

March 27, 2025

To the Board of Directors
Steuben Area Economic Development Corporation

In planning and performing our audit of the financial statements of Steuben Area Economic Development Corporation as of and for the year ended December 31, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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 Organization's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

During our audit, we noted certain operational matters that are presented for your consideration, and have been identified as "other comments and recommendations" in the following pages. These other comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. This letter does not affect our report dated March 27, 2025 on the financial statements of Steuben County Industrial Development Agency. We will review the status of these comments during our next engagement. We will be pleased to discuss these comments in further detail at your convenience, perform additional study of these matters or assist you in implementing the recommendations.

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

Very truly yours,

Kristie M. Beach, CPAs, PLLC

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Steuben Area Economic Development Corporation
Other Comments and Recommendations
December 31, 2024

Other Comment - Information Technology (IT) Policies and Procedures: During our audit we noted there are not documented IT policies and procedures.

Recommendation: We recommend IT policies and procedures be documented and approved by the Board of Directors.

Management's Response: *The Organization is currently undergoing a transition with their IT infrastructure and has upgraded all end user PC's to the Windows 11 operating system. Early in 2025 Quarter 2, the Organization will transition its electronic file storage directory, currently housed on a local server, to the Microsoft 365 SharePoint/One Drive cloud based system and eliminate the local server. Following staff training on the cloud based system, the Organization will implement policy IT policy and procedure revisions by the end of 2025 Quarter 3.*