

**CATTARAUGUS REGION  
COMMUNITY FOUNDATION**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTAL MATERIAL**

**YEARS ENDED  
DECEMBER 31, 2011 AND 2010**

**CATTARAUGUS REGION COMMUNITY FOUNDATION**

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**INDEPENDENT AUDITORS' REPORT**

**To the Board of Directors**  
***Cattaraugus Region Community Foundation***  
**Olean, New York**

We have audited the accompanying statements of financial position of the ***Cattaraugus Region Community Foundation*** as of December 31, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation'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. Those standards require that we plan and perform the audits 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 the ***Cattaraugus Region Community Foundation*** as of December 31, 2011 and 2010, and the changes in its net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Buffamante Whipple Buttafaro, P.C.*  
**BUFFAMANTE WHIPPLE BUTTAFARO, P.C.**

**Jamestown, New York**  
**July 24, 2012**

**CATTARAUGUS REGION COMMUNITY FOUNDATION**  
**STATEMENTS OF FINANCIAL POSITION**

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<i>As of December 31,</i>	<b>2011</b>	<b>2010</b>
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents	\$ 934,514	\$ 462,006
Accounts receivable	1,000	305
Prepaid expense	8,183	7,002
	<hr/>	<hr/>
<b>Total current assets</b>	<b>943,697</b>	<b>469,313</b>
<b>Investments</b>	<hr/>	<hr/>
	8,148,825	9,159,048
	<hr/>	<hr/>
	<b>\$ 9,092,522</b>	<b>\$ 9,628,361</b>
	<hr/>	<hr/>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 7,742	\$ 13,990
<b>Funds held for Agencies</b>	<hr/>	<hr/>
	29,216	27,945
	<hr/>	<hr/>
<b>Total liabilities</b>	<b>36,958</b>	<b>41,935</b>
<b>Unrestricted net assets</b>		
Endowment	8,492,415	9,038,147
Non-Endowed	459,268	437,107
Operations/administration	103,881	111,172
	<hr/>	<hr/>
<b>Total net assets</b>	<b>9,055,564</b>	<b>9,586,426</b>
	<hr/>	<hr/>
	<b>\$ 9,092,522</b>	<b>\$ 9,628,361</b>
	<hr/>	<hr/>

**See accompanying independent auditors' report and notes to financial statements.**

**CATTARAUGUS REGION COMMUNITY FOUNDATION**  
**STATEMENTS OF ACTIVITIES**

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<i>Years ended December 31,</i>	<b>2011</b>	<b>2010</b>
<b>Support and Revenue</b>		
Gifts and donations	\$ 378,206	\$ 328,647
Unrealized gains (losses)	(401,418)	690,916
Gains (losses) on sale of securities	(123,084)	14,089
Administrative fees	400	400
Interest and dividends	231,794	195,511
<b>Total support and revenue</b>	<b>85,898</b>	<b>1,229,563</b>
<b>Expenditures</b>		
Program services	69,142	45,695
Management and general	138,164	90,976
Grants to others	409,454	434,673
<b>Total expenditures</b>	<b>616,760</b>	<b>571,344</b>
<b>Change in net assets</b>	<b>(530,862)</b>	<b>658,219</b>
<b>Net assets, at beginning of year</b>	<b>9,586,426</b>	<b>8,928,207</b>
<b>Net assets, at end of year</b>	<b>\$ 9,055,564</b>	<b>\$ 9,586,426</b>

*See accompanying independent auditors' report and notes to financial statements.*

**CATTARAUGUS REGION COMMUNITY FOUNDATION**  
**STATEMENTS OF CASH FLOWS**

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<b>Years ended December 31,</b>	<b>2011</b>	<b>2010</b>
<b>Cash flows from operating activities</b>		
Change in net assets	<b>\$ (530,862)</b>	<b>\$ 658,219</b>
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	- -	245
Unrealized (gains) losses on investments	401,418	(690,916)
Realized (gains) losses on investments	123,084	(14,089)
Change in operating assets and liabilities:		
Accounts receivable	(695)	(305)
Prepaid expense	(1,181)	1,132
Assets held for the benefit of other organizations	1,271	9,254
Accounts payable	(6,248)	(6,416)
<b>Net cash used in operating activities</b>	<b>(13,213)</b>	<b>(42,876)</b>
<b>Cash flows from investing activities</b>		
Sale of investments	820,260	485,119
Purchase of investments	(334,539)	(401,009)
<b>Net cash provided by investing activities</b>	<b>485,721</b>	<b>84,110</b>
<b>Net change in cash</b>	<b>472,508</b>	<b>41,234</b>
<b>Cash and cash equivalents, at beginning of year</b>	<b>462,006</b>	<b>420,772</b>
<b>Cash and cash equivalents, at end of year</b>	<b>\$ 934,514</b>	<b>\$ 462,006</b>

*See accompanying independent auditors' report and notes to financial statements.*

**CATTARAUGUS REGION COMMUNITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

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**NOTE 1 - SUMMARY OF ACCOUNTING POLICIES**

**Nature of Operations**

*Cattaraugus Region Community Foundation* (the Foundation), an affiliated organization of the Greater Olean Area Chamber of Commerce, was formed on September 20, 1994. The Foundation was formed to solicit, receive, and maintain endowment funds for the benefit of charitable endeavors in the greater Olean, New York area. In addition, the organization is exempt from New York State income tax. On March 1, 2006, the organization filed an Assumed Name Certificate and began conducting business as *Cattaraugus Region Community Foundation*.

**Basis of Accounting**

The financial statements of *Cattaraugus Region Community Foundation* have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

**Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Topic 958, *Not-for-Profit Entities*. Under this topic, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Foundation does not have any assets that would be considered temporarily and permanently restricted.

**Variance Power**

Generally accepted accounting principles provide that if the 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. During 2006, the bylaws of the Foundation were amended to include a variance power provision giving the Board of Directors the power to vary the use of funds if the stated purpose of a contribution becomes no longer applicable and therefore, incapable of fulfillment. Based on this provision, all contributions received by the Foundation, except for contributions to Agency Funds as described in Note 4, are reported as unrestricted revenues. Accordingly, the Foundation's financial statements classify substantially all funds, including the corpus of endowment funds, as unrestricted net assets, but segregate for internal management and endowment record keeping the portion that is held as endowment from the funds that are currently available for grants.

**Reclassifications**

Certain amounts in the prior year financial statements have been reclassified to conform to the current presentation.

**NOTE 1 - SUMMARY OF ACCOUNTING POLICIES**  
**(CONT'D)**

**Fund Accounting**

In order to account for assets, liabilities, revenues, and expenditures directly related to certain activities, separate funds are used by the organization.

**Contributions**

Gifts of cash and other assets received are reported as unrestricted revenue and net assets, unless subject to time restrictions. All contributions are recorded at fair value when the Foundation becomes aware of them. It is the Foundation's policy to liquidate gifts of stocks and securities as soon as possible. Any gain or loss on liquidation is allocated to the fund that received the donation.

Gifts of land, buildings, equipment and other long-lived assets are also reported as unrestricted revenues and net assets. They are reported at estimated fair value and capitalized, with depreciation being taken over their estimated useful lives.

**Donated Services**

Donated services are recognized as contributions in accordance with Financial Accounting Standards Board Topic 958-605, *Not-for-Profit Entities – Revenue Recognition - Contributed Services*, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. The Foundation does not recognize any donated services, but many individuals volunteer their time and perform a variety of tasks that assist the Foundation with specific programs and various committee assignments.

**Grants**

Grants are recorded as a charge to unrestricted net assets when approved by the Board of Directors.

**Cash and Cash Equivalents**

For purposes of the Statements of Cash Flows, the Foundation considers all unrestricted cash in operating bank accounts, cash on hand and cash in money market accounts and certificates of deposit to be cash and cash equivalents.

**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.

**CATTARAUGUS REGION COMMUNITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

**NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (CONT'D)**

**Depreciation**

Depreciation is computed on the straight-line method for financial reporting purposes. Estimated useful lives are 5 to 20 years.

**NOTE 2 - PROPERTY AND EQUIPMENT**

As of December 31, 2011 and 2010, the Foundation has various fully depreciated furniture and equipment at an original cost basis of \$37,793. Depreciation expense for years ended December 31, 2011 and 2010 amounted to \$0 and \$245, respectively.

**NOTE 3 - INVESTMENTS**

The Foundation maintains its investments in one Financial Institution located in Olean, New York. Investments are presented in the financial statements in the aggregate at fair market value.

As of December 31, 2011:

	<u>Cost</u>	<u>Market Value</u>
Mutual Funds/Stocks	\$ 8,232,185	\$ 8,148,825

For the year ended December 31, 2010:

	<u>Cost</u>	<u>Market Value</u>
Mutual Funds/Stocks	\$ 8,851,355	\$ 9,159,048

Sales of investments resulted in net realized gains (losses) of \$(123,020) and \$14,089 at December 31, 2011 and 2010, respectively. For purposes of determining the gain or loss on a sale, the cost of securities sold is based on the first in first out (FIFO) cost method for mutual funds and the specific identification method for all other investments. The fair values for investments are based primarily on quoted market prices.

Return on investments is as follows for the years ended:

	<u>2011</u>	<u>2010</u>
Realized gains (losses)	\$ (123,020)	\$ 14,089
Unrealized gains (losses)	(401,130)	690,916
Interest and dividends	231,750	195,511
Return on investment	<u>\$ (292,400)</u>	<u>\$ 900,516</u>

As of December 31, 2011 and 2010 there were 18 funds and 12 funds whose market value was below their historic cost value totaling approximately \$776,000 and \$259,000, respectively.

**NOTE 4 - FUNDS HELD FOR AGENCIES**

The Foundation adopted the Financial Accounting Standards Board Topic 958-605, *Not-for-Profit Entities – Revenue Recognition - Transfers of Assets to Not-for-Profit Entity or Charitable Trust that Raises or Holds Contributions for Others*. This Topic establishes standards for transactions in which the Foundation accepts a contribution from a donor and agrees to transfer those assets, the return on investment of those assets or both, to a not-for-profit organization (NPO) that is specified by the donor. This Topic specifically requires that if the donor is a NPO that established a fund at the Foundation using its own funds and for its own benefit, the Foundation must account for such assets as a liability. The Foundation refers to these as Agency Funds.

The Foundation maintains variance power and legal ownership of Agency Funds and as such continues to report the funds as assets of the Foundation. However, in accordance with the Topic, a liability has been established for the fair value of the funds, which is generally equivalent to the present value of future payments expected to be made to the NPO.

All financial activity related to those agency funds is recorded as adjustments to the funds held for agencies liability on the statements of financial position and is omitted from the statements of activities.

The Foundation holds three funds which are as follows; Cattaraugus County Council on Alcoholism and Center for Family Unity. The total amount held for these funds as of December 31, 2011 and 2010 was \$32,064 and \$27,945, respectively.

The change in the funds held for agencies consists of the following for the years ended December 31:

	<u>2011</u>	<u>2010</u>
Additions:		
Gifts and donations	\$ 2,505	\$ 7,215
Unrealized gains (losses)	(809)	2,065
Losses on sale of securities	(820)	(169)
Interest and dividends	795	543
Total additions	<u>1,671</u>	<u>9,654</u>
Expenditures:		
Management and general	400	400
Donations to others	--	--
Total expenditures	<u>400</u>	<u>400</u>
Net change:	<u>\$ 1,271</u>	<u>\$ 9,254</u>



**CATTARAUGUS REGION COMMUNITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

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**NOTE 5 - BOARD DESIGNATED FUNDS**

During 2000, the Foundation's Board of Directors adopted a resolution to designate \$1,800 of unrestricted funds for the purposes of making charitable donations to various individuals or groups. During 2011, the Board of Directors approved a resolution to retire this designated fund and move the remaining proceeds back to the Operating fund. The beginning fund balance in the board designated fund of \$1,144 was transferred to the operating fund accordingly.

**NOTE 6 - FEDERAL TAX STATUS**

The Foundation is a not-for-profit organization, exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code. Contributions to the Foundation are deductible under section 170(c) of the Code. The Foundation is not a private foundation as described in Section 509(a) of the Code. Income tax returns that remain open for examination by taxing authorities include 2008 and later years.

**NOTE 7 - CONCENTRATION OF CREDIT RISKS**

The Foundation maintains its cash balances in two financial institutions in Olean, New York. The Federal Deposit Insurance Corporation insures up to \$250,000 of demand deposit balances. At December 31, 2011, the Foundation's uninsured cash balances totaled \$570,593.

**NOTE 8 - RELATED PARTY**

The Foundation has entered into a shared service agreement with the Greater Olean Area Chamber of Commerce. Under the shared service agreement, the Greater Olean Area Chamber of Commerce is reimbursed for a portion of personal services and use of office space and equipment. The total amounts paid to the Greater Olean Area Chamber of Commerce amounted to \$33,313 and \$11,390 for the years ended December 31, 2011 and 2010, respectively. Included in accounts payable on the Statements of Financial Position as of December 31, 2011 and 2010 was \$6,415 and \$11,862, respectively, that the Foundation owed to the Greater Olean Area Chamber of Commerce for these shared services.

**NOTE 9 - ENDOWMENTS**

**Return Objectives and Risk Parameters**

The primary investment objective of the Foundation is to maximize long-term real (after inflation) investment returns recognizing established risk parameters and the need to preserve capital. The possibility of short-term declines in market value is acceptable in order to achieve potentially higher long-term investment returns. CRCF 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. Under NYPMIFA, adopted by New York State in September 2010, the Foundation, at its discretion, has the ability to distribute endowment assets below the donor's original dollar value of the gift.

**Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, the 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 objectives shall be accomplished by utilizing a strategy of equities, fixed income and cash equivalents in a mix that is conducive to participation in a rising market while allowing for adequate protection in a falling market.

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

Effective January 1, 2011, the Foundation's revised its spending policy to comply with the requirements of the New York Prudent Management of Institutional Funds Act (NYPMIFA). The spending policy calls for distributions based on 5% of endowments average fair value over the prior 20 quarters for grant spending and 16 quarters for administrative fees. According to the policy, the 5% is made up of grant spending of 3.75% and administrative fees of 1.25%. This spending strategy reflects the total return approach to investing and disbursing funds as described above. Grant spending is dependent upon the type of fund established (endowed versus non-endowed). As mentioned in Note 12, the Foundation's spending policy was modified for 2012.

**CATTARAUGUS REGION COMMUNITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

**NOTE 10 - FAIR VALUE MEASUREMENTS**

The Foundation's investments are reported at fair value in the accompanying statements of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurement at the reporting date. FASB ASC 820-10-50 (formerly SFAS No. 157), Fair Value Measurements, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. As presented in the table below, this hierarchy consists of three broad levels. Level 1 inputs on the hierarchy consist of unadjusted quoted prices in active markets and have the highest priority. Level 2 inputs consist of quoted prices in active markets for similar assets or liabilities or quoted prices in inactive markets for identical or similar assets or liabilities. Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement, and have the lowest priority. The Foundation uses appropriate valuation techniques based on available inputs to measure the fair value of the Foundation's investments. When available, the Foundation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 and Level 3 inputs are only used when Level 1 inputs are not available. As of December 31, the Foundation's investments measured at fair value consisted of the following instruments and classifications within the fair value hierarchy.

	Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)	Total at December 31, 2011
Cash and cash equivalents	\$ 934,514	\$ --	\$ --	\$ 934,514
Mutual funds – Growth & Income	1,360,116	--	--	1,360,116
Mutual funds – Growth	1,320,879	--	--	1,320,879
Mutual funds – Equity	934,666	--	--	934,666
Mutual funds – Balanced	1,374,977	--	--	1,374,977
Mutual funds – Other	377,726	--	--	377,726
Bond funds	2,014,351	--	--	2,014,351
Common stocks	766,110	--	--	766,110
Total	<u>\$ 9,083,339</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 9,083,339</u>

	Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)	Total at December 31, 2010
Cash and cash equivalents	\$ 462,006	\$ --	\$ --	\$ 462,006
Mutual funds – Growth & Income	3,371,743	--	--	3,371,743
Mutual funds – Growth	2,431,222	--	--	2,431,222
Mutual funds – Equity	991,009	--	--	991,009
Mutual funds – Balanced	1,465,368	--	--	1,465,368
Mutual funds – Other	--	--	--	--
Bond funds	899,706	--	--	899,706
Common stocks	--	--	--	--
Total	<u>\$ 9,621,054</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 9,621,054</u>

**NOTE 11 – ADMINISTRATIVE FEES**

During 2010, the Foundation charged each fund that it manages an administrative fee that is equal to 1% of the fund's total assets over the prior 16 rolling quarters or \$100 whichever is greater. Prior to 2010, the Foundation recognized this fee on the cash basis or in the subsequent year in which the fees related to. During 2010, the Foundation began recording the administrative fees on a quarterly basis which has resulted in two-years worth (2009 and 2010) of administrative fees being recognized during the year ended December 31, 2010.

During 2011, the Foundation revised its policy on administrative fees. The Foundation now charges each fund an administrative fee that is equal to 1.25% of the fund's total assets over the prior 16 rolling quarters or \$200, whichever is greater.

**CATTARAUGUS REGION COMMUNITY FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

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**NOTE 12 – PRIOR PERIOD ADJUSTMENTS**

During the year ended December 31, 2011, the Foundation reclassified a fund that was previously recorded as Unrestricted Endowment Funds to Unrestricted Non-Endowed Funds. Net assets of this fund as of December 31, 2010 totaled \$82,688.

**NOTE 13 – SUBSEQUENT EVENTS**

Subsequent events were evaluated by Management through July 24, 2012, which is the date the financial statements were available to be issued.

Effective January 1, 2012, the Foundation revised its spending policies so that distributions are based on 4.5% rather than the 5% applied in 2011. According to the revision, the 4.5% is broken out between grant spending (3.25%) and administration (1.25%).

**INDEPENDENT ACCOUNTANTS' REPORT ON SUPPLEMENTAL MATERIAL**

We have audited the financial statements of *Cattaraugus Region Community Foundation* as of and for the years ended December 31, 2011 and 2010 and our report thereon dated July 24, 2012, which expressed an unqualified opinion on the financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on those statements taken as a whole. The supplemental material, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*Buffamante Whipple Buttafaro, P.C.*

**BUFFAMANTE WHIPPLE BUTTAFARO, P.C.**

**Jamestown, New York**  
**July 24, 2012**

**CATTARAUGUS REGION COMMUNITY FOUNDATION  
SCHEDULE OF ACTIVITIES BY FUND**

Year ended December 31, 2011

UNRESTRICTED ENDOWMENT										
	Mildred Milliman Fund	Beautification Fund	Tyler Bihler Memorial Scholarship	CRCF Board of Directors' Fund	Burt Scholarship	Sam Costa	Paula Flint Fund for Performing Arts	Food Pantry	Gator Fund	Gift Tree
<b>Support and Revenue:</b>										
Gifts and donations	\$ --	\$ 3,455	\$ 1,279	\$ --	\$ 1,500	\$ --	\$ --	\$ 575	\$ --	\$ 550
Unrealized gains (losses)	(218,421)	(94)	(356)	--	(2,589)	(4,984)	(83)	(2,245)	(5)	(1,657)
Gains (losses) on sale of securities	(115,556)	(297)	(268)	--	(1,558)	(488)	(66)	149	(4)	(895)
Administrative fees	(79,815)	(200)	(200)	--	(839)	(1,152)	(200)	(372)	(136)	(565)
Interest and dividends	146,173	255	254	--	1,699	2,256	61	858	3	1,063
Interfund transfer	--	--	--	(1,144)	--	--	--	--	--	--
<b>Total support and revenue</b>	<b>(267,619)</b>	<b>3,119</b>	<b>709</b>	<b>(1,144)</b>	<b>(1,787)</b>	<b>(4,368)</b>	<b>(288)</b>	<b>(1,035)</b>	<b>(142)</b>	<b>(1,504)</b>
<b>Expenditures:</b>										
Program services	--	--	--	--	--	--	--	--	--	--
Management and general	--	--	--	--	--	--	--	--	--	--
Grants to others	227,350	--	--	--	4,000	3,808	--	800	--	1,800
<b>Total expenditures</b>	<b>227,350</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>4,000</b>	<b>3,808</b>	<b>--</b>	<b>800</b>	<b>--</b>	<b>1,800</b>
<b>Change in net assets</b>	<b>(494,969)</b>	<b>3,119</b>	<b>709</b>	<b>(1,144)</b>	<b>(5,787)</b>	<b>(8,176)</b>	<b>(288)</b>	<b>(1,835)</b>	<b>(142)</b>	<b>(3,304)</b>
<b>Net assets, at beginning of year</b>	<b>6,051,755</b>	<b>4,628</b>	<b>10,084</b>	<b>1,144</b>	<b>69,521</b>	<b>92,918</b>	<b>2,534</b>	<b>34,750</b>	<b>241</b>	<b>42,507</b>
<b>Net assets, at end of year</b>	<b>\$ 5,556,786</b>	<b>\$ 7,747</b>	<b>\$ 10,793</b>	<b>\$ --</b>	<b>\$ 63,734</b>	<b>\$ 84,742</b>	<b>\$ 2,246</b>	<b>\$ 32,915</b>	<b>\$ 99</b>	<b>\$ 39,203</b>

See accompanying independent accountants' report on supplemental material.

Year ended December 31, 2011

UNRESTRICTED ENDOWMENT (CONTINUED)

	Hinsdale Scholarship	Hilal	Joann Wehmeyer English Scholarship	The Jamie Fund	James M Kelly Endowment	F. Donald Kenney	Kothari Family Endowment	Mahar Family Foundation	Manuel Trust	Pat McGee Endowment
<b>Support and Revenue:</b>										
Gifts and donations	\$ 3,173	\$ 590	\$ 1,155	\$ 910	\$ --	\$ --	\$ 488	\$ 2,500	\$ 476	\$ 65
Unrealized gains (losses)	(2,223)	(416)	(337)	(319)	15	(25,661)	(6,851)	(508)	(1,156)	(1,146)
Gains (losses) on sale of securities	602	35	(291)	(243)	--	(7,890)	3,147	(114)	(821)	(984)
Administrative fees	(385)	(200)	(200)	(200)	--	(7,165)	(649)	(252)	(381)	(572)
Interest and dividends	917	364	265	224	2	14,395	1,504	799	831	906
Interfund transfer	--	--	--	--	--	--	--	--	--	--
<b>Total support and revenue</b>	<b>2,084</b>	<b>373</b>	<b>592</b>	<b>372</b>	<b>17</b>	<b>(26,321)</b>	<b>(2,361)</b>	<b>2,425</b>	<b>(1,051)</b>	<b>(1,731)</b>
<b>Expenditures:</b>										
Program services	--	--	--	--	--	--	--	--	--	--
Management and general	--	--	--	--	--	--	--	--	--	--
Grants to others	2,000	500	1,000	--	500	23,000	2,250	800	1,500	2,000
<b>Total expenditures</b>	<b>2,000</b>	<b>500</b>	<b>1,000</b>	<b>--</b>	<b>500</b>	<b>23,000</b>	<b>2,250</b>	<b>800</b>	<b>1,500</b>	<b>2,000</b>
<b>Change in net assets</b>	<b>84</b>	<b>(127)</b>	<b>(408)</b>	<b>372</b>	<b>(483)</b>	<b>(49,321)</b>	<b>(4,611)</b>	<b>1,625</b>	<b>(2,551)</b>	<b>(3,731)</b>
<b>Net assets, at beginning of year</b>	<b>37,862</b>	<b>10,403</b>	<b>11,622</b>	<b>8,798</b>	<b>431</b>	<b>594,977</b>	<b>61,838</b>	<b>23,605</b>	<b>34,208</b>	<b>38,852</b>
<b>Net assets, at end of year</b>	<b>\$ 37,946</b>	<b>\$ 10,276</b>	<b>\$ 11,214</b>	<b>\$ 9,170</b>	<b>\$ (52)</b>	<b>\$ 545,656</b>	<b>\$ 57,227</b>	<b>\$ 25,230</b>	<b>\$ 31,657</b>	<b>\$ 35,121</b>

See accompanying independent accountants' report on supplemental material.

**CATTARAUGUS REGION COMMUNITY FOUNDATION  
SCHEDULE OF ACTIVITIES BY FUND**

Year ended December 31, 2011

UNRESTRICTED ENDOWMENT (CONTINUED)

	John J. Meiers Scholarship	John J. Murphy Family Scholarship	Otto Eldred Alumni	Michael Parks Scholarship	Rose Pappas Endowment	Luella Potter	Mark J. Prockton Memorial Scholarship	Doris Reisner Endowment	Lewis and Doris Reisner Endowment	St. Johns Church Endowment
<b>Support and Revenue:</b>										
Gifts and donations	\$ --	\$ 161,643	\$ 3,524	\$ --	\$ 5,890	\$ 500	\$ 200	\$ --	\$ --	\$ 500
Unrealized gains (losses)	(122)	(83,668)	(809)	(4)	(1,096)	(2,018)	(355)	1,083	1,431	(1,290)
Gains (losses) on sale of securities	(97)	41,855	(567)	(3)	698	(1,204)	(290)	(13,251)	(16,010)	(1,009)
Administrative fees	(200)	(8,067)	(200)	(118)	(200)	(613)	(200)	(2,341)	(2,873)	(427)
Interest and dividends	90	20,431	511	3	455	1,334	266	4,886	5,925	936
Interfund transfer	--	--	--	--	--	--	--	--	--	--
<b>Total support and revenue</b>	<b>(329)</b>	<b>132,194</b>	<b>2,459</b>	<b>(122)</b>	<b>5,747</b>	<b>(2,001)</b>	<b>(379)</b>	<b>(9,623)</b>	<b>(11,527)</b>	<b>(1,290)</b>
<b>Expenditures:</b>										
Program services	--	--	185	--	--	--	--	--	--	--
Management and general	--	--	--	--	--	--	--	--	--	--
Grants to others	--	50,000	712	--	5,117	1,592	500	--	1,145	--
<b>Total expenditures</b>	<b>--</b>	<b>50,000</b>	<b>897</b>	<b>--</b>	<b>5,117</b>	<b>1,592</b>	<b>500</b>	<b>--</b>	<b>1,145</b>	<b>--</b>
<b>Change in net assets</b>	<b>(329)</b>	<b>82,194</b>	<b>1,562</b>	<b>(122)</b>	<b>630</b>	<b>(3,593)</b>	<b>(879)</b>	<b>(9,623)</b>	<b>(12,672)</b>	<b>(1,290)</b>
<b>Net assets, at beginning of year</b>	<b>3,726</b>	<b>816,145</b>	<b>19,717</b>	<b>124</b>	<b>14,936</b>	<b>54,322</b>	<b>10,991</b>	<b>197,383</b>	<b>237,608</b>	<b>38,506</b>
<b>Net assets, at end of year</b>	<b>\$ 3,397</b>	<b>\$ 898,339</b>	<b>\$ 21,279</b>	<b>\$ 2</b>	<b>\$ 15,566</b>	<b>\$ 50,729</b>	<b>\$ 10,112</b>	<b>\$ 187,760</b>	<b>\$ 224,936</b>	<b>\$ 37,216</b>

See accompanying independent accountants' report on supplemental material.

Year ended December 31, 2011

**UNRESTRICTED ENDOWMENT (CONCLUDED)**

	Pete Schussele Scholarship	Ben & Rose Schwabenbauer Educational Scholarship	T-A-D-J-M Foundation	Visual Arts Alliance	Kaleigh Wilday Endowment	Kay and Oliver Williams	Wing Ski Club	OBI - McCarthy	Total Endowment
<b>Support and Revenue:</b>									
Gifts and donations	\$ --	\$ 10,025	\$ --	\$ --	\$ 3,685	\$ --	\$ --	\$ 650	\$ 203,333
Unrealized gains (losses)	(97)	275	(139)	(1,422)	(8,150)	(6,687)	(60)	(9,718)	(381,882)
Gains (losses) on sale of securities	(36)	(47)	(111)	(2,680)	(430)	(3,848)	(270)	4,469	(118,373)
Administrative fees	(200)	(117)	(200)	(879)	(1,656)	(2,355)	(200)	(890)	(115,219)
Interest and dividends	78	98	103	1,772	3,633	4,486	419	2,186	220,441
Interfund transfer	--	--	--	--	--	--	--	--	(1,144)
<b>Total support and revenue</b>	<b>(255)</b>	<b>10,234</b>	<b>(347)</b>	<b>(3,209)</b>	<b>(2,918)</b>	<b>(8,404)</b>	<b>(111)</b>	<b>(3,303)</b>	<b>(192,844)</b>
<b>Expenditures:</b>									
Program services	--	--	--	--	--	--	--	--	185
Management and general	--	--	--	--	--	--	--	--	--
Grants to others	500	--	--	2,500	8,000	8,846	483	2,000	352,703
<b>Total expenditures</b>	<b>500</b>	<b>--</b>	<b>--</b>	<b>2,500</b>	<b>8,000</b>	<b>8,846</b>	<b>483</b>	<b>2,000</b>	<b>352,888</b>
<b>Change in net assets</b>	<b>(755)</b>	<b>10,234</b>	<b>(347)</b>	<b>(5,709)</b>	<b>(10,918)</b>	<b>(17,250)</b>	<b>(594)</b>	<b>(5,303)</b>	<b>(545,732)</b>
<b>Net assets, at beginning of year</b>	<b>3,264</b>	<b>--</b>	<b>4,253</b>	<b>72,331</b>	<b>145,167</b>	<b>185,732</b>	<b>12,287</b>	<b>88,977</b>	<b>9,038,147</b>
<b>Net assets, at end of year</b>	<b>\$ 2,509</b>	<b>\$ 10,234</b>	<b>\$ 3,906</b>	<b>\$ 66,622</b>	<b>\$ 134,249</b>	<b>\$ 168,482</b>	<b>\$ 11,693</b>	<b>\$ 83,674</b>	<b>\$ 8,492,415</b>

See accompanying independent accountants' report on supplemental material.



**CATTARAUGUS REGION COMMUNITY FOUNDATION  
SCHEDULE OF ACTIVITIES BY FUND**

Year ended December 31, 2011

	UNRESTRICTED NON-ENDED											
	Allegany Community Beautification Fund	Allegany Nordic Fund	Anonymous II	Audible Signals for Olean	Carroll Anstaett Olean Little League	Challenger Learning Center	Community Warmth Fund	Dictionary Fund	Fireworks	Hillview Playground	Mountain Sports	Olean Beautification Fund
<b>Support and Revenue:</b>												
Gifts and donations	\$ 5,315	\$ 5,860	\$ 10,000	\$ --	\$ --	\$ --	\$ 200	\$ 800	\$ --	\$ --	\$ 4,000	\$ --
Unrealized gains (losses)	38	(288)	(215)	(354)	(6,192)	80	-	(56)	--	(117)	34	--
Gains (losses) on sale of securities	(74)	(64)	(504)	(282)	(232)	--	--	(41)	--	(93)	(28)	--
Administrative fees	(200)	(150)	(200)	(200)	(1,333)	(2)	--	(200)	(14)	(200)	(200)	--
Interest and dividends	110	40	272	261	2,865	10	--	38	--	86	75	--
Interfund transfer	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total support and revenue</b>	<b>5,189</b>	<b>5,398</b>	<b>9,353</b>	<b>(575)</b>	<b>(4,892)</b>	<b>88</b>	<b>200</b>	<b>541</b>	<b>(14)</b>	<b>(324)</b>	<b>3,881</b>	<b>--</b>
<b>Expenditures:</b>												
Program services	5,274	--	--	--	--	2,565	--	471	--	--	--	--
Management and general	--	--	--	--	--	--	--	--	--	--	--	--
Grants to others	--	2,550	--	--	5,891	--	--	--	--	--	--	--
<b>Total expenditures</b>	<b>5,274</b>	<b>2,550</b>	<b>--</b>	<b>--</b>	<b>5,891</b>	<b>2,565</b>	<b>--</b>	<b>471</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Change in net assets</b>	<b>(85)</b>	<b>2,848</b>	<b>9,353</b>	<b>(575)</b>	<b>(10,783)</b>	<b>(2,477)</b>	<b>200</b>	<b>70</b>	<b>(14)</b>	<b>(324)</b>	<b>3,881</b>	<b>--</b>
<b>Net assets, at beginning of year</b>	<b>7,801</b>	<b>--</b>	<b>10,001</b>	<b>10,381</b>	<b>117,575</b>	<b>1,505</b>	<b>--</b>	<b>1,566</b>	<b>14</b>	<b>3,557</b>	<b>1,014</b>	<b>47</b>
<b>Net assets, at end of year</b>	<b>\$ 7,716</b>	<b>\$ 2,848</b>	<b>\$ 19,354</b>	<b>\$ 9,806</b>	<b>\$ 106,792</b>	<b>\$ (972)</b>	<b>\$ 200</b>	<b>\$ 1,636</b>	<b>\$ --</b>	<b>\$ 3,233</b>	<b>\$ 4,895</b>	<b>\$ 47</b>

See accompanying independent accountants' report on supplemental material.

**CATTARAUGUS REGION COMMUNITY FOUNDATION  
SCHEDULE OF ACTIVITIES BY FUND**

Year ended December 31, 2011

**UNRESTRICTED NON-ENDOWED (CONCLUDED)**

	Olean Meditation Center	Olean School District	Jonathan Teuscher Scholarship	Ralph Anastasia Music Scholarship	Allegheny River Trail	Salamanca Area Senior Center	Santa Claus Lane	So. Tier Military Support Group	Woodland in the City Fund	Unrestricted	Total Nonendowed
<b>Support and Revenue:</b>											
Gifts and donations	\$ 54,423	\$ 58,080	\$ 1,375	\$ 700	\$ 540	\$ 500	\$ 300	\$ 10,144	\$ 2,579	\$ 12,550	\$ 167,366
Unrealized gains (losses)	(293)	(1,467)	(2,415)	(161)	(360)	(802)	(676)	(805)	(693)	(4,726)	(19,468)
Gains (losses) on sale of securities	(894)	(608)	(2,172)	(116)	(256)	(682)	(536)	(545)	(532)	3,002	(4,657)
Administrative fees	(181)	(331)	(1,090)	(200)	(248)	(281)	(218)	(239)	(200)	(337)	(6,024)
Interest and dividends	605	557	1,837	107	734	638	500	579	504	834	10,652
Interfund transfer	--	--	--	--	--	--	--	--	--	--	--
<b>Total support and revenue</b>	<b>53,660</b>	<b>56,231</b>	<b>(2,465)</b>	<b>330</b>	<b>410</b>	<b>(627)</b>	<b>(630)</b>	<b>9,134</b>	<b>1,658</b>	<b>11,323</b>	<b>147,869</b>
<b>Expenditures:</b>											
Program services	--	58,329	--	--	--	624	--	--	1,694	--	68,957
Management and general	--	--	--	--	--	--	--	--	--	--	--
Grants to others	--	11,585	11,875	--	--	1,466	--	13,331	--	10,053	56,751
<b>Total expenditures</b>	<b>--</b>	<b>69,914</b>	<b>11,875</b>	<b>--</b>	<b>--</b>	<b>2,090</b>	<b>--</b>	<b>13,331</b>	<b>1,694</b>	<b>10,053</b>	<b>125,708</b>
<b>Change in net assets</b>	<b>53,660</b>	<b>(13,683)</b>	<b>(14,340)</b>	<b>330</b>	<b>410</b>	<b>(2,717)</b>	<b>(630)</b>	<b>(4,197)</b>	<b>(36)</b>	<b>1,270</b>	<b>22,161</b>
<b>Net assets, at beginning of year</b>	<b>--</b>	<b>39,536</b>	<b>82,688</b>	<b>4,324</b>	<b>21,924</b>	<b>27,693</b>	<b>20,569</b>	<b>27,375</b>	<b>19,663</b>	<b>39,874</b>	<b>437,107</b>
<b>Net assets, at end of year</b>	<b>\$ 53,660</b>	<b>\$ 25,853</b>	<b>\$ 68,348</b>	<b>\$ 4,654</b>	<b>\$ 22,334</b>	<b>\$ 24,976</b>	<b>\$ 19,939</b>	<b>\$ 23,178</b>	<b>\$ 19,627</b>	<b>\$ 41,144</b>	<b>\$ 459,268</b>

See accompanying independent accountants' report on supplemental material.

**CATTARAUGUS REGION COMMUNITY FOUNDATION**  
**SCHEDULE OF ACTIVITIES BY FUND**

Year ended December 31, 2011	OPERATIONS/ ADMINISTRATION	TOTAL NET ASSETS
	Operating	Total Net Assets
<b>Support and Revenue:</b>		
Gifts and donations	\$ 7,507	\$ 378,206
Unrealized gains (losses)	(68)	(401,418)
Gains (losses) on sale of securities	(54)	(123,084)
Administrative fees	121,643	400
Interest and dividends	701	231,794
Interfund transfer	1,144	-
<b>Total support and revenue</b>	<b>130,873</b>	<b>85,898</b>
<b>Expenditures:</b>		
Program services	-	69,142
Management and general	138,164	138,164
Grants to others	-	409,454
<b>Total expenditures</b>	<b>138,164</b>	<b>616,760</b>
<b>Change in net assets</b>	<b>(7,291)</b>	<b>(530,862)</b>
<b>Net assets, at beginning of year</b>	<b>111,172</b>	<b>9,586,426</b>
<b>Net assets, at end of year</b>	<b>\$ 103,881</b>	<b>\$ 9,055,564</b>

See accompanying independent accountants' report on supplemental material.

**CATTARAUGUS REGION COMMUNITY FOUNDATION**  
**SCHEDULE OF ACTIVITIES BY FUND**

Year ended December 31, 2011

	TOTAL FUNDS HELD FOR OTHERS		
	Cattaraugus County Council on Alcoholism	Center for Family Unity	Total Funds Held for Others
<b>Support and Revenue:</b>			
Gifts and donations	\$ 2,505	\$ --	\$ 2,505
Unrealized gains (losses)	(812)	3	(809)
Gains (losses) on sale of securities	(573)	(247)	(820)
Administrative fees	(200)	(200)	(400)
Interest and dividends	523	272	795
Interfund transfer	--	--	--
<b>Total support and revenue</b>	<b>1,443</b>	<b>(172)</b>	<b>1,271</b>
<b>Expenditures:</b>			
Program services	--	--	--
Management and general	--	--	--
Grants to others	--	--	--
<b>Total expenditures</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Change in net assets</b>	<b>1,443</b>	<b>(172)</b>	<b>1,271</b>
<b>Net assets, at beginning of year</b>	<b>20,078</b>	<b>7,867</b>	<b>27,945</b>
<b>Net assets, at end of year</b>	<b>\$ 21,521</b>	<b>\$ 7,695</b>	<b>\$ 29,216</b>

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