

**ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY /  
ORANGE COUNTY FUNDING CORPORATION**

**AUDIT SERVICES POLICY**

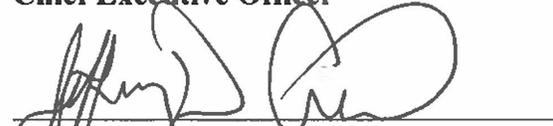
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**AREA:** Finance

**RESPONSIBLE DIRECTOR:** CEO/CFO

  
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**Chief Executive Officer**

**APPROVED BY:**

  
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**Chairman, Board of Directors**

**EFFECTIVE DATE:** December 17, 2025

**SUPERSEDES:** Any and all previous dates

**UPDATED (date):** September 22, 2025

**REVIEWED (date):** December 17, 2025

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**I. Statement and Purpose:**

The Audit Services Policy is designed to preserve the independence, objectivity, and integrity of the Agency's annual financial audit process. It establishes clear restrictions on auditor rotation, prohibits conflicts of interest, and limits the types of services an external auditor may provide. By doing so, the policy strengthens public trust, ensures compliance with New York State requirements for public authorities, and supports transparency and accountability in the Agency's financial reporting.

**II. Significant Principles:**

- Rotation requirement: the lead audit partner cannot serve for more than five consecutive fiscal years.

- Prohibition on contemporaneous non-audit services unless specifically approved by the Audit Committee.
- List of prohibited services includes bookkeeping, financial systems design, valuation, actuarial, internal audit outsourcing, management functions, investment advisory, and legal services unrelated to the audit.
- Independence safeguard: no audit services may be provided if an Agency executive (CEO, CFO, etc.) was employed by the audit firm and participated in an audit within the prior year.

### **III. Procedure:**

- Audit Committee selects and retains the certified independent public accounting firm.
- Prior to engagement, confirm compliance with restrictions on partner rotation, non-audit services, and employment conflicts.
- Obtain written Audit Committee approval for any permitted non-audit services.
- Maintain documentation of all approvals, confirmations, and auditor independence checks in Agency records.

### **IV. Evaluation:**

- Annual review by the Audit Committee to ensure auditor independence and performance.
- Verification of compliance with five-year rotation and one-year employment restrictions.
- Oversight of Audit Committee approvals for any permitted non-audit services.
- Periodic policy review to align with evolving standards set by the Authorities Budget Office (ABO) and professional auditing guidelines.

- (A) The certified independent public accounting firm performing the Agency's audit will be prohibited from providing audit services if the lead (or coordinating) audit partner responsible for reviewing the audit, has performed audit services for the Agency in each of the five previous fiscal years;
- (B) The certified independent public accounting firm performing the audit shall be prohibited from performing any non-audit services to the Agency contemporaneously with the audit, unless receiving previous written approval by the Audit Committee including: (i) bookkeeping or other services related to the accounting records or financial statement of the Agency, (ii) financial information systems design and implementation, (iii) appraisal or valuation services, fairness opinions, or contribution-in-kind reports, (iv) actuarial

services, (v) internal audit outsourcing services, (vi) management functions or human services, (vii) broker or dealer, investment advisor, or investment banking services and (viii) legal services and expert services unrelated to the audit; and

- (C) It shall be prohibited for any certified independent public accounting firm to perform for such Agency any audit service if the chief executive officer, comptroller, chief financial officer, chief accounting officer, or any other person serving in an equivalent position for the Agency, was employed by that certified independent public accounting firm and participated in any capacity in the audit of the Agency during the one (1) year period preceding the date of the initiation of the audit.