

**Utica Harbor Point Development Corporation
Assessment of the Effectiveness of Internal Controls 2019 – 2020**

A. Define the Authority's Major Business Functions

The Corporation, organized in 2011 under the laws of New York State, was created to assist business development in the Harbor Point and North Genesee Street areas and to advance opportunities and the economic welfare of the people of the City of Utica.

B. Determine the Risks Associated with Its Operations

There are very little in the way of risks for the corporation as it owns vacant property for the purpose of future re-development of the Harbor Point area; staff of the Agency is employed by the City of Utica; any checks received are immediately deposited into the Agency's account and no cash is ever utilized for transaction purposes. Insurance is secured for any and all real property it owns and Directors and Officers Insurance is in place.

C. Identify the Internal Control Systems in Place

The corporation's existing controls will prevent significant fraud from occurring. Staff presents all bills and vouchers to the corporation president. Two corporation members must sign each check and reconciliations are performed at the end of each month.

Risk, as assessed, is low. The Board of Directors evaluates on a yearly basis.

D. Assess the Extent to Which the Internal Control System is Effective

To the knowledge of management, there has never been an outstanding issue with the effectiveness of the Internal Control System nor has any issue been brought to the attention of the Board of Directors.

E. Take Corrective Action

Should the event of fraud or a weakness in the effectiveness of the Internal Control System be identified, a corrective plan will be developed and adopted by the Board and monitored by management to ensure that the vulnerability is addressed.