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March 23, 2011

CONFIDENTIAL

Members of the Board
New York State Thruway Authority:

Dear Members of the Board:

In planning and performing our audit of the financial statements of the New York State Thruway Authority (the Authority) as of and for the year ended December 31, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing our auditing procedures 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.

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 material weakness is a deficiency or 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.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

We now present for your consideration our comments and recommendations based upon observations made during our audit.

Disaster Recovery Plan and Facilities

A Disaster Recovery Plan enables the Authority to protect its informational technology and electronic data in the case of an emergency. In 2010, the Authority completed a formal Disaster Recovery Plan; finished construction and testing of the now fully functional back-up Traffic and Safety Operations Center; and, finished construction on the back-up Data Center. Internal control over the Authority's information technology assuring minimal interruption of the Authority operations in the event of disaster requires the Data Recovery Plan and both Centers to be fully operational. Therefore, we recommend that the Data Center site be made functional. Authority management agrees with this recommendation and has indicated that efforts to complete the Data Center are ongoing.

Recent Accounting Pronouncements

The Authority is subject to accounting policies accepted in the United States as promulgated primarily by the Governmental Accounting Standards Board (GASB). The GASB has been active recently and has issued the following statements:

GASB Statement No. 59 - "Financial Instruments Omnibus" updates and improves existing standards regarding financial reporting of certain financial instruments and external investment pools. The requirements of this statement are effective for periods beginning after June 15, 2010, which is the year beginning January 1, 2011 for the Authority.

GASB Statement No. 60 - "Accounting and Financial Reporting for Service Concession Arrangements" addresses how to account for and report service concession arrangements, a type of public-private partnership. This statement provides guidance on whether the transferor or the operator should report the capital asset in its financial statements, when to recognize up-front payments from an operator as revenue and how to record any obligation of the transferor to the operator. The requirements of this statement are effective for periods beginning after December 15, 2011 which is the year beginning January 1, 2012 for the Authority.

GASB Statement No. 61 - "The Financial Reporting Entity: Omnibus" is designed to improve financial reporting for governmental entities by amending the requirements of Statements No. 14 "The Financial Reporting Entity" and No. 34 "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". This statement amends the criteria for including component units by only including those component units for which the elected officials are financially accountable or that the government determines would be misleading to exclude. This statement also amends the criteria for blending of component units to include only those component units that are so intertwined with the primary government that they are essentially the same as the primary government. The requirements of the statement are effective for periods beginning after June 15, 2012, which is the year beginning January 1, 2013 for the Authority.

GASB Statement No. 62 - "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements" is intended to enhance the usefulness of its Codification by incorporating guidance that previously could only be found in certain Financial Accounting Standards Board (FASB) and American Institute of Certified Public Accountants (AICPA) pronouncements. This statement incorporates into the GASB's authoritative literature the applicable guidance issued before November 30, 1989 from FASB Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the AICPA's Committee on Accounting Procedure. The requirements of the statement are effective for periods beginning after December 15, 2011 which is the year beginning January 1, 2012 for the Authority.

We recommend that the Authority review the impact of these pronouncements to ensure that the Authority properly complies with the new accounting guidance. Based on discussions with Authority personnel, this review has already begun and a plan is in place to comply.

Status of Prior Year Recommendations

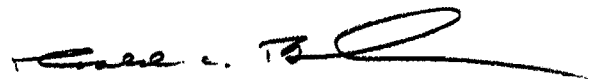
The Authority has addressed recommendations made in our letter to management dated March 29, 2010. Where appropriate, recommendations have been revised and repeated as current year recommendations.

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

Very truly yours,

TOSKI, SCHAEFER & CO., P.C.



Ronald C. Toski, CPA
Managing Director