

**Wayne County Industrial Development Agency
Wayne Economic Development Corporation
Wayne County Civic Facility Development Corporation**

ANNUAL ASSESSMENT OF THE EFFECTIVENESS OF INTERNAL CONTROLS

1. BACKGROUND:

Section 2800(1)(a)(9) and Section 2800(2)(a)(8) of Public Authorities Law require all public authorities to complete an annual assessment of the effectiveness of their internal control structures and procedures.

2. MISSION OF AUTHORITY AND MAJOR BUSINESS FUNCTION(S).

Our mission is to develop, promote and advance economic growth, wellbeing and sustainable communities in Wayne County. The major functions associated with this are to work with businesses and not-for-profit entities that desire and need Authority benefits, grant monies and/or loans.

3. MAJOR RISKS ASSOCIATED WITH OPERATIONS

Major risks associated with the functions are conflicts of interest, collusion, fraud or theft when handling monetary functions, and operational issues.

4. INTENT:

The intent of the Authority's system of internal control shall be to:

- a) Promote effective and efficient operations so as to help the Authority carry out its mission.
- b) Provide reasonable assurance that the Authority's assets are safeguarded against inappropriate or unauthorized use.
- c) Promote the accuracy and reliability of accounting data and financial reporting to ensure transactions are executed in accordance with the Authority Boards' authorization and recorded properly in accounting records.
- d) Encourage adherence to the Authority Board's policies and procedures for conducting programs and operations.
- e) Ensure compliance with applicable laws and regulations.

5. ASSESSMENT

The Authority reviews internal controls on an on-going basis. Additionally, the Authority undergoes an annual financial audit by an independent CPA firm. Any internal control weakness identified either by agency staff or by the CPA firm is communicated to the Audit & Finance Committee and the Board of Directors. To the extent that deficiencies are identified, the Authority develops corrective action plans to reduce any corresponding risk.

For the year ended December 31, 2018 the present internal control procedures appear to be sufficient to meet internal control objectives that pertain to the prevention and detection of material weaknesses or deficiencies.