

MEMORANDUM FROM THE
ULSTER COUNTY OFFICE OF THE COMPTROLLER

March S. Gallagher, Esq.
Comptroller



Charles Dinstuhl, CPA
Deputy Comptroller

Memorandum

To: County Executive Jen Metzger

Cc: County Attorney Clint Johnson
Commissioner Mike Iapoce
Legislative Chair Peter Criswell
Majority Leader/HHS Chair Abe Uchitelle
Legislator Jeff Collins

Re: Community Action Contract 2025-67 and Resolution 2024-78

Date: April 25, 2025

The Comptroller's Office has in its queue Contract 2025-67 for Ulster County Community Action, Inc. As you may know, the Comptroller's Office is currently auditing the 2024 Community Action contract for the same services. We recognize that the agency is providing vital services through this contract to some of Ulster County's residents most in need. Given the pressing need for grocery and toiletries delivery to people housed in hotels, we recommended the 2025 contract be processed for approval.

However, during the audit it has come to our attention that Ulster County Community Action has not filed a 990 since 2022 and has not completed an external audit including meeting the federal single audit requirement for 2022, 2023 or 2024. Your office was notified of this issue in email dated April 14, 2025.

As per Resolution 2024-78, Ulster County shall not pay a final contract payment to any nonprofit vendor who is not in compliance with applicable financial reporting and tax filings. Therefore, the Comptroller's Office will be unable to approve any final payment on this contract.

Furthermore, Resolution 2024-78 also requires the following:

“RESOLVED, that in furtherance of this policy, the County Executive, him/her/themself or through designee, shall ensure all contracts with nonprofit vendors with a 501 (c)(3) or 501 (c)(6) status executed on or after January 1, 2025 are in compliance with applicable financial reporting and tax filings before execution . . .”

In the case of Community Action, the audit for the period ending November 30, 2022, would have been due with the Federal Single Audit Clearinghouse on August 31, 2023. The form 990 extended due date would be due with the IRS on October 15, 2023. The form Char 500 would have been due with the New York State Attorney General’s office on October 15th as well. This entity is two years delinquent on their financial reporting, and a third is quickly approaching. Considering this newly implemented requirement, the Comptroller’s Office will be unable to approve the contract without a Legislative Waiver adopted by 2/3 of the body.

Please notify this Office of the Executive branch procedure for reviewing financial and tax compliance as required by this resolution prior to sending a contract through the approval process.