



Internal Controls Policy

GENERAL

The EGHAP Executive Board is responsible for authorizing all bank accounts and check signers. Financial institutions where Current Accounts, Savings Accounts (CASA) are maintained. All banks are notified on an annual basis of any changes in check signers, following the transition of officers or changes in staff with check signing responsibilities. Financial reports shall be presented to the board of directors for review on a monthly basis. An annual financial compilation, review, or audit, depending upon the size of the budget, will be conducted by a qualified outside accountant. Applicable financial and administrative guidelines relating to specific grant funding shall be followed.

CASH RECEIPTS

Employees handling cash will have the necessary knowledge and skills to perform the job and will be carefully supervised. Cash receipts must be deposited within 2 days of receipt or when the deposit amount exceeds \$2,000, whichever comes first. Incoming checks must be restrictively endorsed, "for deposit only" with the organization's account number, when received. The Housing Authority does not accept any cash. Records of tender received must be totaled and initialized by authorized employees. Tender collection documentation totals must be compared and reconciled to bank deposit receipts on a regular basis. Bank deposit receipts must be compared and attached to the original bank deposit slips. Adequate physical controls must be maintained over tender receipts from the time of receipt to deposit in the bank. Contributions and grants received in bank account electronically via Electronic Funds Transfer (EFT) will be posted to accounting software within 3 days of receipt.

CASH DISBURSEMENTS

Check Authorization

The director or their designee must provide approval for all disbursements. Supporting documentation must accompany checks when presented for signature.

Checks

All non-recurring disbursements must be made by check. Recurring disbursements may be set up electronically with vendor via Electronic Funds Transfer or paid through online means with prior Executive Director approval. Every effort should be made to cut checks through the Housing Authority software. 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, receiving reports 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 all checks over \$500, including any of two of the following signatures: EGHAP Chairman, EGHAP Vice Chairman, and Executive Director. Checks under \$500 require only one of the following signatures: EGHAP Chairman, EGHAP Vice Chairman, and Executive Director. Access to blank checks must be limited to persons authorized 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", shredded with the signature portion removed and retained in a secure place.

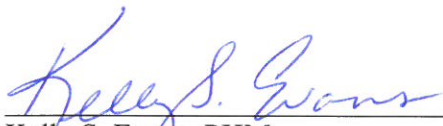
Bank Reconciliations

Bank accounts must be reconciled by the person responsible on a monthly basis and reviewed by the Executive Director. The Executive Director must have access to online bank records at all time. 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.


TRAVEL AND EXPENSES

Employees must submit a detailed expense record, with supporting documentation, in order to be reimbursed for expenses; and initialed for approval by the Executive Director or their designee prior to payment. Please see the EGHAP Travel Policy.

Approved November 15, 2016 ;



Kelly S. Evans, PHM
Executive Director



Jamie Burnett
Chairman