

Assessment of the Effectiveness of
IDA Internal Control Structure & Procedures- 2020

- In 2020, the Orange County IDA operated in compliance with the NYS General Municipal Law, the Public Authorities Accountability Act and other relevant statutes.
- At the IDA annual meeting in January 2020, a Managing Director, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Contract Officer and Audit, Finance, and Governance Committees were appointed as required by law. The Audit, Finance, and Governance Committees met prior to the scheduled IDA monthly meetings as necessary.
- The Chief Financial Officer issued monthly financial reports. The IDA's 2020 Annual Audit was received and submitted on time as was the IDA's projected 2020 budget. Investment monies are in Certificates of Deposit and money markets which are awarded to the highest bidder.
- The Accelerator was funded by the IDA in the amount of \$2.8M in 2020. Accelerator clients are housed in off-site locations around the County.
- In June, 2016, the IDA opened its manufacturing bottling pod in space leased and renovated at Stewart Airport. This bottling pod houses 5 individual businesses that are scaling up their production capacity and have begun hiring employees. In January, 2017, the IDA opened another manufacturing pod in additionally leased and renovated space at Stewart Airport for the "cut and sew" industry with additional persons being hired and trained by the manufacturers. In September, 2018, the IDA opened its third manufacturing pod in leased and renovated space in the City of Newburgh. These pods houses three additional companies per the growing demand of the "cut and sew" industry cluster. Currently, all Newburgh and New Windsor facilities are referred to as the Newburgh Area Campus and house "cut and sew" industry-based clients.
- In addition, in 2017, the IDA leased space in the former Horton Medical Center Complex in the City of Middletown to establish additional Accelerator production and manufacturing pods in Middletown. The facility officially opened in March, 2018 and focuses on medical device manufacturers, computer program development for the medical field, etc. In 2019, a medical-grade cleanroom was installed at the Middletown Campus. The creation of this SMARTT Lab facility will help to support the research and development of the new CBD / Hemp cluster, the growing Orange County Medical corridor, and the onsite bio-medical, technology and health and beauty care companies.
- In 2019, the IDA took leasehold of 2 buildings on an abandoned State prison site in Warwick. The location will house a CBD oil refinery facility and PODS for companies manufacturing CBD products and will redevelop and repurpose the former prison campus. The construction of the Cannabidiol-based (CBD) campus was completed in the fourth quarter of 2020. It is anticipated that companies will start to occupy the

Accelerator facility in the first quarter of 2021. There are currently 3 companies in talks to locate to the Warwick campus.

- In 2020, the IDA took leasehold of a building in Highland Falls. This new initiative is a public-private partnership facilitating AI, Machine Learning and Data Science Industries to create high-tech jobs in the Greater West Point-Highland Falls Community. Unique to the OCIDA, this cluster will facilitate community and downtown revitalization through STEM Engagement. Due to COVID, the opening of this location was stalled, it is currently anticipated this facility will open in 2021.
- In 2020, the firm that the IDA had retained in 2016, continued to conduct audits of projects that had received IDA benefits to determine whether recipients of such benefits were complying with the Agency's Local Labor Policy. At year's end, 10 audits were completed, and 4 audits were in progress. Results indicate substantial compliance with the Agency's Policy.
- The IDA has completed development of a new website to meet the Public Authorities Accountability Act standards. It was launched in April of 2019. The IDA continued to update and maintain its website in conformance with PAAA standards.
- The IDA held 13 meetings in 2020, each one held in compliance with the Open Meetings Law. Formal resolutions were presented and adopted. Minutes were kept and posted on the website.
- The IDA attorney attended all public hearings. Stenographic transcripts are made of all public hearings and provided to each Board member.
- IDA economic development funds were disbursed pursuant to resolution and written agreements.
- In summary, the overall internal control structure and procedures of the Orange County IDA are excellent and in compliance with State law.