

Resolution #919
Internal Control Procedures - Clarksville Housing Authority
Amended April 18, 2023 – Grammatical/Position Descriptions

Segregation of Duties:

In order to provide adequate separation of duties so no one individual has authority over an entire financial transaction, the **Clarksville Housing Authority** takes into consideration the separation of three types of functional responsibilities:

- (1) authorization to execute a transaction
- (2) recording of the transaction
- (3) custody of the assets involved in the transaction

The objective of segregating duties is to ensure that one person should **not** have control of all these functional responsibilities.

In a large office with adequate staff, these duties may be performed by three separate employees. Due to limited staff at the Clarksville Housing Authority, some actions may be handled by the same employee. **The most critical step for internal control will be to prevent more than one person handling all functions to provide cross-checking by the individuals involved.**

Rent/other income collection

- Received by **Administrative Assistant/Resident Initiative Coordinator (AA/RIC)** or **other designated employee (Project Manager/Executive Assistant/Executive Director)**, receipt issued to tenant and payment posted. Monies counted and bank deposit prepared by Project Manager.
- Rent collections and deposit verified by **Executive Director** or **other designated employee (department head/program manager)**.
- **Bank deposit** made after receipts have been verified.
- **Petty Cash, No Cash Policy** – With Covid-19 and CDC guidelines, the CHA has implemented a no cash policy.

Issuing checks

- **Payment to Vendor** form submitted with invoice to **Executive Assistant**, signed by employee who received goods or is submitting request for payment for services rendered by a supplier.

Issuing checks continued

- Check issued by **Executive Director** or another designated employee.
- Check **signed by two (2) authorized signers**. The supporting data for each check shall be available for review at the time of signing.

Use of agency credit cards

- Statements received from credit card companies for charges made by staff will be reviewed by the **Executive Assistant and Executive Director** prior to payment and expenses charged to the appropriate program.
- The “Visa/Mastercard” credit card is locked in the Executive Director or Executive Assistant’s office each evening.

The main objective of these procedures is to have a **minimum of two (2) people present at the time of every transaction**, to keep each other accountable. In the event of an employee’s absence, such as illness or an emergency requiring an employee to leave the office, it is recognized that the internal controls would not be functioning as outlined.