

Cayuga County Development Corporation FY 2014 AUDIT

AUDIT MANAGEMENT LETTER

CUDDY & WARD, LLP

Certified Public Accountants

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The Board of Directors
Cayuga County Development Corporation, Inc.
Auburn, New York

In planning and performing our audit of the financial statements of Cayuga County Development Corporation, Inc. as of and for the year ended December 31, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered Cayuga County Development Corporation, Inc.'s internal control over financial reporting 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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed following, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control. We consider the attached to be significant deficiencies in internal control.

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

We would like to take this opportunity to thank the Executive Director and his staff for their cooperation with us during the course of our examination. If we can be of further assistance, please contact us at your convenience.

Respectfully Submitted,

Cuddy + Ward, LLP

CUDDY & WARD, LLP
Certified Public Accountants
Auburn, New York

February 4, 2015
Auburn, New York

Cayuga County Development Corporation, Inc.
Memorandum of Significant Deficiencies
December 31, 2014

1. Preparation of Financial Statements.

Under current accounting standards, it is considered an internal control deficiency if the Organization cannot prepare its financial statements, including full footnote disclosures. Currently, the Organization does not have staff with the expertise to prepare the financial statements. The Organization is aware of this issue and feels that it is not cost effective to have this control in place and will continue to rely on the auditor prepared financial statements.