

Melvina Carter inquired if the Management Letter needed a vote. Chairperson Singer responded no vote was needed because it was a review.

### **Other Business**

Chairperson Singer had concerns in the case of Whistleblowers, if there was someone they can call or if it is posted anywhere. Melvina Carter advised that the information is in the Guidelines and Procedures and that all personnel have received copies.

### **Adjournment**

After establishing that there was no further business before the Committee, Chairperson Singer requested a motion to adjourn the meeting.

A motion was made by Michael Baratta and seconded by Cecile Singer. *Approved 2-0*  
Meeting adjourned at 8:57 a.m.

to the Board as a part of the Treasurer's Report to detail specific information such as substantial arrears. Mr. Granger noted that payroll records and other accounting records should always be reconciled and that assets of the Agency be properly accounted for at all times.

Melvina Carter indicated that the Management's response to items 3, 4 and 5 are the same. Mr. Granger remarked that having an internal accountant is always much more efficient.

- Segregation of Duties

Frank Granger said that no one employee should handle all phases of the transactions without another employee's input. All revenue and activities should be tracked; bank reconciliation statements should be approved and signed by CFO or CEO. Two signatures should be on all accounting information to minimize risks of error or loss. Ms. Carter stated that they have been following this procedure; she checks everything and signs off on it before the Financial Administrator processes a check. Checks are prepared and are then passed on for two signatures. If the Financial Administrator is on vacation then Ms. Lynch will review and approve invoices and Ms. Carter will process the checks. Chairperson Singer questioned how many signatures are on checks. Ms. Carter responded that there are always two signatures on every check and every wire transfer.

Chairperson Singer inquired about bank statements. Ms. Carter said she reviews them when they come in and passes them on to Laetitia who then files them. When Pat Serenson does his work for the Agency, Ms. Carter stated that he reviews bank statements and does the bank statement reconciliation.

Chairperson Singer wanted to know what Mr. Granger thoughts were on the areas of potential vulnerability to the Agency. Mr. Granger related information about areas of risks and how they could be minimized. Board Member Baratta said that doing the accrual method of accounting helps the Agency better understand its financial operations. Mr. Granger remarked that he felt the Agency is definitely headed in the right direction with the accountant on hand and the right questions being asked by the Board members about the Agency's financial operations.

At that point Chairperson Singer asked Ms. Melvina Carter to recuse herself from the meeting. At the request of the Chairperson, Ms. Carter left the Board room.

Ms. Carter was later asked to return to the meeting and she did. Chairperson Singer questioned a provision in the Charter about a Financial expert. Chairperson Singer said that there is no one on the Audit Committee that is a Financial expert and we should be very clear about the wording on this issue. Ms. Carter said it was originally adopted in the Charter, but Legal Counsel had suggested a change in the wording, but that it could be looked further in the next meeting.

- Year-End Accounting

Mr. Granger's first comment was about the year end account and how it was important for the accounting consultant to familiarize himself with the necessary procedures to do a year end report/audit.

Mr. Granger noted that the Agency could not do its own financial statements, but with the new accountant Pat Serenson on board, whom Mr. Granger found had extensive experience, there were significant improvements in the reports from the IDA.

- Non-Cash Transactions

Mr. Granger then spoke about the Bond Issue and how the Agency should get information on an interim basis or quarterly basis so the Agency can supply New York State with the necessary employment data to the extent possible to be certain the Agency is meeting its reporting obligations. He also said that even though the IDA is not providing the financing for their Bonds, the IDA still has to report it. Chairperson Singer emphasized how critical proper reporting is because the Legislature is focusing on IDA's and there is a need for full compliance since otherwise the structure of using IDA's throughout New York State could be in jeopardy. By the IDA following up and reporting, this is the best method to show the positive activity that IDA's engage in and what is actually happening in economic revitalization.

Member Michael Baratta wanted to know if there is a mandated regulation that requires the IDA to request from each employer employment verification on a yearly basis. Melvina Carter stated that the IDA is following all applicable regulations to collect information that the State has requested. Melvina Carter said the IDA sends out a form and ask how many jobs were created each year and whether tax exemptions were utilized this year as well as other information and all that responsive data is documented in our Annual Report. Melvina Carter stated that some of the Bond Agencies have been contacted to request their information on a quarterly basis.

- Accounts Payable Reconciliations

Frank Granger said the IDA's regular reports have been received throughout and at the end of the year. However, the auditors want to make sure that any invoices that come in concerning the previous year be segregated for recording purposes in the General Ledgers. Mr. Granger wanted to make sure that the agency keeps all records up to date especially where significant amounts are concerned.

Chairman Singer said this procedure gives the Agency a better understanding of what transpires during the year. Melvina Carter stated that notes are provided



**Yonkers Industrial Development Agency  
Audit Committee Meeting  
April 23, 2008**

**Present-Board Members**

Cecile Singer, Chairperson  
Michael Baratta, Member

**Absent Members**

Martin Ball Sr., Member

**Non-Members Present**

Melvina Carter, Yonkers IDA CFO  
Pat Serenson – Accountant  
Frank Granger – ODMD

**Roll Call**

Chairperson Singer called the Audit Committee Meeting to order at 8:01 a.m. Roll call was taken. The following Committee Members were noted to be present: Michael Baratta. Member Martin Ball, Sr. was absent. A quorum was established for the conduct of business.

**Approval of Minutes of December 19, 2007 Meeting**

Chairperson Singer announced the first item on the agenda, which was the approval of the minutes of the December 19, 2007 meeting.

A motion to approve the Minutes of the December 19, 2007 Meeting was made by Michael Baratta and seconded by Cecile Singer. *Approved 2-0*

**Review and Discussion of 2007 Management Letter for Approval**

Chairperson Singer continued with the next item on the agenda, which was the discussion of the 2007 Management Letter. Chairperson Singer then requested Mr. Frank Granger to address certain financial issues. Mr. Granger stated that he issued a Management Comment Letter during audit and found no significant deficiencies or discrepancies. However, Mr. Granger recommended that the IDA enhance control and have interim reporting as well as year end reporting.