

MANAGEMENT COMMENT LETTER

The Chairman and Members
of the County Legislature
County of Tioga
Owego, New York

In planning and performing our audit of the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Tioga (the County) for the year ended December 31, 2015, in accordance with auditing standards generally accepted in the United States of America, we considered the County of Tioga's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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 material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

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. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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 following deficiencies in internal control to be significant deficiencies:

SIGNIFICANT DEFICIENCY

Timeliness of Bank Reconciliations

Condition:

In previous audits, we noted reconciliations of the County's bank accounts were not performed in a timely manner, resulting in an undetected material misstatement in the basic financial statements. Reconciling bank accounts on a timely basis permits errors or other problems to be recognized and resolved. Also, it is generally simpler and less time-consuming to reconcile accounts while transactions are fresh in mind. Via inquiry of County personnel, we discovered the computer system could not provide necessary information needed to complete reconciliations until year end closing, which occurs in April.

Recommendation:

It was recommended the County establish internal controls to ensure bank reconciliations are performed in a timely manner.

Current Status:

The conversion to new financial software caused a significant delay in reconciling bank accounts. It appears that the County has made progress in 2017, and is now more current in this process.

We will review the status of these matters during our next audit engagement and we will be pleased to discuss these in further detail at your convenience or perform any additional study of these matters.

This communication is intended solely for the information and use of the Board of Representatives and management of the County of Tioga, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully Submitted,



Insero & Co. CPAs, LLP
Certified Public Accountants

Ithaca, New York
August 6, 2017