

Response to Bonadio Group

In response to your audit presented in draft form to the Board of Directors of the Greater Mohawk Valley Land Bank Corporation, we, the Board, find the results and findings to be fair, and in the process of correction/clarification.

Although the Board acknowledges the findings referenced in our Year-End 2018 audit, 2018-001 and 2018-002, both referring to our recording and reporting in relation to the US Generally Accepted Accounting Principles (U.S. GAAP), we respond to this audit and its auditors that we do comply directly with GAAP, even as we are in process of coordinating with our limited staff to keep current and learn all facets of the standards as applicable to NYS Public Authorities.

New to this reporting year, in relation to your findings, we have retained outside, professional services for accounting and reporting on a contract basis for support and assistance. As such, we are taking steps to currently and accurately track expenses to each particular grant we are awarded, in order to properly account for them within our QuickBooks system. This has been and will continue to be a top priority, and a goal of ours since inception, as we are required by our grantor to justify expenses prior to the release of their funds to our Land Bank. Our reporting is taking shape procedurally, and our internal tracking has never been an issue. All transactions are closely monitored and overseen by the State of New York's Office of Attorney General, as well as the organization(s) {LISC/Enterprise} overseeing these resources. Our board remains confident in the current account for grants as well as the future accounting and tracking of the same.

Our board will revisit our accounting procedures in relation to tracking revenue within 90 days. We remain comfortable in the concept and execution of, and adherence to U.S. GAAP, closely monitoring all applicable standards.

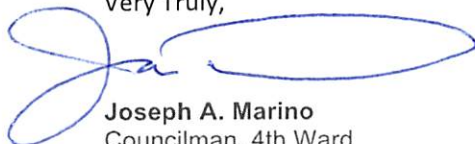
We reiterate that our board has retained qualified in-house bookkeeping staff, as well as the outside services of a professional accounting firm in late 2018. Tracking and accounting for revenue will be a high priority, which will be monitored very closely going forward.

In conclusion, we, the Board of the Greater Mohawk Valley Land Bank, accept the minor findings of this Internal Audit and are deeply committed to and in the process of resolving them. In fact, for the record, we stand in pride with this audit given our short time in existence, limited staffing and the vast geographic territory we encompass.

Because they are simply tracking issues, the points noted will not be and have not been difficult to correct; nonetheless, we will stand behind the pledge that this board, through internal controls, will discuss, vet and implement written changes to our policies and practices, as warranted, that govern this area for better clarity in the future.

We thank you for your diligence and we look forward to bettering our board based on this assessment.

Very Truly,



Joseph A. Marino
Councilman, 4th Ward

Direct Responses to findings:

Reference Number: 2018-001

The board plans to review our policies and procedures in terms of Grant Expense tracking and update them to better reflect our actual method of reporting. In addition, we will monitor this activity with far more frequency to maintain its level of integrity.

Reference Number: 2018-002

The board plans to review our policies and procedures in terms of revenue recording as well as refer to our outside accounting firm for advice on best practices. In addition, like 2018-001, we will monitor this activity with far more frequency to maintain its level of integrity.