

**ONTARIO COUNTY
LOCAL DEVELOPMENT CORPORATION**

ONTARIO COUNTY, NEW YORK

**COMMUNICATING INTERNAL CONTROL
RELATED MATTERS IDENTIFIED IN AN AUDIT**

For Year Ended December 31, 2020



MENGEL METZGER BARR & CO. LLP

Certified Public Accountants

March 29, 2021

To the Board of Directors
Ontario County Local Development Corporation
Ontario County, New York

In planning and performing our audit of the financial statements of the Ontario County Local Development Corporation, Ontario County, New York as of and for the year ended December 31, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Ontario County Local Development Corporation, Ontario County, New York's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as discussed below, we identified certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated March 29, 2021 on the financial statements of the Corporation. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. Our comments are summarized as follows:

The Corporation's written responses to the deficiencies identified in our audit have not been subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Current Year Deficiencies in Internal Control:

Cash –

Bank reconciliations were prepared timely throughout the year but were not reviewed by an independent person until December 2020.

Although we acknowledge that there was some difficulty in completing the process due to restrictions resulting from the COVID-19 pandemic, we recommend every effort continue to be made to prepare and review monthly bank reconciliations on a timely basis.

Management's Response –

Effective 2020, we are mailing the bank reconciliations and audit trail reports monthly to the Treasure for review. They will stay in the Treasure's possession until such a time presents itself for a safe return to the office.

Disbursements –

The Corporation issued three payments totaling \$6,779 during April of 2020 that were not presented to the Board for approval at the October 2020 meeting.

We recommend that the Corporation adopt the necessary corrective action in the next fiscal year.

Management's Response –

In March/April we received insurance and auditing bills for payments. A Board expenditure and check approval report was created to calculate the required transfer and the invoices were paid due to timing of the policies. The report was not placed in the clerks next board meeting folder and was missed at the ensuing Board meeting. We now create an electronic folder to house such documents to eliminate this type of oversight.

This communication is intended solely for the information and use of management, the Board of Directors, audit committee, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

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We wish to express our appreciation to all client personnel for the courtesies extended to us during the course of our examination.

Rochester, New York
March 29, 2021

Mengel, Metzger, Baw & Co. LLP