



**COUNTY OF OSWEGO
INDUSTRIAL DEVELOPMENT AGENCY**

REVOLVING LOAN PROGRAMS

REPORT OF EXAMINATION: 2014M-356

Period Covered August 1, 2012 – May 31, 2014

CORRECTIVE ACTION PLAN

For each recommendation included in the Audit Report, the following is our corrective actions taken or proposed. For recommendations where corrective action has not been taken or proposed, we have included the following explanations:

Audit Recommendation No. 1.

The Board should discontinue the practice of making loans from the PILOT EDF.

Implementation Plan of Action:

The COIDA Board is presently working with the Oswego County Legislature to address the continued viability of the PILOT EDF in light of the OSC Report. The Plan of Action may include a modification to the existing program, or a repurposing of the county’s allocation of PILOT revenue for use by the COIDA in furtherance of its corporate purposes and statutory authority.

Implementation Date:

Discussions with the Oswego County Legislature began shortly after the OSC Report was published and continue at this time. It is reasonably anticipated that a final plan of action will be implemented during calendar year 2015.

Person Responsible for Implementations:

The COIDA Board, together with its CEO shall be responsible for implementation of this recommendation.

Audit Recommendation No. 2.

In the absence of remedial legislation, the Board should remit to the County the total cash on hand in the PILOT EDF and subsequent repayments it receives from companies for the PILOT EDF, or it should modify its agreement with the County to ensure that these funds are expended only for a purpose for which the County itself could use its money.

Implementation Plan of Action:

The COIDA Board is presently working with the Oswego County Legislature to address the County's allocation of PILOT revenues for use by the COIDA. It is anticipated that the agreement between the County and COIDA will be modified to further clarify how the funds are to be expended by the COIDA in accordance with its corporate purposes and statutory authority.

Implementation Date:

Discussions with the Oswego County Legislature began shortly after the OSC Report was published and continue at this time. It is reasonably anticipated that a final plan of action will be implemented during calendar year 2015.

Person Responsible for Implementations:

The COIDA Board, together with its CEO shall be responsible for implementation of this recommendation.

Audit Recommendation No. 3.

COIDA officials should monitor the job creation and retention performance of companies receiving loans in order to help determine if the loan programs are achieving their intended benefits.

Implementation Plan of Action:

COIDA officials agree to improve on the current protocol for monitoring of job creation and retention performance of companies receiving loans in order to better measure this aspect of program success.

Implementation Date:

Immediate and on-going.

Person Responsible for Implementations:

COIDA Board, together with the CEO and CFO of the COIDA.

Audit Recommendation No. 4.

COIDA officials should review the annual job reports for reasonableness and follow up with companies reporting questionable job data.

Implementation Plan of Action:

COIDA officials agree to evaluate the existing protocol for reviewing annual job reports for reasonableness and will implement a protocol for following up with companies reporting questionable job data in order to better measure this aspect of program success.

Implementation Date:

Immediate and on-going.

Person Responsible for Implementations:

COIDA Board, together with the CEO and CFO of the COIDA.

Audit Recommendation No. 5.

The COIDA Board should review and document the past job performance of companies, including the results of job creation, when evaluating their subsequent loan applications and consider taking action pursuant to its rights under the loan documents if a company falls significantly short of its job creation goals.

Implementation Plan of Action:

The COIDA Board agrees to improve on the existing protocol for reviewing and documenting past job performance, including results of job creation, when evaluating a company's subsequent application for financial assistance and devise a protocol for considering taking action if the company falls significantly short of its job creation goals.

Implementation Date:

Immediate and on-going.

Person Responsible for Implementations:

COIDA Board.

Approved by the COIDA Board on the 14th day of July, 2015.



Carolyn Rush, Chair
County of Oswego Industrial Development Agency

*This institution is an equal opportunity provider, and employer. To file a complaint of discrimination, write:
USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W. Washington, D.C. 20250-9410, or call
(800) 795-3272 (voice) or (202) 720-6382 (TDD).*