

# CIVIC CENTER MONROE COUNTY LOCAL DEVELOPMENT CORPORATION

## Internal Controls and Financial Accountability

1. Civic Center Monroe County Local Development Corporation (“Corporation”) is a Not-For-Profit Local Development Corporation pursuant to Sections 402 and 1411 of the Not-For-Profit Corporation Law of the State of New York. The Corporation must comply with the provisions of applicable laws, including the New York Public Authorities Law. The Corporation’s Board Members and its Officers have a fiduciary duty to protect its assets.

2. Board Members and Officers shall ensure that the Corporation is accountable for its programs and finances to its customers and the public. Accordingly, the Corporation shall comply with all applicable laws and ethical standards; adhere to its public mission; create and adhere to policies regarding conflicts of interest, ethics, personnel and accounting; prepare and file annual financial data with required federal and state regulatory authorities; and make its annual financial report available to all Members and any member of the public who requests it.

3. Internal controls are systems of policies and procedures that protect and manage the assets of the Corporation, create reliable financial reporting, promote compliance with laws and regulations and achieve effective and efficient operations.

4. The following internal controls, policies and procedures shall apply to the Corporation:

- A. **Budget.** An annual income and expense budget will be prepared and periodic reports (at least quarterly) will be presented to the Board. The report will compare actual receipts and expenditures to the budget with timely variance explanations.
- B. **Expenditures.** Checks and balances are essential to make embezzlement more difficult. No single individual shall be responsible for writing and signing checks. All checks shall require two signatures as designated by the Board of Directors.
- C. **Expenditures-Approval.** No expenditures shall be made or incurred except in accordance with the purchasing policy and the duly adopted budget.

The Board shall designate an individual to authorize all other expenditures. That individual shall insure that no single person is permitted to authorize, request, verify, and record expenditures.

- D. **Receipts-Checks.** All receipts by check shall be duly entered in the books of the Corporation with a copy made of each check received and attached to the invoice and bank deposit.

- E. **Accounts Receivable.** All accounts receivables shall be maintained on a current basis to the extent practicable. Account receivables which are more than 90 days old shall be reported to the Board on a monthly basis. The Board may direct such action as may be appropriate as to said receivables.
- F. **Data.** Electronic data regarding financial records and reports shall be preserved.
- G. **Audit Committee.** The audit committee shall have oversight over the annual audit process.
- H. **Reports.** Periodic reports on the finances and programs shall be submitted to the Board. Annual financial report shall be filed as required by law and made available to the public.
- I. **Management.** The day to day activities of the Corporation shall be managed by a person or entity designated by the Board of Directors and subject to its oversight.
- J. **Training.** Management shall provide such training as may be required to enable all employees to be familiar with and to comply with these internal rules and procedures and shall certify to the Board that said training has occurred.

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