1,083,021</u>
 <u>Change in Net Assets</u>	 (114,865)	 89,972	 (24,893)
 <u>Net Assets, at Beginning of Year</u>	 <u>488,797</u>	 <u>1,051,256</u>	 <u>1,540,053</u>
 <u>Net Assets, at End of Year</u>	 <u>\$ 373,932</u>	 <u>\$ 1,141,228</u>	 <u>\$ 1,515,160</u>

See Independent Auditors' Report.

The accompanying notes are an integral part of these financial statements.

JEWISH FEDERATION OF ROCKLAND COUNTY, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2017

Change in Net Assets	\$ <u>(24,893)</u>
Adjustments to Reconcile Change in Net Assets to Net Cash Used In Operating Activities	
Unrealized Gains and Losses on Investments	(106,638)
Interest and Dividends in Investment Account	(34,268)
Decrease in Operating Assets:	
Unconditional Promises to Give and Accounts Receivable	21,555
Prepaid Expenses	4,282
Increase in Operating Liabilities:	
Accounts Payable and Accrued Expenses	<u>(26,029)</u>
Total Adjustments	<u>(141,098)</u>
Net Cash Used In Operating Activities	<u>(165,991)</u>
Cash Flows From Financing Activities:	
Transfers from Investment Account	<u>50,933</u>
Net Cash Provided by Financing Activities	<u>50,933</u>
<u>Net Decrease in Cash</u>	(115,058)
<u>Cash and Cash Equivalents, at Beginning of Year</u>	<u>247,330</u>
<u>Cash and Cash Equivalents, at End of Year</u>	<u>\$ 132,272</u>

See Independent Auditors' Report.

The accompanying notes are an integral part of these financial statements.

JEWISH FEDERATION OF ROCKLAND COUNTY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies

Nature of Activities:

Jewish Federation of Rockland County (the Organization) was incorporated June 20, 1985 under the laws of the State of New York as a not-for-profit corporation for the purposes of raising funds for the support of the Jewish communities and programs to benefit the local Jewish community. The Organization was originally formed as United Jewish Community of Rockland County. On May 16, 1994 the named was officially changed to UJA/Federation of Rockland County and finally changed to Jewish Federation of Rockland County on August 17, 1998.

Cash and Cash Equivalents:

For purpose of the statement of cash flows, the Organization considers all unrestricted, highly liquid investments with a maturity of three months or less, to be cash equivalents.

Income Tax Status:

The Organization is exempt from federal income tax by the Internal Revenue Service under Section 501(c)(3) of the Internal Revenue Code. The Organization has been classified as an organization that is not a private foundation under Section 170(b)(1)(A)(vi) and 509. It is also exempt from New York State Income taxes under current law. Therefore, no provisions for income taxes are made in the accompanying financial statements.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the fiscal years ending June 30, 2017, 2016 and 2015 are subject to examination by the IRS for three years after they were filed.

Investments:

Investments are marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Short-term investments consist of debt securities with original maturities of twelve months or less. Long-term investments consist of debt securities with original maturities greater than twelve months.

JEWISH FEDERATION OF ROCKLAND COUNTY, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

Promises to Give:

Unconditional promises to give are recognized as revenue or gains in the period received, and as assets or a reduction of liabilities depending upon the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Property and Equipment:

Equipment is recorded at cost if purchased, or at estimated fair market value if donated. Depreciation is computed using the straight-line method and is based on expected useful lives ranging from 5 to 7 years for equipment and furniture and 39.5 years for the building.

Restricted and Unrestricted Revenue:

Contributions are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of revenues, expenses and changes in net assets as net assets released from restrictions.

Use of Estimates:

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from these estimates.

Note 2: Date of Management's Review

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 6, 2017, the date which the financial statements were available to be issued.

JEWISH FEDERATION OF ROCKLAND COUNTY, INC.
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2017

Note 3: Fair Value Measurement

Level 1 inputs indicates assets/liabilities with the most transparent and tangible valuation techniques. A Level 1 financial instrument typically has quoted prices and active markets – for example, an equity stock or Treasury bill. This type of instrument has the most verifiable and reliable fair value measurement.

Level 3 inputs are investments whose fair value is based on factors that are unobservable with little, if any, market activity. Level 3 inputs are generally based on the best information available which may include the reporting entity’s own assumptions and data.

The following table represents the fair value hierarchy for the investments held on a recurring basis as of June 30, 2017.

<u>Description</u>	<u>Fair Value</u>	<u>Quoted Prices In Active Markets For Identical Assets Level 1</u>	<u>Significant Other Observable Inputs Level 2</u>	<u>Significant Unobservable Inputs Level 3</u>
Mutual Funds	\$ 1,141,228	\$ 1,141,228	\$ -0-	\$ -0-
Corporate Stocks	-0-	-0-	-0-	-0-
Municipal Bonds	-0-	-0-	-0-	-0-
	<u>\$ 1,141,228</u>	<u>\$ 1,141,228</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Note 4: Pledged Assets

The Organization had pledged assets held at JPMorgan Chase Bank, NA as collateral against debt of Rockland Jewish Academy Foundation. The assets were released from restriction and are held in an interest-bearing account. The balance at June 30, 2017 was \$265,099.