

Mamaroneck Public Library – Controls

RISK	CONTROL
Check Issuance	<p>A detailed review of all disbursements are made by the Director first, then by the Board before checks are issued (Audit of Bills)</p> <p>2 signatures are required on all checks – Library Director and Board President; the Board Treasurer is back-up for Board President. Blank checks will not be signed. When the bank statements are received, the check photos should be reviewed to ensure there are 2 signatures on every check and that the check numbers are in sequential order. Checks will be kept locked at all times when not in use.</p>
Check Deposits	<p>All check deposits will be verified against Quick Books/Journal Entries and approved by the Director prior to the deposit. The deposit will be further verified in the next bank statement. At a minimum, deposits will be made weekly.</p>
Cash Deposits	<p>Cash deposits will be reconciled to the amounts collected (eg at the front register. All cash deposits will be verified against Quick Books/Journal Entries and approved by the Director prior to the deposit. The deposit will be further verified in the next bank statement. At a minimum, deposits will be made weekly.</p>
<p>Credit Cards (currently 3 – Director, Children’s Services and Facilities Management)</p> <p>Note: the Director’s credit card is primarily used for overall Library expense/online purchases</p>	<ul style="list-style-type: none"> • None of the credit cards will be shared. The only 3 users are the Director, Facilities Manager and the Head of Children’s Services. • Prior approval for credit card use is required. The Director can approve Facilities Management and Children’s Services. This includes emergency situations; the Director should be aware of all emergencies. • All prior approvals must be documented and submitted to the Board with the credit card bills and receipts (this includes the use of the Director’s card). • All receipts must be attached to the credit card bill along with a separate sheet listing the date, amount, vendor and an explanation of the charge prior to Director approving payment. The credit card invoice will be compared to the approval documentation. The summary sheet will be provided to the Board of Trustees in the monthly Board Pack.
Amazon Account	<p>The Amazon Corporate Account has been closed..</p>
Amazon	<p>All orders must be approved in advance by the Director and documented. The Accounting Team places all orders based on the Director’s prior written approval. When the monthly bills are provided to the Board for approval, detail of all</p>

	Amazon purchases along with the approval documentation and an explanation of the purchase will be provided.
Bank Reconciliations	Bank reconciliations will be performed by an employee or official who does not have custody or access to cash and who does not record cash receipts, cash disbursements, or journal entry transactions. Check images should be retained in electronic format for audit purposes.
Journal Entries	Will be reviewed monthly by Nawrocki Smith for one year (TBD)
Overtime and Additional Regular Hours	All non-Sunday overtime will be approved by the Director prior to incurring overtime hours. For full-time staff, all hours paid at the regular rate between 35 and 40 hours per week will be approved by the Director in advance. The approvals must be in writing and submitted to the accounting team for verification when preparing the payroll entries. A summary of the approvals with explanations will also be submitted to the Board as part of the monthly Board Pack.
Payroll	Prior to processing, the payroll entries will be verified by the Director and approved in writing. Need more information on the current process; controls will be better defined once the process is understood.
Emelin Rent & Reimbursements	An agreement has been reached with the Emelin that billing will be quarterly, with the exception of the Insurance bill and Air Rights rent which are billed on an annual basis. The checklist for the quarterly bills includes: <ul style="list-style-type: none"> • Rent, • Gas (Con Edison), • Sewer Tax (Town Bill), • Pest Control, • Westchester Joint Water Works, • Electricity (Village Bill from The NY Power Authority) and • Fire Sprinkler Inspection and Maintenance. The reimbursements will be recorded as income (not an offset to the expense).
Quick Books	Only the Accounting Team will have passwords for Quick Books. The passwords cannot be saved to any application or computer system. The passwords are not to be shared with anyone. All passwords will be changed every 3 months.
Budget Control	The Director and Board of Trustees will carefully monitor expenditures versus the annual budget. If there is a need to spend more money than budgeted, a transfer from a different line item must occur. The costs must remain in-line with the annual budget.
Audit of Bills	Prior to the monthly Board of Trustees meeting, a list of all bills with back-up documentation (eg invoices) will be presented to the Treasurer and another Board member (TBD) for review. If there are any questions, they can be

	resolved prior to the Board approving bill payment at the monthly meeting.
Donations	The Director (or designee) will maintain a list of all donations received including the name of the donor, the date of the donation, the amount of the donation and the special designation, if any. This will be included in the Monthly Board Packet.
Monthly Board Packet	<p>The Board Packet will be distributed to the Board X (TBD) days before the Board Meeting and will include:</p> <ul style="list-style-type: none"> • Bank Balances (4 accounts) • Bank Reconciliations/Statements • Income & Expense Budget vs Actual • Balance Sheet • List of Bills to be paid (see Audit of Bills) • Credit card summary sheets • Overtime and Regular Hours (over 35 hours/week) approvals with explanation (excludes Sunday hours) • Detailed list of all donations received during the month • Petty Cash monthly log <p>The Board approves the financials at the meeting and the approval is documented in the meeting minutes. Any questions and/or concerns are also documented in the meeting minutes.</p>
Monies Collected at the Front Desk	Perform a daily cash register reconciliation comparing start of day to end of day. Data is collected by category: fines, book sale, donations and miscellaneous.
Separation of duties and mitigating controls	Will ensure proper checks and balances are in place (eg a bill will have proper approval before check disbursement)
Petty Cash	There will never be more than \$100 in Petty Cash at any time. The Director approves all cash withdrawals. TBD will receive any change and receipts and will maintain a log to record all cash usage and track corresponding receipts. The monthly log will be included in the Board Packet. There is a monthly reconciliation based on remaining cash and the receipts. There is single ownership of the Petty Cash fund and it will be kept in a locked space.
Staff Resignations/Retirements	<p>A process will be put into place to ensure a proper transition of duties.</p> <p>Need to ensure all system access is removed immediately.</p>
Purchasing Policy	<p>Will be reviewed for completeness – current policy requires a minimum of 2 bids for amounts over \$6,000, but 3 are obtained.</p> <p>Additional Controls:</p> <ul style="list-style-type: none"> • Annual maintenance contracts over \$6,000 will go out for bid on an annual basis.

	<ul style="list-style-type: none"> • If the Library does not go with the lowest bidder, an explanation must be provided. • The person approving the purchase cannot be the same as the person requesting the purchase. • The budget should be verified in advance. If a transfer from one account to another is needed or if an over budget variance would occur, prior approval from the Director and the Board is required. • The responsibility for the receipt and verification of items ordered will be segregated from the employee who requested or authorized the purchase. • Goods should be received and/or services rendered before a payment is submitted. Checks should be mailed directly to the vendor(s). • Director's written approval is required.
Purchase Orders	<p>Any Purchase Order over \$6,000 must go out to bid. All items entered on the supply list require a purchase order created by the accounting team. The Director approves all purchase orders in advance of the purchase. Once approved, the accounting team orders the items. When the invoice is received, it is compared to the purchase order for accuracy. The purchase order is attached to the invoice for back-up documentation to issue the check for payment.</p>