



THOMAS P. DiNAPOLI
COMPTROLLER

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER
110 STATE STREET
ALBANY, NEW YORK 12236

STEVEN J. HANCOX
DEPUTY COMPTROLLER
DIVISION OF LOCAL GOVERNMENT
AND SCHOOL ACCOUNTABILITY
Tel: (518) 474-4037 Fax: (518) 486-6479

January 29, 2010

Mr. William N. Young, Jr. Chairman
Members of the Board of the Guilderland Industrial Development Agency
Guilderland Industrial Development Agency
Guilderland Town Hall
P.O. Box 339
Guilderland, NY 12084

Report Number: S9-9-16

Dear Mr. Young and Members of the Board of the Guilderland Industrial Development Agency:

One of the Office of the State Comptroller's primary objectives is to identify areas where local government officials can improve their operations and provide guidance and services that will assist them in making those improvements. Our goals are to develop and promote short-term and long-term strategies to enable and encourage local government officials to reduce costs, improve service delivery, and to account for and protect their entity's assets.

In accordance with these goals, we conducted an audit of 20 local public authorities throughout New York State. The objective of our audit was to determine whether these authorities' board members are receiving more compensation than is legally authorized. We included the Guilderland Industrial Development Agency (IDA) in this audit. Within the scope of this audit we reviewed payroll documents, cash disbursements, and other relevant records to determine compensation provided to board members for the period January 1, 2007 through March 31, 2008.

This report of examination letter contains our findings specific to the IDA. We discussed the findings with IDA officials and considered their comments in preparing this report. The IDA's response is attached to this report in Appendix A. IDA officials agreed with our finding. At the completion of our audit of the 20 authorities, we prepared a global report that summarizes the significant issues we identified at all of the authorities audited.

Background and Methodology

The Guilderland Industrial Development Agency is a public benefit corporation created on April 3, 1973 under General Municipal Law. The IDA consists of five members

(Board). Each member serves a term at the pleasure Guilderland Town Board and continues to hold office until a successor is appointed. The Agency derives its annual revenue through fees for services and investment income.

In order to determine the amount of compensation provided to the Board members, we interviewed IDA officials and reviewed various records including insurance invoices, payroll records, and vendor history reports for the period January 1, 2007 through March 31, 2008. Our audit procedures included identifying the amount of compensation provided by the IDA to current and prior Board members during the same period. We also reviewed cash disbursements made to Board members to determine if they would be considered compensation or reimbursement for actual and necessary expenses. We compared the total amounts of compensation paid to or on behalf of the Board members to the amounts permitted by the IDA's enabling statute.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Results

General Municipal Law provides that the members of the IDA shall receive no compensation for their services. The term "compensation" generally refers to the total consideration paid to an officer or employee for his or her services, including wages and fringe benefits. The IDA may not provide its Board members any salary or fringe benefits.

We found that the IDA did not provide compensation to its Board members during the period January 1, 2007 through March 31, 2008.

If we can be of assistance to you or if you have any questions concerning this report of examination, please feel free to contact Ann Singer at (607) 721-8306.

Sincerely,

Steven J. Hancox
Deputy Comptroller
Office of the State Comptroller
Division of Local Government and
School Accountability

APPENDIX A

RESPONSE FROM AUTHORITY OFFICIALS

The Authority officials' response to this audit can be found on the following page.

**Guilderland I.D.A.
Guilderland Town Hall
P.O. Box 339
Guilderland, NY 12084**

March 26, 2009

[REDACTED]

Office of the State Comptroller
Division of Local Government
295 Main Street, Room 1050
Buffalo, NY 14203-2510

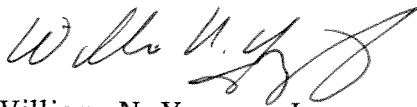
Reference: Report Number S9-9-16

Dear [REDACTED]:

The members of the Board of the Guilderland Industrial Development Agency met on March 26, 2009 to review the draft report of examination provided by your office, and to receive a report from IDA Chairman William Young regarding the telephone exit conference conducted on March 19, 2009 involving IDA Chairman Young, IDA CEO Donald Csaposs, and [REDACTED] of the State Comptroller's staff.

After reviewing the draft report from the Comptroller's Office and the report from Chairman Young, the Guilderland IDA Board has voted to accept the report, and to state its concurrence with its findings. We are also appreciative of the courteous and professional manner in which the audit was conducted and its findings conveyed to our agency.

Very truly yours,



William N. Young, Jr.
Chairman
Guilderland Industrial Development Agency