

PENNSYLVANIA
INTERGOVERNMENTAL COOPERATION AUTHORITY
FOR HARRISBURG
INTERNAL CONTROL POLICY

The Authority does hereby appoint the Authority Manager as the Chief Fiscal Officer.

General

The Authority Board is responsible for authorizing all bank accounts and check signers. Financial institutions where the Authority accounts are maintained 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. All financial reports shall be presented to the Authority Board members 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 as established by the Commonwealth of Pennsylvania relating to budget, audit, and financial reporting shall be followed.

Revenues

Incoming checks must be restrictively endorsed, “for deposit only” with the organization’s account number, when received. Incoming cash should be avoided. Records of checks received must be totaled and initialized by the Authority Chairperson and the Secretary/Treasurer. Bank deposit receipts must be compared and attached to the original bank deposit slips by the Authority Manager. Adequate physical controls must be maintained over bank 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 by the Authority Manager within 3 days of receipt.

Disbursements

All disbursements require prior approval by an officer of the Authority: the Chairperson, the Secretary/Treasurer or the Vice Chairperson. A signed invoice (disbursement order) is required for any and all disbursements.

All non-recurring disbursements must be made by check. Recurring disbursements (i.e. web hosting account) may be set up electronically with vendor via Debit Card with prior Authority Chairperson approval. 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 (i.e. the disbursement order); 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.

Intergovernmental Cooperation Authority for Harrisburg
Internal Control Policy
As Adopted June-26-2019

Access to blank checks must be limited to the Authority Manager, who also should not be the check signatory, but is 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.

Debit Card Use

The Authority Manager is herein authorized to use the Authority Debit Card for purchases not to exceed \$500. In all cases, a receipt must be obtained and said receipt must then be submitted as a disbursement order to the Chairperson for approval. In no case shall the debit card be used for any expense not directly related to the operation of the Authority.

Bank Reconciliation

Bank accounts must be reconciled by the Authority Manager on a monthly basis and reviewed by the Authority Members at the next regularly scheduled meeting. The Secretary/Treasurer must receive a copy of each bank statement. All check numbers must be accounted for in some manner. 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 Training Expenses

Any expense approved by a vote of the Authority, must be submitted on a detailed expense record, with supporting documentation, in order to be reimbursed for expenses; and initialed for approval by the Secretary/Treasurer and the Chairperson prior to payment.