

RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY  
AUDIT COMMITTEE RESPONSE:  
2009 EXTERNAL AUDIT FINDINGS

The Riverhead Industrial Development Agency [RIVIDA} is relatively small and has limited staff and resources. RIVIDA fully recognizes and acknowledges its obligation to separate the various accounting and finance functions of its operations. In an effort to meet the degree of separateness of function as mandated in NYS State laws rules and regulations, the RIVIDA has instituted the following measures: an audit committee has been organized; members of RIVIDA Board of Directors [separate from the audit committee] review all warrants for appropriateness on a regular basis and sign-off on all expenditures; an independent external auditing firm has been retained; a process for procurement that separates function between executive director and administrative assistant has been implemented; and an independent CPA consultant has been retained to manage all procurement documents prior to review by the RIVIDA Board of Directors' members. RIVIDA recognizes that these measures, however well intended, perhaps do not meet the expectations of NYS 100%, but do represent the maximum an agency of RIVIDA's size and limited resources can accomplish. RIVIDA is committed to continuously improving its ability to keep the 5 finance functions separate to the greatest degree feasible.