



RSM US LLP

February 22, 2017

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To Management and the Board of Directors
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In planning and performing our audit of the financial statements of The Mayor's Fund to Advance New York City (the Fund) as of and for the year ended June 30, 2016, in accordance with auditing standards generally accepted in the United States of America, we considered the Fund's internal control over financial reporting (internal control) as a basis for designing 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 Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

We communicated the significant deficiency and material weaknesses identified during our audit in a separate communication dated February 22, 2017.

Certain deficiencies in internal control that have been previously communicated to you, in writing, by us or by others within your organization are not repeated herein.

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Following are descriptions of other identified deficiencies in internal control that we determined did not constitute significant deficiencies or material weaknesses:

Journal Entry Approval

We identified in our procedures over journal entries that the Fund does not have any written documentation regarding the approval of journal entries. Management noted that the Executive Director and Director of Finance and Operations are reviewing and approving entries.

We recommend including written documentation of the approval of journal entries.

No Escheat of Check

We identified in our testing that the Fund voided a check to a vendor without recording a liability for unclaimed checks. The Fund is required by law to remit any check that meets the dormancy period to New York State.

We recommend follow up with vendors on outstanding checks and a review for outstanding checks that are over 3 years old.

Inaccurate reconciling items

We identified reconciling items on a bank reconciliation that were for payroll expenses that were not paid until July 2017.

We recommend more thorough review of the reconciling items for accuracy.

Payment to Wrong Vendor

The Fund made a check payment to an incorrect vendor. Management later identified the incorrect payment and requested reimbursement from this vendor. The check was signed by the appropriate individuals prior to being mailed; however, this review control did not identify the error.

We recommend more thorough review of the invoice when signing checks.

Cutoff Issues

We identified several cutoff errors in our testing of revenue and expenses. The errors were caused by submission by subrecipients and subcontracts. In some cases, the expenses are not submitted to the Fund for months.

We recommend the Fund determine an appropriate policy for recognizing the expenses and related revenues. Additionally, the Fund should ensure that submission of expenses is happening based on upon contract requirements.

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

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