

March 16, 2020

To the Members of Management of  
Tioga County Property Development Corporation

In planning and performing our audit of the basic financial statements of Tioga County Property Development Corporation (the Corporation), as of and for the year ended December 31, 2019, we considered the Corporation's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the basic financial statements and not to provide assurance on the internal control.

During our audit, we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. This letter does not affect our report dated March 16, 2020 on the basic financial statements of the Corporation.

We have already discussed these comments and suggestions with Corporation personnel, and we will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This letter is intended solely for the information and use of the Board of Tioga County Property Development Corporation and management, and is not intended to be and should not be used by anyone other than these specified parties.

*Bonadio & Co., LLP*

432 North Franklin Street, #60  
Syracuse, New York 13204  
p (315) 476-4004  
f (315) 254-2384

[www.bonadio.com](http://www.bonadio.com)

**1. Observation:**

Formal procedures for a review of bank reconciliations are not in place. Bank reconciliations are currently prepared by the director in some cases, who also is involved in recording transactions and cutting checks.

**Recommendation:**

We recommend that the Corporation put in place procedures to ensure the bank reconciliations are reviewed by someone other than the director to achieve proper segregation of duties.

**2. Observation:**

Written documentation to evidence the approval by Enterprise for program budget modifications is not currently retained.

**Recommendation:**

We recommend that the Corporation retain evidence of Enterprise approving budget modifications.

**3. Observation:**

Formal documentation for the reconciliation between financial grant reports and the general ledger is not retained.

**Recommendation:**

We recommend that the Corporation put into place a formal process for financial grant reporting to ensure the reconciliation to the general ledger is completed and documented.

**4. Observation:**

Grant budgets drive the allowability of related expenditures and may be modified throughout the performance of the grants, as allowed via approval by grantors. Currently, there is not a formal process in place to ensure documentation of the approval of these modifications is retained.

**Recommendation:**

We recommend that the Corporation put into place a formal process for retaining documentation supporting the approval of grant budget modifications.