

**SENECA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
A Component Unit of Seneca County**

NEW YORK

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

For Year Ended December 31, 2021



MENGEL METZGER BARR & CO. LLP

Certified Public Accountants

March 28, 2022

To the Board of Directors
Seneca County Industrial Development Agency
A Component Unit of Seneca County, New York

In planning and performing our audit of the basic financial statements of the Seneca County Industrial Development Agency, a Component Unit of Seneca County, New York as of and for the year ended December 31 2021, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered Agency's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of Agency'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 28, 2022 on the financial statements of the Agency. 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:

Current Year Deficiency in Internal Control:

Cash -

During our examination of the Agency's bank deposits we noted that the Agency did not have a custodial agreement with one of its banks as required under its investment policy. As of December 31, 2021, the deposits in that bank were undercollateralized by \$30,437.

It is our understanding that management is working with the bank to get a custodial agreement in place as of the date of this report.

Prior Year Recommendations:

There were no recommendations from the prior year.

We believe that implementation of these recommendation swill provide the Agency with a stronger system of internal control while also making its operations more efficient. We will be happy to discuss the details of these recommendations with you at your convenience.

This communication is intended solely for the information and use of management, the Board, 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.

Mengel, Metzger, Baw & Co. LLP

Rochester, New York
March 28, 2022