

NEWS FROM THE ULSTER COUNTY OFFICE OF THE COMPTROLLER

March S. Gallagher, Esq.
Comptroller



Charles Dinstuhl, CPA
Deputy Comptroller

For release: Immediately
Contact Dafne DeJesus 845-331-8774

Comptroller's Office Releases Audit Report of Ulster County's Affordable Rental Upgrade Program Administered by RUPCO

(Kingston, NY, May 11, 2026) – The Ulster County Comptroller's Office today released an audit of the Affordable Rental Upgrade Program (ARUP), a \$1.5 million County-funded initiative administered by RUPCO, a Kingston-based nonprofit. First contracted in 2023, ARUP funds repaired privately owned rental properties serving income-eligible tenants. The County contracts with RUPCO to administer the program with the Ulster County Department of Planning providing oversight.

When the County awards public funds through a contractor, it takes on the responsibility to ensure those funds are used in accordance with contractual requirements approved by the County Legislature. The audit found that the program was not implemented in accordance with key contract requirements. Rather than using the U.S. Housing and Urban Development income verification methodology required by the contract, the Planning Department directed RUPCO to accept tenant self-attestations and allowed funding to extend to vacant units, neither of which was authorized or formalized through a contract amendment. Contractor selection records were also incomplete, with bid summaries that did not match underlying documents and multiple bids exceeding cost thresholds without explanation. Oversight documentation was inconsistent, making it impossible to verify that compliance requirements were being monitored.

This audit also found that less than a fifth of the available funding reached its intended purpose two years from the beginning of the contract. While advancing funds for the program may be a strain on the nonprofit vendor, the funding requirements were known when the contract was signed.

Both the Planning Department and RUPCO accepted the findings and committed to corrective actions, including formal eligibility protocols, improved contractor documentation, and monthly monitoring procedures. Both also noted that program activity has accelerated since the audit fieldwork period ended in October 2025, with over \$1 million in funding now committed across more than 37 units.

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