



City of Newburgh

INDUSTRIAL DEVELOPMENT AGENCY

CITY HALL – 83 Broadway
Newburgh, NY 12550

TEL: (845) 569-9400

FAX: (845) 569-9700

INTERNAL CONTROL POLICY NEWBURGH INDUSTRIAL DEVELOPMENT AGENCY (NIDA)

I. GENERAL

- The board of directors is responsible for authorizing all bank activity and check drafts.
- Financial institutions where NIDA 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.
- Quarterly budget reports shall be presented to the board of directors.
- An annual audit shall be undertaken, as required by laws governing industrial development agencies.
- If the Agency receives grants, applicable financial and administrative guidelines relating to specific grant funding shall be followed.
- The Treasurer shall provide a Treasurer's report at each monthly board meeting outlining the cash receipts, disbursements and balances of all NIDA bank accounts.

II. CASH RECEIPTS

- It is not the policy of the Agency to authorize any receipt of cash.
- If cash is received, the cash must be deposited within 48 hours upon receipt by an authorized person.
- Records of cash received must be totaled and initialed 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 and the CFO.
- Adequate physical controls must be maintained over receipts from the time of receipt, to time of deposit in the bank.

III. DISBURSEMENTS

A. Voucher and Authorization

- The Director and Treasurer, or Assistant Treasurer shall review and approve all vouchers for all disbursements and then be forwarded to the CFO for preparation, to the Treasurer and Agency for approval.
- Director's vouchers shall be reviewed by the Treasurer or Assistant Treasurer, and Secretary or Assistant Secretary and then be forwarded to the CFO for preparation, to the Treasurer and Agency for approval.



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- Supporting documentation (signed voucher and vendor's invoice and/or copy of contract if required) shall accompany checks when presented for signature.

B. Checks

- All disbursements shall be made by check, or electronic transfer.
- Only pre-numbered checks shall be used and in sequence, when practicable.
- Signing of blank checks is strictly prohibited. Checks shall 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 shall be prepared from vendor signed vouchers accompanied by invoices only and not from a vendor statement.
- Signature stamps are prohibited to be used to sign checks.
- Dual signatures are required for all checks, including any of two of the following signatures: Treasurer, or Assistant Treasurer and Chairman, or Vice Chairman. The Board of Directors may permit the Administrative Director, with established parameters, to be a signatory in lieu of one of the above.
- Access to blank checks must be limited to the Treasurer, Assistant Treasurer, CFO or Secretary or to such persons authorized by the Board of Directors to prepare checks. Blank check stock must be locked in a secure place when not in use.
- Any voided/spoiled checks must be marked "Void", with the signature portion crossed out and retained in a secure place.

C. Bank Reconciliations

- Bank accounts shall be reconciled by the comptroller or person responsible on a monthly basis and reviewed by the Treasurer, and presented at the next regular board meeting.
- The Director or the secretary to the Director must receive the bank statements, including canceled checks if provided. The statements are then placed in a file for the CFO. 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 or DEBIT CARDS

- The issuance of credit and debit cards for staff or board members is not permitted.



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V. REIMBURSABLE PURCHASES, TRAVEL AND EXPENSES

- Purchase of office supplies by staff is permitted in amounts of less than \$100. Reimbursements are approved by the Executive Director or Treasurer.
- The Board must approve registration and travel expenses for conferences and workshops prior to attendance of staff or Agency Members.
- Mileage for travel is estimated from 83 Broadway to the location of the workshop, conference or meeting.
- Employees and Board Members 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 director or Treasurer 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.
- When conference fees do not include meals, the permitted reimbursements for meals excluding alcoholic beverages:
 - Breakfast: \$12.
 - Lunch: \$16.
 - Dinner \$32.

VI. Rent and Annual Receivables

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

Approved By The Board December 17, 2012

Note: Additional controls on the use of Agency funds are contained in Policies Governing the Use of Authority Discretionary Funds