

OTHER INTERNAL CONTROLS MATTERS

June 28, 2017

The Board of Directors
NYS Olympic Regional Development Authority
Lake Placid, New York

Dear Board Members:

We have completed our audit of the financial statements of NYS Olympic Regional Development Authority for the year ended March 31, 2017, and have issued our report thereon, dated June 28, 2017.

In planning and performing our audit of the financial statements of NYS Olympic Regional Development Authority for the year ended March 31, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered NYS Olympic Regional Development Authority'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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

The financial statements and required report include all required communications regarding internal control. During our audit, we became aware of other matters that present opportunities for the Authority to improve and we are presenting them here for your consideration.

Accounts Receivable

During our audit we noted that the subsidiary accounts receivable ledger did not agree to the general ledger.

We recommend that the accounts receivable subsidiary ledger be reconciled to the general ledger on a monthly basis.

Long Outstanding Payroll Checks – repeat comment

During our audit, we noted that there are numerous payroll checks that have been outstanding in excess of one year.

We recommend that these outstanding checks be reviewed to ensure proper accounting treatment.

Depreciation Policy – repeat comment

The Authority manages its fixed assets with an obsolete software package that is not able to be merged into the Authority's general ledger. At the time an asset is placed into service, the software accounts for depreciation expense on the last day of the fiscal year rather than the date placed in service. Management noted that currently a review is being performed of the fixed asset accounting process.

Internal Controls – Safeguard of Blank Check Stock

During our audit we noted that logs of check stock usage were not maintained.

Control and reconciliation of blank check stock is an important internal control over the safeguard of assets.

Internal Controls – Cash Disbursements

During our audit we noted several examples of incomplete documentation regarding cash disbursements. There were instances of requisition forms not having written documentation of venue manager approval and invoices exceeding approved requisition amounts.

The Authority has a documented process for purchasing/cash disbursements. The process when followed ensures that payments are made only as properly authorized.

We recommend that the Authority follow its documented process for purchasing/cash disbursements.

Pre-Audit General Ledger Reconciliation

The Authority required additional time to reconcile its general ledger in preparation for the financial statement audit. Beginning fund balance did not agree to ending fund balance from the prior year. We assisted ORDA in reconciling this account.

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

We would like to acknowledge the cooperation and the professional conduct of the business office personnel and thank all of the Authority's personnel for the courtesy received during the course of our audit. Should you have any questions regarding the matters presented, we shall be pleased to discuss them at your convenience.

Very truly yours,

BONADIO & CO., LLP