

# Choose Columbia

Columbia Economic Development Corporation

**MINUTES**  
**COLUMBIA ECONOMIC DEVELOPMENT CORPORATION**  
**AUDIT and FINANCE COMMITTEE**  
**Thursday, July 21, 2016**  
**4303 Route 9**  
**Hudson, New York**

A regularly scheduled meeting of Columbia Economic Development Corporation’s (CEDC) Audit and Finance Committee was held at their offices located at 4303 Route 9, Hudson, NY 12534 on July 21, 2016. The meeting was called to order at 10:00 am by Rick Bianchi, Audit and Finance Committee Chairman.

Attendee Name	Title	Status	Arrived
Rick Bianchi	Committee Chairman	Present	
Tish Finnegan	Committee Member	Present	
Tony Jones	Committee Member	Present	
James Lapenn	Committee Member	Present	
John Lee	Committee Member	Present	
F. Michael Tucker	President/CEO	Present	
Lisa Drahushuk	Administrative Supervisor	Present	
Matt Vanderbeck	Pattison, Koskey, Howe and Bucci, CPA	Present	

**Minutes:**

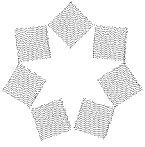
*Ms. Finnegan made a motion, seconded by Mr. Lee to approve the minutes of the March 24, 2016 meeting as presented. Carried.*

**2015 Audit:**

**Risk Assessment:**

Mr. Bianchi stated Mr. Vanderbeck would be presenting a document outlining possible risks and recommendations CEDC could institute to mitigate them. Mr. Vanderbeck handed out a draft copy of the prepared risk assessment. He stated the document had been created in response to the management letter written as a part of the 2015 CEDC audit. He stated he had used his current understanding of the corporation, noting CEDC would need to change what was incorrect and complete the document. He stated he had looked at the overall risks and had compartmentalized them via color coding. He noted the green highlighted areas denoted areas of focus; yellow indicated Mr. Vanderbeck had written what he understood to be what CEDC was doing, but had not confirmed; and blue marked action points for CEDC to discuss and continue to work upon. He noted he had drafted the document with an aim of bringing attention to areas of focus.

Mr. Vanderbeck used as an example the first page of the assessment which listed the main category, a sub category and a specific topic. He suggested the committee review the document, make appropriate additions and changes including answering the question in the last column. Mr. Vanderbeck noted this was meant to be a living document, to be continually changed and updated. Once the process was in



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place a check should also be done to ensure that the processes were in fact being done. He noted the document encompassed more than financial management, noting it also included personnel management and compliance. He stressed it should be reviewed and updated as new topics presented.

Mr. Vanderbeck stated the committee should determine how CEDC would monitor the processes, confirming they were being done. He stated in this case it could be done internally or CEDC could request an audit to include the monitoring.

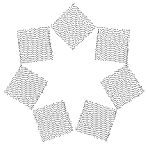
Mr. Tucker stated he would need to review the management letter with an eye toward the risk assessment, as well as reviewing the risk assessment for accuracy. He stated once that was done it would be presented to the Committee for review and discussion. Mr. Bianchi asked the timeframe for feedback. Mr. Tucker stated he would like to meet with the staff over the next 4-6 weeks after which he would present the changes to the Committee. He suggested the future committee meetings be held either before or after Board or committee meetings.

Mr. Bianchi asked if Mr. Vanderbeck found any particular areas that needed immediate attention. Mr. Vanderbeck suggested the Federal compliance should be addressed, specifically the SBA program requirements. He reminded the committee he had discussed training regarding the SBA and federal requirements. He suggested select staff participate in training in regards to the Uniform Grant Guidance, which covered federal grants, including the SBA. He noted that the PAAA compliance done by CEDC had addressed many areas of compliance.

Mr. Tucker stated the assessment's guidelines would be incorporated in the procedural manual. He stated he would review the document for the items to be instituted immediately and those for the future. He noted the assessment assists with full compliance with the ABO. He noted it would also assist with financial oversight. He stated Quickbooks would be upgraded as would the chart of accounts, allowing for cleaner financial reporting. He noted that during the original trial there was an inability of looking at past accounts. He noted that currently, 95% was working and readable. He stated the balance could be entered manually if needed.

Mr. Tucker stated the procedure manual required updating. Mr. Vanderbeck stated he would email him a sample manual. He noted all the addresses used for eblasts had been integrated into Insightly a database that was able to be manipulated into different lists. He informed the committee that an IT audit had been done with the finding that the current computers were meant for personal not business use and the internet was better than it appeared due to the computers. He stated he had received a quote of \$6,500 for upgrades and additional quotes would be obtained. Ms. Finnegan asked about cyber security. Mr. Tucker stated the only issue identified was some software was on the computers and not contained on the server.

Mr. Tucker stated Ms. McNary was working to obtain a check scanner on the operating account. He briefly reviewed the financials that would be presented to the Board. He noted that budget comparisons had also been included with the financials. Mr. Bianchi asked if it would be beneficial to include explanatory comments for considerable variances within each category of the budget. Mr. Tucker agreed.



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Mr. Tucker stated he was investigating utilizing potential outside consultants for certain aspects of the strategic plan whose work would be supplemented by staff. He noted there was no in-house expertise in certain areas. Mr. Jones asked when CEDC's budget process would begin, noting the report was due to be input on PARIS by 10/31/16. Mr. Tucker stated he would begin in September noting most of the budget was comprised of fixed costs.

Mr. Tucker stated he had a meeting scheduled with the City of Hudson IDA as well as Chairman Murell of the Board of Supervisors. Additionally he has been working with Hawthorne Valley on their CFA application. Originally they had requested financial assistance from CEDC in order to hire someone to complete the application. Mr. Tucker stated he was walking them through the application answering questions as they arose. He stated he was doing a similar process with the County. He stated he would be unable to do this for everyone. He noted that he has a list of 15 – 20 open file projects that do absorb time, stating he needed to pick and choose judiciously. He noted an additional staff person was critical.

Mr. Tucker informed the committee he had called Jeff Stone of Kinderhook Bank in order to increase the minimum of the corporate credit card from \$2,000 to \$5,000, explaining the lower limit was no longer adequate. He stated Ms. Wilber had begun the business retention visits earlier in the week. Mr. Tucker stated he had gotten a message from David Berman from the county broadband committee regarding maps. He stated the committee was working well as a team.

*With no other business to come before the committee, Ms. Finnegan made a motion, seconded by Mr. Lee to adjourn the meeting. Carried.*

The meeting was adjourned at 11:12am

*Respectfully submitted by Lisa Draushuk*