

Effectiveness of the Internal Controls

In 2012, the Golden Hill Local Development Corporation (GHLDC) was established and began operations. When the GHLDC began engaging in financial activity, the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) established procedures for processing authorizing payments and receiving payments in consultation with the Ulster County Commissioner of Finance. These procedures were developed to ensure that any payments made to or by the GHLDC were reviewed and verified by both the Board and County financial staff. The controls put in place have been successful and are outlined below.

Receivables

When receiving a vendor payment, the associated checks are sent to either the CEO or the CFO who then seek board approval for the acceptance of the checks. Upon board approval Ulster County Department of Finance deposits the checks in the GHLDC back account.

Disbursements

When the GHLDC select a vendor they authorize the CEO or CFO to engage the vendor on behalf of the GHLDC. Once the work has been completed, the vendor submits and invoice to the GHLDC for payment. The invoice is transmitted from the CEO or CFO to the Deputy Commissioner of Finance, who reviews the invoice for any discrepancies and puts it in the Request for Payment Form utilized by Ulster County. The invoice is then held until such time that the Board authorizes the payment of the invoice. The Request for Payment is then routed to the Ulster County Comptroller's Office where it is again reviewed by the County's audit staff. The claim is then paid to the GHLDC who in turn sends a check directly to the vendor.