grossman st. amour
CERTIFIED PUBLIC ACCOUNTANTS PLLC

March 9, 2020

To the Board of Directors
Operation Oswego County, Inc.
Oswego, New York

In planning and performing our audit of the basic financial statements of Operation Oswego County, Inc. as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered Operation Oswego County, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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 entity's internal control. Accordingly, we do not express an opinion on the effectiveness of Operation Oswego County, Inc.'s internal control over financial reporting.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, significant deficiencies or material weaknesses may exist that have not been identified.

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 a 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.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies identified in Schedule A to be significant deficiencies. None of the identified significant deficiencies are considered to be material weaknesses.

During our audit, we also became aware of certain matters that opportunities for strengthening internal controls. These comments and suggestions are described in Appendix B.

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The purpose of this communication, which is an integral part of our audit, is to describe for management and those charged with governance the scope of our testing of internal control and the results of that testing. Accordingly, this communication is not intended to be and should not be used for any other purpose.

Very truly yours,

Grossman St Amour CPAs

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Schedule A
Control Deficiencies

Segregation of Duties

Due to the size of the Organization, there are a limited number of staff available to establish an optimal internal control system with proper segregations of duties. In the cash disbursement cycle we noted that one staff has access to print checks, enter data into the QuickBooks general ledger and perform bank reconciliations. Segregating duties amongst personnel and building in additional oversight procedures would enhance internal controls. Further, it is noted that there is no evidence of regular review of bank reconciliations present. We recommend that another employee or a financially experienced member of the Board perform the bank reconciliations. It is also recommended that another management employee or committee member of the board formally review the bank reconciliations on a monthly basis.

Within the cash receipt process, we noted that receipts are opened at the front desk and a log is made of the daily cash receipt activity. Another staff then prepares the bank deposit and makes the deposit, also recording the activity in QuickBooks. While a comparison of these log and bank deposits is taking place we recommend that this also include QuickBooks and be performed by an independent person on a regular basis and any identified differences be documented and resolved.

Non-Compliance of Reporting Requirements

The Organization is subject to the reporting requirements contained in the New York State Public Authorities Law and is required to file the required Public Authorities Reporting Information System (PARIS) reporting within 90 days of year-end. It is noted that the prior year PARIS reporting was not filed within the required timeframe. We recommend that Management and the Board diligently work to meet required deadlines to remain in compliance with such requirements.

Schedule B
Opportunities for Strengthening Controls

Board Documentation

During the current year certain bank accounts were closed, per inquiry the authorization for closing of accounts were provided by the board, however, such authorization was not formally documented in the minutes. It is recommended that whenever accounts are closed or opened such authorization be documented in the minutes.