The Town of Huntington

Local Development Corporation (TOH LDC)

100 Main Street

Huntington, New York

Combined Board of Directors / Member Annual Meeting

Tuesday, April 21, 2015

10:30 a.m. Huntington Town Hall Room 114

MINUTES

The TOH LDC Audit Committee, comprised of Mark A. Cuthbertson, Tracey A. Edwards and Frank P. Petrone convened at 10:30 a.m. to review the Corporation's Draft 2014 Financial Statements and Independent Auditors' Report for the purpose of recommending its acceptance by the Board of Directors.

The TOH LDC Governance Committee, comprised of Mark A. Cuthbertson, Eugene Cook and Susan A. Berland convened to discuss instructions for completing Board Evaluations as required annually pursuant to the Public Authorities Accountability Act of 2005, as amended

1. **Call Annual meeting to order at 10:40, by Supervisor Frank P. Petrone.**

   a. Present: Supervisor Frank P. Petrone, Councilman Mark A. Cuthbertson, Councilwoman Susan A. Berland, Councilman Eugene Cook, Councilwoman Tracey A. Edwards, Joan Cergol, Executive Director, Thomas Glascock, General Counsel.

2. **Organizational Matters.**

   a. Resolution 4-21-2015-1 ratifying and confirming the Corporation's Meeting minutes of Feburary 10, 2015

   b. Resolution 4-21-2015-2 to re-elect Frank P. Petrone as Chairperson of the Board of Directors for the Corporation

   c. Resolution 4-21-2015-3 to re-elect Mark A. Cuthbertson as Vice Chairperson of the Board of Directors for the Corporation

   d. Resolution 4-21-2015-4 to re-elect Susan A. Berland as Secretary and Treasurer of the Board of Directors for the Corporation

3. **Operational matters.**

a. Annual Review of Corporation's Mission Statement/Measurement Report, and if acceptable, Resolution 4-21-2015-5 to ratify its adoption

b. Annual required review of Corporation's Investment Policy, and, if acceptable, Resolution 4-21-2015-6 to ratify its adoption

c. Annual required review the Corporation's Statement of Procurement Policy & Procedures, and, if acceptable, Resolution 4-21-2015-7 to ratify its adoption

d. Annual required review of the Corporation's Property Disposition Policy, and, if acceptable, Resolution 4-21-2015–8 to ratify its adoption

e. Review of Corporation's 2014 Operations & Accomplishments Report, and, if acceptable, Resolution 4-21-2015-9 to ratify its adoption

f. Review Corporation's 2014 Draft Financial Statements and Independent Auditors' Report, and, if acceptable, Resolution 4-21-2015-10 to accept them

g. Resolution 4-21-2015-11 to authorize and approve Thomas D. Glascock, Esq. as Contracting Officer for the Corporation

h. Resolution 4-21-2015-12 to confirm Mark A. Cuthbertson, Frank P. Petrone and Tracey A. Edwards to serve on Corporation's Audit Committee

i. Resolution 4-21-2015-13 to confirm Susan A. Berland, Frank P. Petrone and Tracey A. Edwards to serve on the Corporation's Finance Committee

j. Resolution 4-21-2015-14 to confirm Mark A. Cuthbertson, Eugene Cook and Susan A. Berland to serve on the Corporation's Governance Committee

k. Resolution 4-21-2015-15 that the Executive Director be authorized, until the next combined Board of Directors/Member meeting, to take all such actions as necessary to further the mission of the Corporation, on behalf of the Corporation

l. Resolution 4-21-2015-16 that, during the remainder of year 2014, the Corporation shall notice and conduct combined Board of Directors/Member meetings at 100 Main Street, Huntington, New York, as needed

m. Circulate Acknowledgment of Fiduciary Duties and Responsibilities Statements for completion by the Board of Directors, due to Executive Director on or before May 31, 2015

n. Circulate Board Evaluations for completion by the Board of Directors, due to Executive Director on or before May 31, 2015

o. Circulate Annual Financial Disclosure 2015 statements for completion by the Board of Directors, due to Executive Director on or before May 31, 2014

p. Reminder that all of the Corporation's Policies, Reports, Budget, Agendas, Minutes, Application for Financial Assistance and Committees are posted at the Town's website

Other Matters.

Adjourn meeting.

Resolution 4-21-2015-1

BE IT RESOLVED:

THAT THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION HEREBY RATIFIES AND CONFIRMS THE FEBRUARY 10, 2015 MEETING MINUTES.

OFFERED BY: SUSAN A. BERLAND

SECONDED BY: TRACEY A. EDWARDS

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2054-2

WHEREAS, the Chairperson discussed the need to re-elect the Officers of the Board of Directors of The Town of Huntington Local Development Corporation, and stated that said re-election was now in order;

NOW, THEREFORE, BE IT RESOLVED

THAT THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION HEREBY RE-ELECTS FRANK P. PETRONE AS CHAIRPERSON OF THE BOARD OF DIRECTORS OF THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION.

OFFERED BY: TRACEY A. EDWARDS

SECONDED BY: SUSAN A. BERLAND

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-3

BE IT FURTHER RESOLVED:

THAT THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION HEREBY RE-ELECTS MARK A. CUTHBERTSON AS VICE-CHAIRPERSON OF THE BOARD OF DIRECTORS OF THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION.

OFFERED BY: TRACEY A. EDWARDS

SECONDED BY: SUSAN A. BERLAND

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-4

BE IT FURTHER RESOLVED:

THAT THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION HEREBY RE-ELECTS SUSAN A. BERLAND AS SECRETARY AND TREASURER OF THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION.

OFFERED BY: TRACEY A. EDWARDS

SECONDED BY: FRANK P. PETRONE

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-5

BE IT FURTHER RESOLVED:

THAT THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION HEREBY ADOPTS ITS MISSION STATEMENT/MEASUREMENT REPORT, PURSUANT TO THE REQUIREMENTS OF THE PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF 2005, AS AMENDED.

OFFERED BY: MARK A. CUTHBERTSON

SECONDED BY: SUSAN A. BERLAND

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-6

BE IT FURTHER RESOLVED:

THAT THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION HEREBY RE-ADOPTS ITS INVESTMENT POLICY, PURSUANT TO THE REQUIREMENTS OF THE PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF 2005, AS AMENDED.

OFFERED BY: SUSAN A. BERLAND

SECONDED BY: TRACEY A. EDWARDS

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-7

BE IT FURTHER RESOLVED:

THAT THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION HEREBY RE-ADOPTS ITS STATEMENT OF PROCUREMENT POLICY & PROCEDURES, PURSUANT TO THE REQUIREMENTS OF THE PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF 2005, AS AMENDED.

OFFERED BY: MARK A. CUTHBERTSON

SECONDED BY: SUSAN A. BERLAND

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-8

BE IT FURTHER RESOLVED:

THAT THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION HEREBY RE-ADOPTS ITS PROPERTY DISPOSITION POLICY PURSUANT TO THE REQUIREMENTS OF THE PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF 2005, AS AMENDED.

OFFERED BY: SUSAN A. BERLAND

SECONDED BY: FRANK P. PETRONE

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-9

BE IT FURTHER RESOLVED:

THAT THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION HEREBY ADOPTS ITS 2014 OPERATIONS AND ACCOMPLISHMENTS REPORT, PURSUANT TO THE REQUIREMENTS OF THE PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF 2005, AS AMENDED.

OFFERED BY: SUSAN A. BERLAND

SECONDED BY: TRACEY A. EDWARDS

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-10

BE IT FURTHER RESOLVED:

THAT THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION HEREBY ACCEPTS ITS 2014 DRAFT FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT, PURSUANT TO THE REQUIREMENTS OF THE PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF 2005, AS AMENDED.

OFFERED BY: TRACEY A. EDWARDS

SECONDED BY: SUSAN A. BERLAND

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-11

BE IT FURTHER RESOLVED:

THAT THE CORPORATION HEREBY CONFIRMS THOMAS D. GLASCOCK, ESQ. AS CONTRACTING OFFICER FOR THE CORPORATION

OFFERED BY: SUSAN A. BERLAND

SECONDED BY: EUGENE COOK

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-12

BE IT FURTHER RESOLVED:

THAT THE CORPORATION HEREBY CONFIRMS MARK A. CUTHBERTSON, FRANK P. PETRONE AND TRACEY A. EDWARDS AS MEMBERS OF THE CORPORATION'S AUDIT COMMITTEE

OFFERED BY: SUSAN A. BERLAND

SECONDED BY: EUGENE COOK

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-13

BE IT FURTHER RESOLVED:

THAT THE CORPORATION HEREBY CONFIRMS SUSAN A. BERLAND, FRANK P. PETRONE AND TRACEY A. EDWARDS AS MEMBERS OF THE CORPORATION'S FINANCE COMMITTEE

OFFERED BY: EUGENE COOK

SECONDED BY: MARK A. CUTHBERTSON

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-14

BE IT FURTHER RESOLVED:

THAT THE CORPORATION HEREBY CONFIRMS MARK A. CUTHBERTSON, EUGENE COOK AND SUSAN A. BERLAND AS MEMBERS OF THE CORPORATION'S GOVERNANCE COMMITTEE

OFFERED BY: TRACEY A. EDWARDS

SECONDED BY: FRANK P. PETRONE

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-15

BE IT FURTHER RESOLVED:

THAT THE EXECUTIVE DIRECTOR BE AUTHORIZED, UNTIL THE NEXT COMBINED BOARD OF DIRECTORS/MEMBER MEETING, TO TAKE ALL SUCH ACTIONS AS SHALL BE NECESSARY TO FURTHER THE MISSION OF THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION, ON THE CORPORATION'S BEHALF.

OFFERED BY: SUSAN A. BERLAND

SECONDED BY: EUGENE COOK

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

Resolution 4-21-2015-16

BE IT FURTHER RESOLVED:

THAT DURING THE REMAINDER OF YEAR 2015, THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION SHALL NOTICE AND CONDUCT COMBINED BOARD OF DIRECTORS/MEMBER MEETINGS AT 100 MAIN STREET, HUNTINGTON, NEW YORK, AS NEEDED.

OFFERED BY: SUSAN A. BERLAND

SECONDED BY: TRACEY A. EDWARDS

VOTED:

FRANK P. PETRONE - AYE

SUSAN A. BERLAND - AYE

MARK A. CUTHBERTSON - AYE

EUGENE COOK - AYE

TRACEY A. EDWARDS - AYE

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE MEETING, UPON MOTION DULY MADE BY FRANK P. PETRONE, SECONDED BY – EUGENE COOK AND UNANIMOUSLY CARRIED, THE SAME WAS ADJOURNED.

The following are appended to this Agenda:

1. Copy of Corporation's February 10, 2015 meeting minutes.
2. Copy of Corporation's Mission Statement / Measurement Report
3. Copy of Corporation's Investment Policy
4. Copy of Corporation's Statement of Procurement Policy & Procedures
5. Copy of Corporation's Property Disposition Policy
6. Copy of Corporation's 2014 Operations & Accomplishments Report
7. Copy of 2014 Financial Statements & Auditor's Report

STATE OF NEW YORK)
COUNTY OF SUFFOLK) SS.:

The undersigned, being the Secretary of the Town of Huntington Local Development Corporation, DOES HEREBY CERTIFY THAT:

I have compared the foregoing extract of the minutes of the meeting of the Huntington Local Development (the "Corporation") including the resolutions contained therein, held on the 21st day of April, 2015, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Issuer and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject in matters therein referred to.

I FURTHER CERTIFY that all board members of said Corporation had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY that there was a quorum of the board members of the Corporation present throughout said meeting.

I FURTHER CERTIFY that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Corporation this 27th day of April, 2015.

Susan A. Berland

Susan A. Berland, Secretary/Treasurer

LINDA LEVINE
Notary Public, State of New York
No. 01LE6096123
Qualified in Suffolk County
Commission Expires July 21, 2015

Linda Levine

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2
3 OFFICIAL LOCAL DEVELOPMENT CORPORATION
4 MINUTES
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7 PROCEEDINGS AND VERBATIM DISCUSSIONS OF
8 THE HUNTINGTON TOWN LOCAL DEVELOPMENT
9 CORPORATION, HELD ON THE 10TH DAY OF
10 FEBRUARY, 2015 AT 8:06 P.M., AT TOWN HALL,
11 100 MAIN STREET, HUNTINGTON, NEW YORK.
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18 PRESENT:
19 FRANK P. PETRONE, Chairman
20 MARK A. CUTHBERTSON, Member
SUSAN A. BERLAND, Member
21 EUGENE COOK, Member
TRACEY A. EDWARDS, Member
22
JO-ANN RAIA, Town Clerk
23
CINDY ELAN-MANGANO, ESQ., Town Attorney
24
25

RESOLUTION 2015-LDC-1

MEMBER EDWARDS: I offer Resolution Number LDC-1. (Rescind LDC Resolution 12/4/2014 (1) and authorizing the purchase of needed training and equipment for utilization at Huntington Opportunity Center, 1264 New York Avenue, Huntington Station, NY.)

CHAIRMAN PETRONE: Second.

MEMBER BERLAND: Second.

MRS. RAIA: Seconded by Chairman Petrone and Member Berland.

All in favor?

Any opposed?

Resolution is adopted, five-zero.

2015-LDC-1

WHEREAS, The Town of Huntington Community Development Agency, in partnership with Suffolk County Department of Labor and the Department of Social Services, has launched Huntington Opportunity Resource Center ("HORC") initially at 1264 New York Avenue and permanently at 1268 New York Avenue in Huntington Station to assist residents with resume preparation, job searches, career options, access to training, tips for interview success, job readiness, DSS applications, not-for profit service referrals, etc.; and

WHEREAS, because the goals and activities of HORC are aligned with the objectives, purposes, and powers of the Corporation, the Corporation wishes to liaison and work closely with it to enhance economic development and business opportunities for residents of the Town of Huntington by purchasing for utilization at 1264 New York Avenue, Huntington Station, New York, training and equipment necessary for instruction, skills development to improve or develop needed capabilities for available employment; provide managerial, technical, and administrative advice, counseling and/or training; provide support to assist in the development of necessary business and living skills; and disseminate information and furnish advice, technical assistance for such jobs.

WHEREAS, the subject of this resolution is not an action as defined by 6 N.Y.C.R.R. Section 617.2(b) and therefore no further SEQRA review is required.

NOW, THEREFORE

THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION

HEREBY

RESCINDS electronic TOH LDC Resolution 12-1-14 (1) as a result of a subsequent New York State Comptroller's opinion restricting certain public authorities from issuing grants; and

AUTHORIZES the Executive Director to purchase necessary training and equipment for utilization at 1264 New York Avenue, Huntington Station, NY for an amount not to exceed the sum of THIRTY THOUSAND ($30,000.00) DOLLARS and upon any such terms as may be imposed by the Corporation's counsel.

VOTE: AYES: **5** NOES: **0** ABSTENTIONS: **0**

Chairman Frank P. Petrone	**AYE**
Member Susan A. Berland	**AYE**
Member Eugene Cook	**AYE**
Member Mark A. Cuthbertson	**AYE**
Member Tracey A. Edwards	**AYE**

THE RESOLUTION WAS THEREUPON DECLARED DULY ADOPTED.

2/3/2015
CDA for LDC by Joan Cergol

2-10-2015

Authorities Budget Office
Policy Guidance

Authority Mission Statement and Performance Measurements

Name of Public Authority:

The Town of Huntington Local Development Corporation (the "TOH LDC")

Public Authority's Mission Statement:

The Mission of the TOH LDC is to promote community and economic development and the creation of jobs in the not-for-profit and for-profit sectors for the residents of the Town of Huntington by developing and providing programs for not-for-profit institutions, manufacturing and industrial businesses, and other entities to access to low-interest/cost tax-exempt and non-tax-exempt financing for eligible projects.

Additionally, the TOH LDC will seek to facilitate resident training and development to improve or develop the employment skills and capabilities of the residents of the Town of Huntington, and to provide and/or help make available residential housing, through, including, without limitation, construction, rehabilitation and leasing.

Date Adopted: April 21, 2015

List of Performance Goals (If additional space is needed, please attach):

- In furtherance of its mission, the TOH LDC will endeavor to facilitate a minimum of one bond-financing transaction per year (either taxable and/or non-taxable) in support of a qualified not for profit business expansion.
- The TOH LDC will continue to market its capabilities to qualified entities (not for profits) located in the Town of Huntington.
- The TOH LDC will continue to take the necessary steps towards full compliance with the requirements of the Public Authorities Accountability Act of 2005 (PAAA) and the Public Authorities Reform Act of 2009 (PARA), including by submission of TOH LDC information into the Authority Budget Office's Public Authorities Reporting Information System (PARIS).
- The TOH LDC will continue to maintain a website on which will be posted its policies, documents and other information as required by PARA.

The Town of Huntington Local Development Corporation

Investment Policy

This Investment Policy of The Town of Huntington Local Development Corporation (the "Corporation") shall apply to all operating funds, bond proceeds and other funds and all investment transactions involving operating funds, bond proceeds and other funds accounted for in the financial statements of the Corporation. Each investment made pursuant to this Investment Policy must be authorized by applicable law and this written Investment Policy. This Investment Policy is intended to comply with the New York Not-for-Profit Corporation Law, the Public Authorities Law, and any other applicable laws of New York State.

Delegation of Authority

The responsibility for conducting investment transactions involving the Corporation resides with the Chief Financial Officer of the Corporation under the direction and oversight of the Treasurer of the Corporation. Only the Chief Financial Officer and those persons authorized by resolution or the Corporation's By-laws may invest public funds.

All contracts or agreements with outside persons investing public funds, advising on the investment of public funds, directing the deposit of public funds or acting in a fiduciary capacity for the Corporation, shall require the outside person to notify the Corporation in writing, within thirty (30) days of receipt of all communication from its auditor of the outside person or any regulatory authority, of the existence of material weakness in the internal control structure of the outside person or regulatory orders or sanctions regarding the type of services being provided to the Corporation by the outside person.

The records of investment transactions made by or on behalf of the Corporation are public records and are the property of the Corporation whether in the custody of the Corporation or in the custody of a fiduciary or other third party.

The Chief Financial Officer of the Corporation under the direction and oversight of the Treasurer shall establish a written system of internal controls and investment practices. The controls shall be designed to prevent losses of public funds, to document those officers and employees of the Corporation responsible for elements of the investment process and to address the capability of investment management. The controls shall provide for receipt and review of the audited financial statements and related reports on internal control structure of all outside persons performing any of the following for the Corporation:

(i) investing public funds of the Corporation;

(ii) advising on the investment of public funds of the Corporation;

(iii) directing the deposit or investment of public funds of the Corporation; or

(iv) acting in a fiduciary capacity for the Corporation.

This Investment Policy shall be reviewed and approved annually.

THE TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION

Statement of Procurement Policy and Procedures

Policy: It is the policy of The Town of Huntington Local Development Corporation (the "LDC") to assure the prudent and economical use of LDC moneys, to facilitate the acquisition of goods and services of maximum quality at a competitive cost, and to guard against favoritism, improvidence, extravagance, fraud and corruption. While the LDC is not obligated pursuant to New York State law to require competitive bidding on its contracts, the LDC finds that its policy is advanced by requiring public bidding in certain instances.

Conflict of Interests: While the LDC is not obligated to comply with the provisions of Section 883 of the GML, the LDC hereby states its desire to adhere to the letter and spirit of such provisions by requiring all directors/members, officers and employees of the LDC to be subject to the same Conflicts of Interest provisions contained in Article 18 of the GML.

Procedures: The LDC shall, unless it otherwise finds by Resolution to the contrary, pursue its procurement policy by adhering to the following procedures:

I. Goods

A. Contracts for Goods Valued at $500 and Under. All contracts for goods valued at $500 and under shall be awarded by the LDC's Chairman using his/her judgment as to the most appropriate vendor, without further documentation.

B. Contracts for Goods Valued at over $500 but less than $5,000. The LDC shall use its reasonable efforts to obtain, either orally or in writing, at least three (3) bids or price quotations for such procurement. The Chairman shall document, in reasonable detail, such attempt and its result. If the vendor selected by the Chairman is not the lowest price vendor, or if fewer than three (3) bids were sought or received, the Chairman shall document justification as to the same.

C. Contracts for Goods Valued at $5,000 and Over. The LDC shall use its best efforts to award contracts for goods valued at $5,000 and over through a competitive process. The competitive process to be utilized shall, absent approval of the LDC to the contrary, be overseen by the Chairman and entail the following:

(i) All solicitations and requests for proposals should be in writing and should incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description should not contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, should set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a brand name or equal description may be used as a means to define the performance or other salient

The Town of Huntington Local Development Corporation

Property Disposition Policy

In keeping with the policy of maintaining the highest standards of conduct and ethics and to operate in the most accountable and open manner, The Town of Huntington Local Development Corporation (the "Corporation") will maintain adequate inventory controls and accountability systems for all Property (as such term is defined below) under its control. Furthermore, the Corporation will Dispose (as such term is defined below) of Property in compliance with any applicable Law, Rule or Regulation (as such term is defined below). Failure to follow the provisions of this Property Disposition Policy will result in disciplinary action including possible termination of employment, dismissal from one's board or agent duties and possible civil or criminal prosecution if warranted.

Definitions

Contracting Officer shall mean the Executive Director/Chief Executive Officer of the Corporation.

Dispose, Disposed or Disposal shall mean the transfer of title or any other beneficial interest in personal or real property in accordance with Section 2897 of the New York Public Authorities Law.

Law, Rule or Regulation: Any duly enacted statute, or ordinance or any rule or regulation promulgated pursuant to any federal, state or local statute or ordinance.

Property shall mean (a) personal property in excess of five thousand dollars ($5,000.00) in value, (b) real property, and (c) any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

Operative Policy

Inventory Controls and Accountability Systems

The Contracting Officer of the Corporation shall be responsible for the Corporation's compliance with this Property Disposition Policy and the supervision and control of all Property Disposed of by the Corporation. In addition, the Contracting Officer shall have the responsibility to insure the Corporation operates in compliance with Article 9 Title 5-A of the New York Public Authorities Law, including creating and maintaining adequate inventory controls and accountability systems for all Property under the control of the Corporation and periodically inventorying such property to determine which, if any, property should be Disposed by the Corporation. The Contracting Officer shall recommend to the Board any Property he or she deems suitable for Disposal.

the purpose and terms of the Disposal are documented in writing and approved by resolution of the Board; or

(vi) such Disposal or related action is otherwise authorized by law.

The Corporation shall file an explanatory statement with the comptroller, the director of the division of budget, the commissioner of general services and the legislature not less than ninety (90) days before the Corporation Disposes the Property if the Property is personal property in excess of $15,000, or real property that has a fair market value in excess of $100,000. When the Property is Disposed by lease (or exchange), then the Corporation shall file an explanatory statement when the Property is real property leased for a term of five (5) years or less with an estimated fair annual rent exceeding one-hundred thousand ($100,000.00) in any given year, real property leased for a term greater than five (5) years with an estimated fair annual rent exceeding one-hundred thousand ($100,000.00) for the entire lease term; or any real property or real and related personal property Disposed of by exchange, regardless of value, or any property any part of the consideration for which is real property.

Reporting Requirements

Annual Report

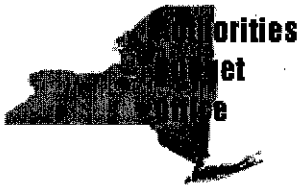
The Corporation shall publish, at least annually, an Annual Report (the "Annual Report") listing all Property consisting of real property of the Corporation. In addition, the Annual Report shall include a list and full description of all Property consisting of real and personal property Disposed of during such period covered by the Annual Report. The Annual Report shall include the price received by the Corporation for the Property, in addition to the name of the purchaser for all such Property sold by the Corporation during such period covered by the Annual Report.

The Corporation shall deliver copies of the Annual Report with the comptroller, the director of the division of budget, the commissioner of general services and the legislature, and to the extent practicable, post such Annual Report on its website.

Property Disposition Policy

The Corporation shall review and approve this Property Disposition Policy annually by resolution of the Board. On or before March 31 of each year, the Corporation shall file with the Comptroller a copy of its Property Disposition Policy, including the name of the Contracting Officer appointed by the Corporation. Upon such filing with the comptroller, the Corporation shall post its Property Disposition Policy on its website.

Authorities Budget Office
Policy Guidance



2014 Operations & Accomplishments Report

Date Adopted: April 21, 2015

Name of Public Authority:

The Town of Huntington Local Development Corporation (the "TOH LDC")

Public Authority's Mission Statement:

The Mission of the TOH LDC is to promote community and economic development and the creation of jobs in the not-for-profit and for-profit sectors for the residents of the Town of Huntington by developing and providing programs for not-for-profit institutions, manufacturing and industrial businesses, and other entities to access low-interest cost tax-exempt and non-tax-exempt financing for eligible projects.

Additionally, the TOH LDC seeks to facilitate resident training and development; to improve or develop the employment skills and capabilities of the residents of the Town of Huntington, and to provide and/or help make available residential housing, through, including, without limitation, construction, rehabilitation and leasing.

2014 Activities:

2014 marks the TOH LDC's third year, following its first bond financing transaction in 2012.

The first bond transaction by the TOH LDC was the issuance of $19,220,000 in Tax-Exempt and $434,000 in Taxable Revenue bonds on behalf of a Huntington/Smithtown-based not-for- profit, Developmental Disabilities Institute, Inc. ("DDI"). DDI subsequently reported that 75 new jobs in various programs within the organization were created as a result of that bond issuance.

In this case and in all subsequent bond financing transactions, the TOH LDC serves only as a conduit for the financing, with the actual bond funds raised through the private market.

In late 2014, the LDC learned that a not-for-profit who had submitted an application to the TOH LDC requesting tax-exempt bond financing in 2013, opted not to move forward with the transaction. The LDC is currently in discussions with another not

The Town of Huntington Local Development Corporation

Property Disposition Policy

In keeping with the policy of maintaining the highest standards of conduct and ethics and to operate in the most accountable and open manner, The Town of Huntington Local Development Corporation (the "Corporation") will maintain adequate inventory controls and accountability systems for all Property (as such term is defined below) under its control. Furthermore, the Corporation will Dispose (as such term is defined below) of Property in compliance with any applicable Law, Rule or Regulation (as such term is defined below). Failure to follow the provisions of this Property Disposition Policy will result in disciplinary action including possible termination of employment, dismissal from one's board or agent duties and possible civil or criminal prosecution if warranted.

Definitions

Contracting Officer shall mean the Executive Director/Chief Executive Officer of the Corporation.

Dispose, Disposed or Disposal shall mean the transfer of title or any other beneficial interest in personal or real property in accordance with Section 2897 of the New York Public Authorities Law.

Law, Rule or Regulation: Any duly enacted statute, or ordinance or any rule or regulation promulgated pursuant to any federal, state or local statute or ordinance.

Property shall mean (a) personal property in excess of five thousand dollars ($5,000.00) in value, (b) real property, and (c) any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

Operative Policy

Inventory Controls and Accountability Systems

The Contracting Officer of the Corporation shall be responsible for the Corporation's compliance with this Property Disposition Policy and the supervision and control of all Property Disposed of by the Corporation. In addition, the Contracting Officer shall have the responsibility to insure the Corporation operates in compliance with Article 9 Title 5-A of the New York Public Authorities Law, including creating and maintaining adequate inventory controls and accountability systems for all Property under the control of the Corporation and periodically inventorying such property to determine which, if any, property should be Disposed by the Corporation. The Contracting Officer shall recommend to the Board any Property he or she deems suitable for Disposal.

the purpose and terms of the Disposal are documented in writing and approved by resolution of the Board; or

(vi) such Disposal or related action is otherwise authorized by law.

The Corporation shall file an explanatory statement with the comptroller, the director of the division of budget, the commissioner of general services and the legislature not less than ninety (90) days before the Corporation Disposes the Property if the Property is personal property in excess of $15,000, or real property that has a fair market value in excess of $100,000. When the Property is Disposed by lease (or exchange), then the Corporation shall file an explanatory statement when the Property is real property leased for a term of five (5) years or less with an estimated fair annual rent exceeding one-hundred thousand ($100,000.00) in any given year, real property leased for a term greater than five (5) years with an estimated fair annual rent exceeding one-hundred thousand ($100,000.00) for the entire lease term; or any real property or real and related personal property Disposed of by exchange, regardless of value, or any property any part of the consideration for which is real property.

Reporting Requirements

Annual Report

The Corporation shall publish, at least annually, an Annual Report (the "Annual Report") listing all Property consisting of real property of the Corporation. In addition, the Annual Report shall include a list and full description of all Property consisting of real and personal property Disposed of during such period covered by the Annual Report. The Annual Report shall include the price received by the Corporation for the Property, in addition to the name of the purchaser for all such Property sold by the Corporation during such period covered by the Annual Report.

The Corporation shall deliver copies of the Annual Report with the comptroller, the director of the division of budget, the commissioner of general services and the legislature, and to the extent practicable, post such Annual Report on its website.

Property Disposition Policy

The Corporation shall review and approve this Property Disposition Policy annually by resolution of the Board. On or before March 31 of each year, the Corporation shall file with the Comptroller a copy of its Property Disposition Policy, including the name of the Contracting Officer appointed by the Corporation. Upon such filing with the comptroller, the Corporation shall post its Property Disposition Policy on its website.

Authorities Budget Office
Policy Guidance

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Town of Huntington
Local Development Corporation

Financial Statements
with Independent Auditor's Report

For the Years Ended December 31, 2014 and 2013

TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION
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December 31, 2014

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CULLEN & DANOWSKI, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Town Board Members of the
Town of Huntington Local Development Corporation
Huntington, New York

Report on Financial Statements

We have audited the accompanying financial statements of the Town of Huntington Local Development Corporation (the Organization) a component unit of the Town of Huntington, New York, which comprise the statements of net position as of December 31, 2014 and 2013, and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Town of Huntington Local Development Corporation, a component unit of the Town of Huntington, New York, as of December 31, 2014 and 2013, and the changes in its net position and its cash flow for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Town of Huntington Local Development Corporation, which Is a blended component unit reported as a nonmajor governmental special revenue fund of the Town of Huntington, New York, and do not purport to, and do not, present fairly the financial position of the Town of Huntington, New York, as of December 31, 2014 and 2013 and the changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operations, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2015, on our consideration of the Organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreement and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Cullen & Danowski, LLP

March 25, 2015

This discussion and analysis of The Town of Huntington Local Development Corporation's (the Organization) financial performance provides an overview of the Organization's financial activities for the year ended December 31, 2014. Please read this in conjunction with the financial statements and the accompanying notes to those statements.

1. FINANCIAL HIGHLIGHTS

- The Organization's total assets decreased $1,500 during the calendar year 2014.
- The Organization had a nominal amount of activity during 2014.
- As of December 31, 2014, the Organization reported net position of $190,239.

2. FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the Organization.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. These notes can be found immediately following the financial statements.

The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) on the accrual basis of accounting. Under that basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

3. STATEMENTS OF NET POSITION

The following is a summary of the Organization's statements of net position as of December 31:

	2014	2013	Dollar Change	Percentage Change
Total Assets	$ 190,239	$ 191,739	$ (1,500)	(0.78)%
Net Assets	$ 190,239	$ 191,739	$ (1,500)	(0.78)%

4. ACTIVITIES

The following is a summary of the Organization's revenues, expenses, and changes in net position for the years ended December 31:

	2014	2013	Dollar Change	Percentage Change
Changes in Unrestricted Net Positions				
Total Revenues	$ 1,000	$ 1,500	$ (500)	(33.33)%
Total Expenses	2,500	9,675	(7,175)	(74.16)%
Increase/ (Decrease) in Unrestricted Net Position	(1,500)	(8,175)	6,675	(81.65)%
Net Position, Beginning of Year	191,739	199,914	(8,175)	(4.09)%
Net Position, End of Year	$ 190,239	$ 191,739	$ (1,500)	(0.78)%

TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION
Statements of Net Position
December 31, 2014 and 2013

	2014	2013
ASSETS		
Cash	$ 190,239	$ 191,739
Total Assets	$ 190,239	$ 191,739
LIABILITIES AND NET ASSETS		
Liabilities	$ -	$ -
Net Position		
Unrestricted	190,239	191,739
Total Liabilities and Net Position	$ 190,239	$ 191,739

See Notes to Financial Statements

TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2014 and 2013

	2014	2013
Revenues		
Fee Income	$ 1,000	$ 1,500
Total Revenues	1,000	1,500
Program Service Expenses		
Advertising	-	1,122
Professional Fees	2,500	8,553
Total Program Expenses	2,500	9,675
Decrease in Unrestricted Net Position	(1,500)	(8,175)
Net Position, Beginning of Year	191,739	199,914
Net Position, End of Year	$ 190,239	$ 191,739

See Notes to Financial Statements

TOWN OF HUNTINGTON LOCAL DEVELOPMENT CORPORATION
Statements of Cash Flows
For the Years Ended December 31, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Position	$ (1,500)	$ (8,175)
Net Cash Used in Operating Activities	(1,500)	(8,175)
CASH AND CASH EQUIVALENTS - Beginning	191,739	199,914
CASH AND CASH EQUIVALENTS - End	$ 190,239	$ 191,739

See Notes to Financial Statements

1. ORGANIZATION AND PURPOSE

Organization

The Town of Huntington Local Development Corporation (the Organization) was incorporated on April 7, 2010 under Section 1411 of the Not-for-Profit Corporation Law of the State of New York. The mission of the Organization is to conduct activities that will relieve and reduce unemployment, promote and provide for additional maximum employment, improve and maintain job opportunities, lessen the burdens of governments and act in the public interest by providing access to low interest tax exempt and non-tax exempt financing for eligible projects. The Town of Huntington Town Board members constitute the Organization's directors, and accordingly, the Organization's management is designated by the Town Board sitting as directors of the Organization. The Town Board is completely accountable for fiscal matters and the Town is the sole member of the Organization. The Town of Huntington is not liable for the Organization's bonds or notes.

The Organization is a blended component unit of the Town of Huntington, New York. The financial activities of the Organization in this stand alone financial are combined with the financial activities of the Town of Huntington in those financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting/Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Revenues are recognized when earned and expenses are recognized when incurred.

The Organization operates as a blended component unit of the Town and is reported in the governmental fund of the Town.

B. Cash and Cash Equivalents

For purposes of the financial statements, the Organization considers all highly liquid cash accounts and other temporary investments of three months or less as cash equivalents.

C. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

D. Income Taxes

The Organization is a not-for-profit public benefit corporation and is exempt from income taxes under the Internal Revenue Code.

E. Conduit Financing

Conduit financing is a financing arrangement involving a government or other qualified agency using its name in an issuance of fixed-income securities for a non-profit organization's large capital project. The Organization may sponsor conduit financing for those activities (i.e., economic development, housing, health facilities, etc.) that have a general public purpose and are consistent with the Organization's overall service and policy objectives as determined by the Organization's Directors.

3. REVENUE BOND TRANSACTION

Bonds authorized by the Organization and issued through various lending institutions are designated as special obligations of the Organization and payable solely from the revenues and other assets pledged as collateral against the bonds. The Organization's right, title and interest to the property are assigned to a trustee until such point in time as the construction of property improvements has been completed or satisfaction of the obligation has been effected in full. The Organization does not act as a guarantor in the event of collateralized properties and revenues as specified in the applicable financing agreement are insufficient to meet debt service requirements. Additionally, in each of these financings, the Organization has assigned all rights to receive certain revenues derived with respect to the facilities it has financed to the holders of the revenue bonds. As a consequence, the Organization does not reflect such bonds or related properties on its financial statements. Local development revenue bonds authorized by the Organization and outstanding at December 31, 2014 and 2013 total $17,450,000 and $18,510,000, respectively.

4. CONCENTRATION OF CREDIT RISK

At December 31, 2014 and 2013, the carrying amount of the Organization deposits was $190,239 and $191,739, respectively, and the bank deposits were fully covered by FDIC insurance.

5. RELATED PARTY TRANSACTIONS

The Organization is related through common management with the Town of Huntington. The Town Board serves as Directors of the Organization. The Town of Huntington provides certain administrative and management services to the Organization. The costs of these services are not reflected in the accompanying financial statements.

6. SUBSEQUENT EVENTS

The Corporation has evaluated subsequent events through March 25, 2015, the date the financial statements were available to be issued. The Corporation has concluded that no subsequent events have occurred that require recognition or disclosure.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFOMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Town Board Members
Town of Huntington Local Development Corporation
Huntington, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Town of Huntington Local Development Corporation (Organization), a component unit of the Town of Huntington, New York as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements, and have issued our report thereon dated March 25, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the 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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. According, this communication is not suitable for any other purpose.

Cullen & Danowski, LLP

March 25, 2015