



MEETING AGENDA
OCDC Audit Committee
8 a.m. Office of Economic Development Conference Room
November 13, 2014

8 am Call to Order

A. Approval of March 6, 2014 meeting minutes

Action Items

1. Discuss pre-audit procedures

Representative: Mike Lisson, Grossman St. Amour, OCDC Auditor

2. Self-Evaluation of the Committee

The Committee will review a summary of the committee members' self-evaluation of the committee.

Committee Action Requested: A Resolution of the Committee to transmit the summary evaluation *with/without comment* to the Governance Committee for review and recommendation to the Board.

3. Review Committee Charter

The Committee will review its Charter

Committee Action Requested: A Resolution of the Committee to transmit the Committee Charter *with/without comment* to the Governance Committee for review and recommendation to the Board.

4. Review Committee Annual Report

The Committee will review its 2014 Annual Report

Committee Action Requested: A Resolution of the Committee to transmit the Annual Report to the Governance Committee for review and recommendation to the Board.

Adjourn

ONONDAGA CIVIC DEVELOPMENT CORPORATION
Audit Committee Meeting
March 6, 2014

An Audit Committee meeting of the Onondaga Civic Development Corporation was held on Thursday, March 6, 2014 at 333 West Washington Street, Syracuse, New York, 13202, in the large conference room on the first floor.

Scott Koldin called the meeting to order at 8:30 am with the following:

PRESENT:

Scott Koldin
Matt McAnaney
Thomas Bezigian

ALSO PRESENT:

Mary Beth Primo, President/CEO
Nora Spillane, Secretary
Kristi Smiley, Treasurer
Mike Lisson, Grossman St Amour
Chris Andreucci, Harris Beach

APPROVAL OF AUDIT COMMITTEE MEETING MINUTES – NOVEMBER 19, 2013

Upon a motion by Matt McAnaney, seconded by Thomas Bezigian, the OCDC Audit Committee approved the meeting minutes of November 19, 2013. Motion was carried unanimously.

REVIEW AND DISCUSS 2013 FISCAL YEAR AUDIT

Mike Lisson stated that he will walk through the power point slide and talk about some of the highlights of the past year. He stated that he is a partner with Grossman St. Amour CPAs and has been with OCDC for a number of years. He stated that as the Board recalls every year they have to go through required communications with the Board. He stated that the required communications are required by the auditing standards. He stated that the Audit Committee is responsible for oversight of the organization, the financial statements including the 990 and the other letters. He stated that some of the specific items that happened this year is the Van Duyn Nursing home was both purchased and sold during the fiscal year. He stated that it shows up as a mortgage note receivable and a subsequent mortgage note payable to the County. He stated that there were no difficulties encountered during the audit. He stated that as the Board already

knows, Grossman St. Amour prepares the financial statements and the 990 and is deemed a non-audit service. He stated that there are no issues with that because management takes ownership for those. He stated that back in November the scope and strategy was discussed and there are really no changes to that approach that they took during the course of the audit. He stated that the financial statements are a clean audit opinion and are unmodified. He stated that they are similar to past years and it is the highest level opinion you can get. He stated that the investment policy has a one page letter included and it says that OCDC is compliant with the investment policy. He stated that the investment policy is parallel with what New York State requires. He stated that it is required by the ABO. He stated that there are no matters to identify with the internal control. He stated that there are no significant deficiencies, material weaknesses in the internal control. He stated that the controls are effective based on the testing they did. He stated that they don't give an opinion on internal controls but they do certain procedures. He stated that under regulatory filings there is the form 990 which is the IRS form for OCDC and the CHAR 500 which is the State of New York's form. He asked the Audit Committee to take a close look at it and make sure nothing is off.

Upon a motion by Thomas Bezigian, seconded by Matt McAnaney, the OCDC Audit Committee approved a resolution recommending Board approval of the 2013 Audit of the Corporation. Motion was carried unanimously.

Upon a motion by Matt McAnaney, seconded by Thomas Bezigian, the OCDC Audit Committee adjourned the meeting at 8:43 am. Motion was carried unanimously.

Honora Spillane, Secretary



ONONDAGA CIVIC DEVELOPMENT CORPORATION
 333 WEST WASHINGTON STREET, SUITE 130, SYRACUSE, NY 13202
 PHONE: 315.435.3770 • FAX: 315.435.3669 • SYRACUSECENTRAL.COM

Audit Committee Evaluation

Criteria	Agree	Somewhat Agree	Somewhat Disagree	Disagree
Do Committee members understand the Committee's charter, duties & responsibilities as exhibited by its formal agendas, actions and reports?	3			
Is the Committee comprised of members who are independent as defined by the NYS Authorities Budget Office and who bring a body of expertise, knowledge, and experience necessary to understand and fulfill the goals and duties of the Committee?	3			
Does the Committee require a member to recuse him/herself if an appearance of a financial or other conflict might appear to influence a vote of the committee member or the committee as a whole?	3			
Does the Committee require a member to acknowledge a financial conflict of interest, as defined in Board policy, with any project or action that has come before the Committee during the tenure of the Committee member?	3			
Does the Committee receive advance copies of agendas and supporting material necessary for it to make an informed determinations or recommendations to the Board?	3			
Does the Committee acknowledge and encourage open discussion by its members and staff during committee meetings?	3			
Does the Committee present a self-evaluation to the Board annually, including an examination the Committee Charter?	3			

AUDIT COMMITTEE CHARTER

This Audit Committee Charter was adopted by the Board of Directors of the Onondaga Civic Development Corporation (the “Corporation”) a not-for-profit corporation established under Section 1411 of the Not-For-Profit the laws of the State of New York, on the 2nd day of March 2010.

Purpose

Pursuant to Article IV, Section 1 of the Corporation’s bylaws, the purpose of the audit committee shall be to (1) assure that the Corporation’s Directors fulfill their responsibilities for the Corporation’s external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; and (2) provide an avenue of communication between management, the independent auditors, and the Directors.

Powers of the Audit Committee

It shall be the responsibility of the Audit Committee to:

- Recommend, compensate, and oversee the work of any public accounting firm employed by the Corporation.
- Conduct or authorize investigations into any matters within its scope of responsibility.
- Seek any information it requires from Corporation staff, all of whom should be directed by the Directors to cooperate with committee requests.
- Meet with Corporation staff, independent auditors or outside counsel, as necessary.
- Retain, at the Corporation’s expense, such outside counsel, experts and other advisors as the Audit Committee may deem appropriate.

Composition of Committee and Selection of Committee Members

The Audit Committee is established as set forth in and pursuant to Article IV, Section 1 of the Corporation’s bylaws. The Audit Committee shall be comprised entirely of “Independent Members” (as such term is defined in the By-Laws). Members shall be elected by a plurality of votes cast by the Directors of the Corporation at each annual meeting of the Board and shall serve until the next annual meeting.

Audit Committee members shall be prohibited from being a staff member of the Corporation or an immediate family member of a staff member of the Corporation. In addition, Audit Committee members shall not engage in any private business transactions with the Corporation or receive compensation from any private entity that has material business relationships with the Corporation, or be an immediate family member of an individual that engages in private business transactions with the Corporation or receives compensation from an entity that has material business relationships with the Corporation.

The Audit Committee shall have access to the services of at least one financial expert.

The Audit Committee's financial expert should have 1) an understanding of generally accepted accounting principles and financial statements; 2) experience in preparing or auditing financial statements of comparable entities; 3) experience in applying such principles in connection with the accounting for estimates, accruals and reserves; 4) experience with internal accounting controls and, 5) an understanding of Audit Committee functions.

Meetings

The Audit Committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter.

Members of the Audit Committee are expected to attend each committee meeting, in person or videoconference. The Audit Committee may invite other individuals, such as management staff, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

The Audit Committee will meet with the Corporation's independent auditor at least annually to discuss the financial statements of the Corporation.

Meeting agendas will be prepared for every meeting and provided to the Audit Committee members along with briefing materials before the scheduled Audit Committee meeting. The Audit Committee will act only on the affirmative vote of a majority of the members at a meeting or by the consent of a majority of the members. Minutes of these meetings will be recorded.

Responsibilities

The Audit Committee shall have responsibilities related to: (a) the independent auditor and annual financial statements; (b) oversight of management's internal controls, compliance and risk assessment practices; (c) special investigations and whistleblower policies; and (d) miscellaneous issues related to the financial practices of the Corporation.

A. Independent Auditors and Financial Statements

The Audit Committee shall:

- Recommend, compensate and oversee independent auditors retained by the Corporation and pre-approve all audit services provided by the independent auditor.
- Establish procedures for the engagement of the independent auditor to provide permitted audit services. The Corporation's independent auditor shall be prohibited from providing non-audit services.
- Review and approve the Corporation's audited financial statements, associated management letter, report on internal controls and all other auditor communications.
- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.

- Meet with the independent audit firm on a regular basis to discuss any significant issues that may have surfaced during the course of the audit.
- Review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

B. Internal Controls, Compliance and Risk Assessment

The Audit Committee shall:

- Review management's assessment of the effectiveness of the Corporation's internal controls and review the report on internal controls by the independent auditor as a part of the financial audit engagement.

C. Special Investigations

The Audit Committee shall:

- Ensure that the Corporation has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the members, officers, or staff of the Corporation or any persons having business dealings with the Corporation or breaches of internal control.
- Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing to the appropriate body.
- Request and oversee special investigations as needed and/or refer specific issues to the appropriate body for further investigation (for example, issues may be referred to the State Inspector General or, other investigatory organization.)
- Review all reports delivered to it by the Inspector General and serve as a point of contact with the Inspector General.

D. Other Responsibilities of the Audit Committee

The Audit Committee shall:

- Present annually to the Corporation's Directors a written report of how it has discharged its duties and met its responsibilities as outlined in the charter.
- Obtain any information and training needed to enhance the Committee members' understanding of the role of the independent auditor, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes.
- Review the Committee's charter annually, reassess its adequacy, and recommend any proposed changes to the Directors of the Corporation. The Audit Committee charter will be updated as applicable laws, regulations, accounting and auditing standards change.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request directors approval for proposed changes.



2014 Annual Report of OCDC Committees Audit Committee

Committee Members & Staff

Matthew McAnaney, Director

Scott Koldin, Director

Thomas Bezigian, Director

Julie Cerio, President / Chief Executive Officer

Honora Spillane, Secretary

Kristi Smiley, Treasurer

Purpose of the Committee

The purpose of the audit committee shall be to assure that the Corporation's Directors fulfill their responsibilities for the Corporation's external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; and provide an avenue of communication between management, the independent auditors, and the Directors.

Meeting Schedule:

The committee met on:

- 1) March 6, 2014
- 2) November 13, 2014

Fiscal Year 2014

1. Annual Self-Evaluation: The committee conducted a self-evaluation. It found no issues. The Committee will present its evaluations to the Governance Committee for its final review and recommendations to the Board. The Governance Committee will present the evaluations to the full board at the March 2015 Annual Meeting.

2. Charter Review: The committee reviewed its charter on November 13, 2013. It was satisfied with the charter. The Committee will present its findings to Governance Committee for its final review and recommendations to the Board. The Governance Committee will present the evaluations to the full board at the March 2015 Annual Meeting.

3. Disposition of Duties: The Committee met with the Corporation Auditor on March 6, 2014 to review and discuss the 2013 Audit of the Corporation. The Committee found the audit to be adequate and did not have any substantive comments or questions for the Auditor.

The Committee met with the Corporation Auditor on November 13, 2014 to review and discuss preliminary audit material for the Corporation's 2014 fiscal year. The Committee did not have any substantive comments or questions for the Auditor.