

October 7, 2014

CONFIDENTIAL

The Board of Directors  
The Cheektowaga Economic Development Corporation

Dear Board Members:

We have completed our audit of the financial statements of The Cheektowaga Economic Development Corporation (the Corporation) for the year ended March 31, 2014. Considering the test character of our audit, you will appreciate that reliance must be placed on adequate methods of internal control as your principal safeguard against irregularities which a test examination may not disclose. We now present for your consideration our comments and recommendations based upon our observations made during our audit.

This report is intended solely for the information and use of the Board of Directors, management and others within the Corporation.

Management Oversight

During our testing, we became aware that the trial balance was provided from the outsourced bookkeeper prior to being inspected by management or the Board. Periodically the financial reports should be reviewed by management to ensure accuracy. Without management review, inappropriate entries or errors in the general ledger may go undetected. We recommend that management request a trial balance from the bookkeeper on a monthly basis and review it for appropriateness.

Non-profit Revitalization Act

In December 2013, the Non-profit Revitalization Act was signed into law in New York State. This act, which impacts the Corporation's accounting and auditing functions, became effective July 1, 2014. Among the new requirements are the establishment of a designated audit committee with independent Directors, increased scrutiny of related party transactions, and a mandatory requirement to establish a conflict of interest policy. We recommend that management review the specific requirements of the new Act and make appropriate efforts to become compliant with it.

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We would like to take this opportunity to thank The Cheektowaga Economic Development Corporation for their courtesy and cooperation extended to us during our audit. If you have any questions regarding the foregoing comments or wish assistance in their implementation, please contact us at your convenience.

Very truly yours,

TOSKI & CO., CPAs, P.C.

A handwritten signature in black ink, appearing to read "D. Zimmerman", with a long horizontal flourish extending to the right.

Douglas E. Zimmerman, CPA  
Managing Director