



CERTIFIED PUBLIC ACCOUNTANTS

September 8, 2010

To the Board of Directors
Town of Islip Industrial Development Agency
Islip, NY

We have audited the financial statements of the business-type activities of the Town of Islip Industrial Development Agency for the year ended December 31, 2009, and have issued our report thereon dated September 8, 2010. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated February 15, 2010, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter dated February 15, 2010.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Islip Industrial Development Agency are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2009. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

PERSONAL SERVICE. TRUSTED ADVICE. 

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Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 8, 2010.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of the Nassau County Industrial Development Agency and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Albrecht, Viggiano, Zureck & Co., P.C.
Hauppauge, New York
September 8, 2010



CERTIFIED PUBLIC ACCOUNTANTS

September 8, 2010

Board of Directors
Town of Islip Industrial Development Agency
Islip, New York

In planning and performing our audit of the financial statements of the Town of Islip Industrial Development Agency, New York as of and for the year ended December 31, 2009, 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 the Town of Islip Industrial Development Agency, New York's internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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 Town of Islip, New York's internal control.

However, during the audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. This letter does not affect our report, dated September 8, 2010 on the financial statements of the Town of Islip Industrial Development Agency, New York.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or assist you in implementing the recommendations.

Albrecht, Viggiano, Zureck & Co., P.C.

Hauppauge, New York

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IDA - MONITORING

Criteria

The Board of Directors is responsible for establishing procedures to monitor the financial status of the Industrial Development Agency. The Board should periodically review reports that compare revenues and expenditures to the related budget to ensure that funds are available for expenditure and those expenditures are within the authorized amounts.

Condition

The Board is not formally documenting the financial review of the Industrial Development Agency.

Recommendation

We recommend that the Board formally document the financial review of the Industrial Development Agency.

PROCUREMENT

Criteria

The proper use of purchase orders ensures that there are sufficient funds available for any necessary purchases.

Condition

During the audit, we noted two instances where the purchase orders were dated after the vendor invoices.

Recommendation

We recommend that purchase orders are obtained before items are requisitioned from vendors.