

# DUTCHESS COUNTY LOCAL DEVELOPMENT CORPORATION

## INTERNAL CONTROL POLICY

The Dutchess County Local Development Corporation (DCLDC) is governed by a seven member Board of Directors.

### **I. General**

- The board of directors is responsible for authorizing all bank accounts and check signing activity.
- Financial institutions where DCLDC accounts are maintained are notified on an annual basis of any changes in check signatories, following the transition of officers or changes in staff with check signing responsibilities.
- Receipts, disbursements and all record keeping is handled by the Chief Financial Officer.
- Disbursements are authorized the Chair, Vice-Chair or Treasurer. Checks payable to the Chief Executive Officer must be signed by the Chief Financial Officer. Checks payable to the Chief Financial Officer must be signed by a board member.
- Financial Reports are made at each board meeting and all records are reviewed by an independent auditor on an annual basis. Each year the independent auditor reviews and reports on the authority's internal control system.

### **II. Cash Receipts**

- If cash is received, the cash must be deposited within 24 to 48 hours upon receipt.
- 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.

### **III. Cash Disbursements**

#### A. Voucher and Authorization

- The Chairman, Assistant Chairman or Treasurer must review and approve all vouchers for all disbursements.
- Supporting documentation (voucher with signature and invoice) 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.
- 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.
- Two signatures are required for checks over \$10,000.
- Any voided/spoiled checks must be marked "Void".

C. Bank Reconciliations

- Bank accounts must be reconciled by the Chief Financial Officer on a monthly basis and reviewed by the Treasurer Quarterly.
- Checks outstanding over 90 days must be periodically investigated, with payment stopped when appropriate and an entry made to restoring such items to cash if appropriate.

**IV. Reimbursable Purchases, Travel and Expenses**

- Reimbursements are approved by the Chairman, Vice-Chair or Treasurer.
- Staff and Agency Members must receive prior approval for registration and travel expenses for conferences and workshops.
- Mileage for all travel (meetings, conferences, trade shows, workshops) is estimated from 3 Neptune Road to the location of the workshop, conference or meeting.
- Employees and Board Members must submit a detailed expense record within 90 days of expenses, with supporting documentation, in order to be reimbursed for expenses with a signed voucher.

Hotel Stays and Allowable travel expenses are:

- Mileage is 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. Conference fees including room and board are permitted.

**V. Rent and Annual Receivables**

- The Chief Financial Officer will establish and maintain a receivable record of annual and monthly payments due the agency arising from lease agreements, PILOTS, rents and fees etc.

*Re-adopted 1/19/2016*

*Re-adopted 1/19/2017*

*Re-adopted 1/16/2018*

*Re-adopted 1/9/2019*

*Re-adopted 1/8/2020*