

March 30, 2020

To the Members of Management of
Greater Syracuse Soundstage Development Corporation

In planning and performing our audit of the basic financial statements of Greater Syracuse Soundstage Development Corporation (the Corporation), a blended component unit of the County of Onondaga, New York (the County) 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 several matters that are opportunities for strengthening internal controls and operating efficiency. This letter does not affect our report dated March 30, 2020 on the basic financial statements of the Corporation.

We have already discussed many of these comments and suggestions with various 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 Greater Syracuse Soundstage Development Corporation and management, and is not intended to be and should not be used by anyone other than these specified parties.

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1. Observation:

The Corporation was not in compliance with the requirements dictated by the New York State Authorities Budget Office (ABO) to upload and submit a copy of the next year's budget (in this case, the 2020 budget) to the Public Authorities Reporting Information System (PARIS), at least 60 days prior to the next year's fiscal year start. In addition, the Corporation was not in compliance with the requirements to upload and submit the annual audited financial statements (in this case, the 2019 fiscal year end) within 90 days of fiscal year end.

Recommendation:

We recommend that the Corporation develop policies and procedures to ensure compliance with Section 2801 of Public Authorities Law.

2. Observation:

In testing our subsequent disbursements made following January 1, 2020, we identified 2 additions to capital assets that were received/placed in service as of December 31, 2019. As such, there was an immaterial understatement of capital assets and accounts payable as of December 31, 2019.

Recommendation:

We recommend management and those charged with governance develop a policy that would ensure the proper cutoff of all additions to capital assets and/or expenses in the fiscal year incurred, regardless of the timing of cash payments.

3. Observation:

We requested a number of signed facility use agreements as part of obtaining appropriate audit evidence to support revenue amounts for the fiscal year ending December 31, 2019. In two instances, a final signed copy could not be provided.

In addition, a signed copy of the final line of credit with M&T could not be provided. Audit evidence to support the completeness of the balance due at December 31, 2019 was obtained through use of a third party confirmation.

Recommendation:

We recommend management obtain and retain all facility use agreements and/or financing arrangement agreements to ensure agreement between both parties and that the interests of the Corporation are protected.

4. Observation:

In accordance with the facility use agreements, there are a number of instances in which the Corporation's Executive Director may assess additional fees for things such as cleaning and garbage removal. Often is the case that these ancillary charges are determined and assessed on the facility user, but without the use of a formal invoice.

Recommendation:

We recommend management and those charged with governance develop a policy that would require all ancillary additional fees assessed be done so via an invoice. Furthermore, consideration should be given to a secondary level of review and approval when determining ancillary and additional fees to charge third parties.