

MANAGEMENT LETTER

June 18, 2021

To the Management of the
Central New York Regional Transportation
Authority and Subsidiaries:

In planning and performing our audit of the financial statements of the Central New York Regional Transportation Authority and Subs. (the Authority) as of and for the year ended March 31, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered Authority's internal control over financial reporting (internal control) as a basis for designing our 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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

During our audit, we became aware of other matters that are opportunities for strengthening internal controls and operating efficiency. This letter does not affect our report dated June 18, 2021 on the financial statements of the Authority.

Internal Controls over Payroll

As a result of testing of internal controls over payroll, it was found that two employees were overpaid by \$19.26 and \$7.07. This overpayment was a result of the employees clocking in for towing which is paid at 1.5x regular rate. Once the towing was complete, the employees' rate should have automatically switched back to their regular hourly rate within the payroll system, however, the rate stayed at the towing rate for the remainder of their shift when the employee clocked out, causing the overpayment. Furthermore, management performed an analysis of all overpayments made to employees during fiscal year 2021 as a result of this issue. The result of this analysis shows that employees were overpaid a total of \$9,166 from April 1, 2020 to March 31, 2021.

Bonadio recommends that Centro review the process for which employees switch between hourly rates during a single shift to ensure all employees are paid at the correct pay rates.

Management Response:

As a result of this issue, management immediately reviewed the payroll process to determine how the error occurred. It was determined that the error occurred due to an employee training error after a recent staff change. A re-training of staff responsible for this process is complete and an additional review by the Manager of Payroll has been put in place to ensure all employees are paid at the correct pay rates going forward.

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

Very truly yours,

BONADIO & CO., LLP