

MIDDLETOWN COMMUNITY DEVELOPMENT AGENCY
MANAGEMENT'S ASSESSMENT
OF THE AUTHORITY'S INTERNAL CONTROL STRUCTURE AND PROCEDURES
2019

A. Define the Authority's Major Business Functions

The Middletown Community Development Agency reviewed and re-adopted the Bylaws of the Middletown Community Development Agency policies, procedures and guidelines were re-adopted on March 20, 2018 along with a mission statement and performance goals. These documents articulate the mission of the authority, determine its primary operating responsibilities, define its objectives, ensure they are understood by staff, guide staff in the operation of the Agency and provide methods and procedures used to assess the effectiveness of those functions.

B. Determine the Risks Associated with Its Operations

All financial decisions and expenditures are approved by the full board after recommendation by any of the following: a member of the Executive Management Team, Finance Committee, Audit Committee or auditor.

C. Identify the Internal Control Systems in Place

Payment of expenditures: prepared by the secretary, approved by the Executive Director, the Treasurer, Chairman and Agency Board before payment is made. Checks transfers/withdrawals require two signatures.

D. Assess the Extent to Which the Internal Control System is Effective

The Agency's auditor has assessed the internal control structure and has found no issues. (Please see the Auditor's Report on Internal Control included in the financial statement for the year ending 12/31/2019, page 11-13) "We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Agency's ability to record process, summarize and report financial data."

E. Take Corrective Action

No corrective action is warranted at this time.

This statement certifies that the MIDDLETOWN COMMUNITY DEVELOPMENT AGENCY followed a process that assessed and documented the adequacy of its internal control structure and policies for the year ending December 31, 2018. There were no deficiencies evident as corroborated by the Agency auditor.