

SCHOHARIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

INTERNAL CONTROLS PROCESS UPDATES

Reviewed Approved by the IDA Board on August 20, 2024.

Objective

The Schoharie County Industrial Development Agency (SCIDA) has established a dedicated office with a team of staff and contract workers. As a public authority, the SCIDA Board of Directors bears the responsibility of ensuring the adoption and implementation of effective internal controls within the organization. These additional administrative procedures are designed to introduce further "checks and balances" and oversight layers.

The Chairperson may carry out any provision of this process in the absence of the Treasurer.

Accounts Payable (A/P) Process:

Invoices and bills will be received and processed by administrative support personnel. Each invoice should be stamped with the date of receipt. Every Friday morning, the administrative support will present collected invoices for approval by the Executive Director, who will approve Each invoice and annotate such approval with his/her initials and date of approval on each invoice.

Once approved, the administrative support will enter the invoice into the QuickBooks system. On the 15th and 30th of each month, an abstract of all A/P, along with attached invoices, will be printed. Checks for each invoice will be prepared. The IDA Treasurer (or Chairperson) and Executive Director will review the abstract and checks. The Treasurer will approve the abstract.

Checks will continue to need two signatures as a separate point of internal control, which can be executed by two board members or the Executive Director with a board member countersignature.

Accounts Receivable (A/R) Process:

Payments to the IDA are generally received via USPS mail. In the case of hand-delivered payments, a receipt shall be issued. SCIDA will not collect cash.

Administrative support will receive all receivables whenever possible, who will produce a deposit slip for the appropriate depository account and record the receivable in QuickBooks. Administrative support will make a copy of the receivable check and deposit slip. The deposit slip and payment will be given to the Executive Director, who will record the transaction in the payment log and take the deposit to the bank.

The deposit slip will be provided to administrative support for filing, who will affix the deposit slip onto the photocopy of the receivable check.

On the 15th of every month, the Treasurer will reconcile the deposit log with the QuickBooks receivables report from the previous month. If entries reconcile, the Treasurer will sign off on the log.

SCIDA Payroll Review:

SCIDA requires additional fiscal oversight for payroll processing. The Treasurer will oversee this expenditure on behalf of the IDA Board of Directors.

Hourly employees will submit timecards to the Executive Director, who will process payroll. The Executive Director, being a salaried employee, may process his/her own pay. After processing, a payroll report will be generated. On the 15th and 30th of each month, the Treasurer will review all payroll reports to ensure proper processing and will initial each report.

Any changes in wages/salary must be authorized by the IDA Board of Directors or its designee. The Executive Director will complete a change of wage/salary form, which will be reviewed and approved by the Treasurer prior to processing.

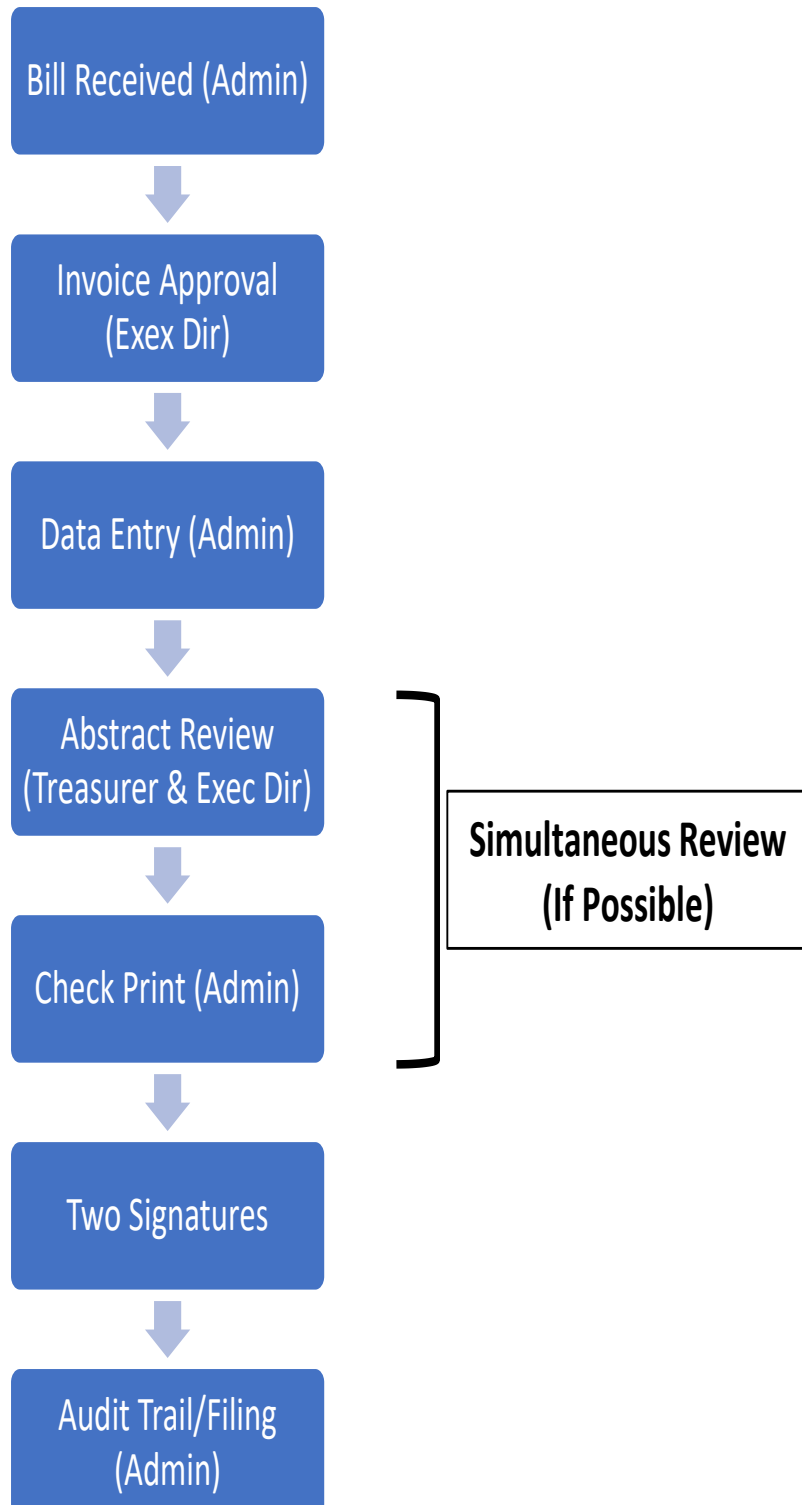
SCIDA Account Reconciliation:

SCIDA will engage a third-party accountant to reconcile all deposit accounts. SCIDA staff will compile monthly invoices and deposit instruments, providing them, along with account statements, to the accountant within five business days after the end of each month. The third-party reconciliation shall be completed by the 20th of each month, with any irregularities reported via email to the Executive Director and Treasurer immediately.

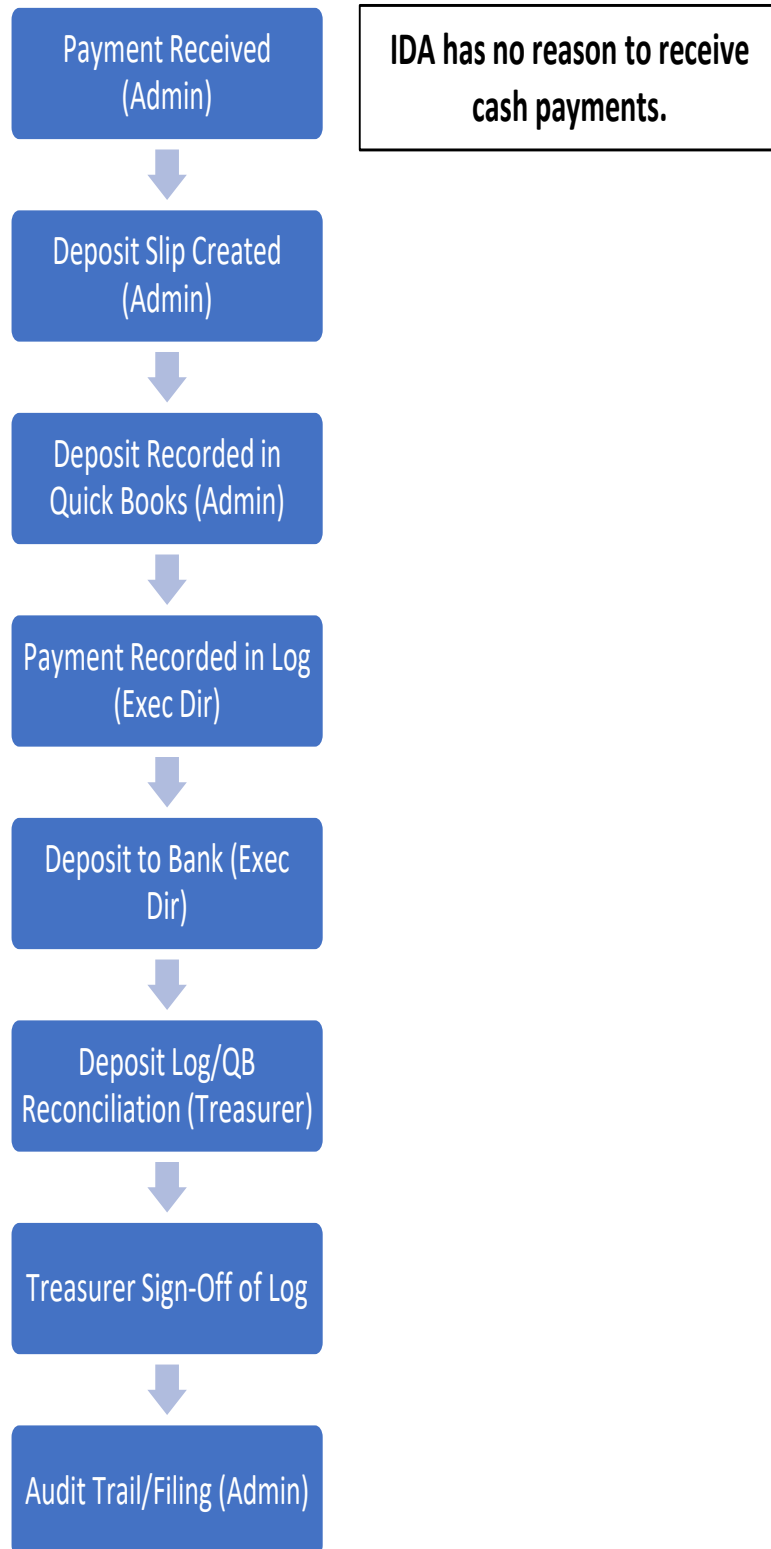
SCIDA Quarterly Financial Reports:

SCIDA Board has requested financial statements on a quarterly basis. The same third-party accountant will produce these financial statements no later than 20 days after the end of the quarter. The statements will be forwarded to the Executive Director for review and analysis. The Executive Director will present the financial statements to the Finance Committee of the SCIDA and the IDA Board for review and acceptance.

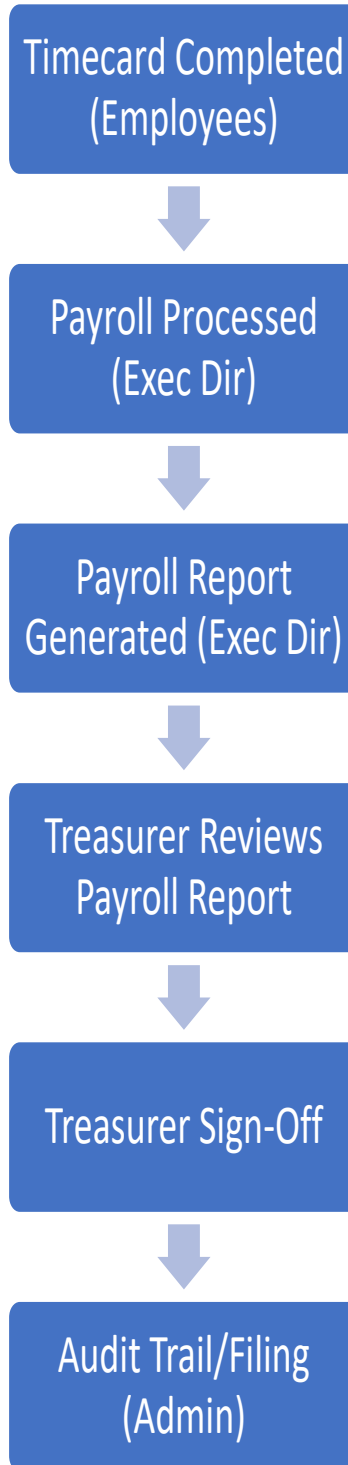
SCIDA Accounts Payable Process



SCIDA Accounts Receivables Process



SCIDA Payroll Review



SCOHOHARIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Deposit Reconciliation Form

Time Period:

Month: _____

Year: _____

Reconciliation

- Management has presented to me both the Cash Receipts Log and financial management software (currently Quick Books Online) Accounts Receivable report for the month above.

All deposits reconcile between the Cash Receipts Log kept independently from financial management software (currently QuickBooks Online).

- Management has presented to me both the Cash Receipts Log and financial management software (currently Quick Books Online) Accounts Receivable report for the month above.

All deposits **DO NOT** reconcile between the Cash Receipts Log kept independently from financial management software (currently QuickBooks Online). Further investigation is necessary, and this irregularity will be reported to the full IDA Board as soon as practicable.

Treasurer/Chairperson Signature

Date

SCOHOHARIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Pay Rate Change Form

Employee Name: _____

Current Pay Rate: _____

Pay Rate Change: _____

Effective Date of Rate Change: _____

Reviewed and Approved By:

Treasurer/Chairperson Signature

Date