

**MIDDLETOWN COMMUNITY DEVELOPMENT AGENCY**  
**MANAGEMENT'S ASSESSMENT**  
**OF THE AUTHORITY'S INTERNAL CONTROL STRUCTURE AND PROCEDURES**  
**2014**

A. Define the Authority's Major Business Functions

The Middletown Community Development Agency adopted the Bylaws of the Middletown Community Development Agency on April 14, 2014 at its organizational meeting as well as The City of Middletown Urban Renewal Plan, which designates the Agency as the administrator of The Plan. Additional policies, procedures and guidelines were adopted on May 6, 2014. The Mission Statement and Performance goals were adopted on June 3, 2014. 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 Agency Board and the Treasurer before payment is made.

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.

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, 2014. There were no deficiencies evident as corroborated by the Agency auditor.*