



INTERNAL CONTROL ASSESSMENT

As of 12/31/16

- 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 UCEDA
 - Improper influence of UCEDA 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
- E. Corrective Action
- a. Plans developed when weakness is identified
 - b. Plans adopted by the board and monitored by management
 - c. Change in personnel
 - d. Change in policies and procedures