



2016 Assessment of The Effectiveness of EIC's Internal Controls

A. Define the Authority's Major Business Functions:

- 1) Energize NY PACE Finance offerings to facilitate and finance qualified energy efficiency improvement projects and renewable energy system projects for residents, organizations, institutions and businesses in participating municipalities in New York
- 2) Marketing and Outreach targeted at increasing the uptake of energy upgrades and other energy improvements to buildings within EIC Member Municipalities
- 3) Support for property owners and clean energy providers to facilitate additional energy efficiency and renewable energy upgrades to existing building stock

B. Determine the Risks Associated with Its Operations

- 1) Internal Financial

C. Identify the Internal Control Systems in Place

- 1) Procurement Policy that specifies actions related to spending funds grants to Energize NY Programs
- 2) Quarterly review of expenses
- 3) Robust Underwriting Criteria and approval process
- 4) Expenditure Policy that requires multiple signing authorities when expending funds over certain thresholds
- 5) Quarterly review of bank reconciliations and journal entries

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

- 1) Effective

E. Take Corrective Action If a weakness is Identified

- 1) Quarterly reviews of Budget spending. Quarterly reviews by Executive Director, Board, Treasurer, and other officers as needed.

Approved by the Board of Directors on 2/15/2017