

**DEVELOPMENT AUTHORITY OF
THE NORTH COUNTRY**

**Communication of Matters Related to Internal
Control Over Financial Reporting
June 2021**

Bonadio & Co., LLP
Certified Public Accountants

June 2021

To the Board of Directors of the
Development Authority of the North Country:

In planning and performing our audit of the financial statements of Development Authority of the North Country (the Authority) as of and for the year ended March 31, 2021, in accordance with auditing standards generally accepted in the United States, we considered the 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.

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.

This communication is intended solely for the information and use of management, 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.

432 North Franklin Street, #60
Syracuse, New York 13204
p (315) 476-4004
f (315) 254-2384

www.bonadio.com

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COMMUNICATIONS OF MATTERS RELATED TO INTERNAL CONTROL OVER FINANCIAL REPORTING JUNE 2021

SUMMARY OBSERVATIONS REGARDING INTERNAL CONTROL ENVIRONMENT

Our audit process and related testing determined that the accounting records and documentation maintained by the Authority accounting and management personnel were well prepared for audit purposes. The best evidence of the preceding statement is reflected by the following audit results:

- a) We did not identify any internal control deficiencies or material weaknesses during the course of our audit process.
- b) There were no "Audit Adjustments" required that related to errors or omissions by the Authority accounting personnel.

The results described above are desirable objectives for any Organization subject to a financial statement audit process.

While we did not identify any specific recommendations for improvement in this area, we want to emphasize the importance of board oversight and involvement as a key component of the Authority's internal control environment.

We appreciate the cooperation and courtesies extended by your personnel to our representatives during the course of the audit process.