



ROCKLANDECONOMIC DEVELOPMENT CORPORATION INTERNAL CONTROL POLICY

I. GENERAL

- The Director and the board of directors are responsible for reviewing and/or authorizing all bank accounts and check signing activity.
- Financial institutions where REDC accounts are maintained are notified on a timely basis of any changes in check signatories, following the transition of officers or changes in staff with check signing responsibilities.
- Quarterly budget reports shall be presented to the board of directors for review.
- An annual financial audit as required by law will be undertaken by a qualified outside auditor.
- The Treasurer must provide a Treasurer’s report at each board meeting outlining the cash receipts, disbursements and balances of all REDC’s bank accounts.

II. CASH RECEIPTS

- It is not the policy of REDC to authorize any receipt of cash.
- If cash is received, the cash must be deposited immediately with 24 to 48 hours upon receipt by an authorized person.
- Records of cash received must be totaled and initialized by authorized employees.
- Incoming checks must be restrictively endorsed, “for deposit only” with the organization’s account number, scanned, filed and then deposited.
- Bank deposit receipts must be compared to the original bank deposit slips and scanned for distribution to the Treasurer.
- Adequate physical controls must be maintained over receipts from the time of receipt to deposit in the bank.

III. CASH DISBURSEMENTS

A. Voucher and Authorization

- The President must review and approve all vouchers for all disbursements. Any checks above \$5,000 must be co-signed by a board member; checks made out to the President must be signed by a board member.
- Supporting documentation (voucher with original signature and invoice with copy of contract) must accompany checks when presented for signature.

B. Checks

- All disbursements must be made by check.
- Only pre-numbered checks shall be used and always in sequence.
- Signing of blank checks is strictly prohibited. Checks must be made payable to specific payees based upon appropriate documentation; and never to “cash” or “bearer”.

- Prior to preparing checks, payment vouchers should be compared to vendor invoices for accuracy. Checks must be prepared from vendor invoices only and not from a vendor statement.
- Signature stamps may never be used to sign checks.
- Dual signatures are required for any checks of \$5,000 or greater. Signatories can be the Director and an authorized board member.
- Access to blank checks must be limited to the Director of Operations. Blank check stock must be locked in a secure place when not in use.
- Any voided/spoiled checks must be marked "Void" and retained in a secure place.

C. Bank Reconciliations

- Bank accounts must be reconciled by the comptroller or person responsible on a monthly basis and reviewed by the Treasurer.
- The Director of Operations must receive the bank statements, including canceled checks if provided. The statements are then placed in a file for the Treasurer's review. All check numbers must be accounted for.
- Checks outstanding over 90 days must be periodically investigated, with payment stopped and an entry made restoring such items to cash if appropriate

IV. CREDIT CARDS

- The issuance of credit cards for staff or board members is permitted for limited use and only with the approval of the President.

V. REIMBURSABLE PURCHASES, TRAVEL AND EXPENSES

- Purchase of office supplies by staff is permitted with the approval by the President.
- The Board must approve registration and travel expenses for conferences and workshops prior to attendance of staff.
- Mileage for travel is estimated from the REDC office to the location of the workshop, conference or meeting.
- Employees must submit a detailed expense record within 30 days of expenses, with supporting documentation, in order to be reimbursed for expenses; and initialed for approval by the President prior to payment.

Hotel Stays and Allowable travel expenses are:

- Mileage as determined by IRS mileage allowances.
- When booking a hotel, a governmental rate must be requested and a ST 129 must be presented to vendor for sales and use tax abatement. (See NYS Office of the Comptroller guidelines on travel).
- Conference fees including room and board are permitted.

VI. Rent and Annual Receivables

- The President will establish and maintain a receivable record of annual and monthly payments due the a

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