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## BACKGROUND CHECK POLICY

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### Section 1. PURPOSE

The Ulster County Industrial Development Agency ('the Agency') shall conduct background checks on Applicants and related entities to assess the Applicant's financial solvency and business track record.

### Section 2. APPLICABILITY

This policy shall apply to every application submitted to the Agency for consideration of financial assistance and incentives. The scope of the background check shall encompass each Applicant's stockholders, members, or partners ('owners') with ownership of greater than 25%, and all related entities.

### Section 3. FEES

Applicants will be responsible for the actual cost incurred to conduct the background checks.

### Section 4. PROCESS

Process Step	Description
Application	<ul style="list-style-type: none"><li>• The Applicant submits an application as well as supporting Submission documentation, including the EIN and organizational chart.</li><li>• For existing businesses:</li><li>• The Applicant submits three (3) years of audited financial statements: provided, however, if the applicant has \$5 million or less of assets, such financial statements are not required to be submitted unless otherwise requested by the Agency.<ul style="list-style-type: none"><li>○</li><li>○ The Applicant submits a current Certificate of Standing from the Department of State for the business.</li></ul></li><li>• For new businesses:<ul style="list-style-type: none"><li>○ The Applicant submits three (3) years of personal tax returns for the owner(s) as well as current police record(s).</li><li>○ The Applicant submits three (3) years of tax returns for related businesses as well as Certificates of Standing from the Department of State.</li></ul></li></ul>
Application Review	<ul style="list-style-type: none"><li>• The Agency staff reviews the documents provided with the application and then schedules a pre-screening meeting.</li></ul>

Process Step	Description
	<ul style="list-style-type: none"><li>• If necessary, Agency staff will request additional documents from the Applicant.</li><li>• The documents submitted by the Applicant for purpose of the background check will be returned to the Applicant following review. The Agency does not retain financial or tax records.</li></ul>
Background Check	<ul style="list-style-type: none"><li>• A background check firm of the Agency's choosing will conduct the background check.</li></ul>
Newsfeed Check	<ul style="list-style-type: none"><li>• Agency staff conducts a search of local, national, and trade newspapers, and online records on the Applicant and its related businesses.</li></ul>
Summary Analysis	<ul style="list-style-type: none"><li>• Agency staff completes the background check and shares the results with board members during the application review process.</li></ul>
Invoice Background Check Expenses	<ul style="list-style-type: none"><li>• The Agency invoices the Applicant for the background check expenses up front.</li></ul>

Note: At the time this policy is being amended, the typical cost for a background check is \$199.99 plus court and clerk fees per business entity related to an application.

#### Section 6. FOIL REQUESTS

Background check related information is not subject to Freedom of Information Law ("FOIL") requests.

Amended February 17,2021