

**Fiscal Year 2023-24**  
**Report on the Effectiveness of Internal Controls**

The purpose of internal controls is to provide reasonable assurances that the Corporation's assets are safeguarded against unauthorized and inappropriate use, identify any weakness which may exist and take corrective action when necessary to remedy any shortcomings.

The Corporation's procedures incorporate a number of internal controls, including segregation of duties that divides the responsibility for bookkeeping, receipt of funds, recording of receipts and the review of invoices and preparation of pre-numbered checks, which require the signature of two officers.

Since the Corporation office is hosted by the Town of Cheektowaga Office of Community Development, the Director of Community oversees the receipt and initial recording of business loan payments which are carried out by specific Community Development Office staff, thus providing independent oversight of these processes. The funds received are recorded in a log listing the payer, date received, amount and check number. A ledger of business loan payments is also maintained for each individual borrower.

A revised internal controls procedures policy was previously presented, reviewed and approved by the Board. The procedures will safeguard funds and maintain accurate financial records.