

INTERNAL CONTROL POLICY

The Allen Park Housing Commission will provide proper training of staff to provide for the best possible internal controls.

Cross training of office staff will be provided by the Executive Director in case of absence, vacation, and in order to prepare for orderly succession.

At hire date and periodically the APHC will conduct criminal background checks of employees.

The APHC will review and approve the following:

Annual budget, monthly financial statements, investment transactions, and monthly check register.

The fee accountant will review bank statements, and reconcile bank accounts.

PETTY CASH:

Receipts will be initialed by the executive director and the petty cash will be reconciled monthly by the executive director. Checks will be written and signed in accordance with the check signing policy. Actual receipts will be attached to checks for review by signers. Petty cash box will be locked in file cabinet in office at all times. At no time will more than \$250.00 cash be stored in box.

Purchase of equipment (in excess of \$100.00) will be approved by the executive director before purchase. Equipment valued at more than \$250.00 will be recorded in office and have an APHC numbered sticker affixed and recorded.

The executive director and the admin assistant have keys to the file cabinets and keys to the main office.

PAYROLL:

The employees shall fill out a bi monthly time sheet. The executive director will sign off on each payroll sheet before the admin assist calls in the payroll figures. The official payroll service for the APHC will conduct payroll EFT's in conjunction with the pre approved APHC budget.

The executive director will hire staff. The executive director sets rates for employees with board budget approval. The APHC sets the contracted rate for the executive director.

The office staff will record EFT's in the HDS system which will be used to produce the monthly check register for board approval.

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The APHC will maintain a specimen signature in each employees personnel file.

The APHC will maintain insurance coverage for each employee handling rent, payroll figures, and petty cash.

The executive director shall review payroll names with the payroll service throughout the year.

The APHC shall maintain in file all voided checks to ensure proper number system.

REVENUE:

Rent checks shall be collected and recorded by the admin assistant. The recording shall be made in the HDS system that generates a separate receipt for each tenant. The recording for each check shall also be made on the bank deposit ticket for each check received. Copies of the deposit ticket shall be made and sent to the fee accountant for review.

The executive director is responsible to review deposit ticket and checks to ensure proper recording and make the deposits. Copies of the actual deposit receipts shall be sent to the fee accountant to review and verify with bank statements. The fee accountant shall maintain a ledger of tenant rents and provide a copy to the APHC in the monthly financial statements for review.

Except in very rare occasions the APHC does not accept cash payments. If a cash payment is made it shall be recorded and a receipt given immediately to the tenant. The cash shall be deposited at the first opportunity to do so.

EXPENDITURES:

The APHC shall follow the Check Signing Policy

The APHC shall use pre numbered checks. Voided Checks shall be marked VOID with a marker and retained in file for review. Blank checks shall be locked in the file cabinet of the main office at all times. Checks shall not be drawn to cash checks will be written for ORIGINAL invoices and the invoices marked PAID and date stamped and noted with check number of payment.

All checks shall be written through the HDS software system, NO checks will be hand written.

The Allen Park Housing Commission shall follow the Procurement Policy for purchases.

PROPERTY:

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The Executive Director will make plans for capital expenditures and disposition. Disposition will be handled in accordance with the Disposition Policy.

The APHC shall maintain a detailed list of fixed assets and make periodic physical inspection of inventories and nonexpendable equipment, and reviews and appraisals for insurance considerations.

The staff of the APHC will ensure that all property and equipment additions are in accordance with the authorized and approved budget.

The executive director will assign responsibility for purchasing, receiving, and recordkeeping of assets to the appropriate staff.

The APHC shall follow the approved board Capitalization Policy.

TREASURY:

The Executive Director shall obtain Board of Commissioner's approval of investments to ensure investments are made in line with policies set by the board and follow HUD Regulations. The board will review investments to assess the level of earnings.

The Executive Director will limit bank accounts to institutions with Federal Insurance.

Financial Reporting:

The APHC shall use the fee accountant to prepare the budget for Board approval.

The APHC shall follow the Conflict of Interest Policy and Ethics Policy