

Ulster County Development Corporation  
(UCDC)  
Internal Control Assessment  
As of 12/31/13

A. Define Major Business Functions

- Support economic development in Ulster County
- Administration of Revolving Loan Funds

B. Determine the Risks Associated with Operations

Assess Risk Exposure

- Economic Development                      Low
- Administration of RLFs                      Moderate to High

Risks

- Conflicts of Interest
- Improper influence of project clients or involved officials on UCDC
- Improper influence of UCDC on project clients or involved officials
- Non-Repayment of Loans
- Loss of Funding
- Negligence in agency operations and program activities

C. Internal Control Systems in Place

- Mission Statement
- Policies
- Procedures
- Board Oversight

D. Assessment of the Effectiveness of Internal Controls

- Board review of controller and administrative functions
- Audit Committee meetings
- Governance Committee meetings
- Annual Reports
- External audit

C. Corrective Action

- Plans developed when weakness is identified
- Plans adopted by the board and monitored by management
- Change in personnel
- Change in policies and procedures