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## Ciaschi • Dietershagen • Little • Mickelson & Company, LLP

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Frederick J. Ciaschi, C.P.A.

### MANAGEMENT COMMENT LETTER

Board of Directors  
Tompkins County  
Industrial Development Agency  
Ithaca, New York

In planning and performing our audit of the financial statements of the business-type activities of Tompkins County Industrial Development Agency (the Agency), and its component unit, as of and for the year ended December 31, 2011, in accordance with auditing standards generally accepted in the United States of America, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A deficiency in internal control 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first 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 such deficiencies have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

#### **OTHER MATTERS**

##### **Discussion Issue**

##### Public Authority Accountability Act of 2005 - Independence

At the recommendation of the Agency's attorney and guidance issued by the Authority Budget Office in its Policy Guidance Memorandum 07-01, the Agency amended its by-laws to limit the number of County Legislators from four to three. The County has chosen not to adhere to this amendment and has continued to appoint four Legislators. Research by Agency and County attorneys revealed the County is not legally obligated to adhere to the Agency's by-laws although the County has a history of adopting such changes in the past. Currently, the Agency is not in compliance with the Authority Budget Office Policy Guidance Memorandum 07-01.

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This communication is intended solely for the information of the Board of Directors, Audit Committee, management, and New York State and is not intended to be and should not be used by anyone other than these specified parties.

*Cinchi, Dittulyn, Little, Mickelson & Co., LLP*

March 12, 2012  
Ithaca, New York