



March 21, 2011

Chairman and Agency Board  
Town of Colonie Industrial Development Agency  
347 Old Niskayuna Road  
Latham, New York 12110

Dear Chairman and Members of the Board:

This letter includes comments and suggestions regarding certain matters that came to our attention during our audit of the financial statements of the Town of Colonie Industrial Development Agency (Agency) for the year ended December 31, 2010. These items are offered as constructive suggestions to be considered as part of the ongoing process of improving the Agency's practices and procedures.

### **ACCOUNTING POLICIES AND PROCEDURES**

#### **1. Board Minutes**

*Observation:* During our audit, we noted that the Agency's Board minutes are incomplete.

*Suggestion:* Minutes serve as a record of the Agency's Board meetings and should document all significant topics discussed and decisions reached. Board minutes can be a crucial document in the event of future legal matters and in documenting compliance with regulatory requirements and/or issues. We suggest that the Board appoint a separate record-keeper to be responsible for taking Board minutes, so that every meeting will have a set of corresponding minutes that properly reflect all items discussed. The Board should review and approve the previous minutes at the next meeting and the approval should be documented.

#### **2. Consistent Reporting Format**

*Observation:* We noted that the December 31, 2009, Annual Report filed by the Agency's management with the New York State Authority Budget Office (ABO) did not use the same classifications as the audited financial statements.

*Suggestion:* We suggest that the Agency's accounting staff review the Annual Report before submitting it the ABO to ensure reporting consistency.

#### **3. Monitoring Restricted Fund Activity**

*Observation:* During our audit, we discussed the lack of interaction between the Board and the Albany-Colonie Regional Chamber of Commerce (Chamber) as related to the Chamber's administration of the revolving loan fund.

*Suggestion:* It is important that the Board is comfortable with the Chamber's administration of the revolving loan fund and that the Board is regularly informed of activity to ensure that the Chamber is meeting the goals originally established by the Agency for these funds. We suggest improving communication between the Board and Chamber by scheduling an annual meeting with the Board (or a committee) to discuss and review current activity.

Town of Colonie, New York,  
Industrial Development Agency  
March 21, 2011  
Page 2

This letter is intended solely for the information and use of the Board members, management, and others within the Agency and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate serving the Agency and would be happy to assist you in addressing and implementing the suggestion in this letter.

Very truly yours,

BOLLAM, SHEEDY, TORANI & CO. LLP

A handwritten signature in black ink, appearing to read "William C. Freitag". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

William C. Freitag, Partner

WCF/dmc