



THE HOUSING AUTHORITY OF GLOUCESTER COUNTY

CHECK SIGNING AUTHORIZATION POLICY

EFFECTIVE: JANUARY 1, 2018

- **Resolution #18-56**
July 24, 2018

Housing Authority of Gloucester County
Check Signing Authorization Policy
Effective January 1, 2018

The Housing Authority of Gloucester County (HAGC) hereby establishes this Check Signing Authorization Policy to identify those people who are authorized to sign and issue checks on its behalf, and the manner in which those checks will be issued. This Policy shall apply to all HAGC bank accounts and the bank accounts of instrumentalities and affiliated entities of HAGC.

This Policy is drafted and implemented in accordance with N.J.S.A. 40A:5-16.5; N.J.A.C. 5:31-4.1, 4.2; N.J.A.C. 5:30-9A; Local Finance Notice 2018-13

1. All persons submitting a claim for payment from HAGC moneys shall present a detailed bill of items or demand, specifying how the bill or demand is made up, with the certification of the party claiming payment that it is correct. In accordance with N.J.S.A 40A:5-16(a) and N.J.A.C. 5:30-9A.6, HAGC resolution 15-06, and GHA resolution 15-03, the purchase of goods and services under \$5,000 does not require a vendor certification, but for the exceptions enumerated in the Statute including payments as reimbursement of employee expenses or payment for personal services.
2. All claims shall carry a certification of an official or designated employee of the authority having knowledge of the facts that the goods have been received by, or the services rendered to the authority.
3. All Housing Assistance Payments (HAP) checks for the Section 8 Voucher and Moderate Rehabilitation Program will be signed by the computer generated automated signatures of HAGC's Executive Director and Board of Commissioners Chairman. All HAP checks are supported by an executed HAP contract between HAGC and the landlord and therefore no additional certification is required.
4. All non HAP checks of \$500 or less will be signed by the computer generated automated signatures of HAGC's Executive Director and Board of Commissioners Chairman.
5. All non HAP checks greater than \$500 will be signed manually by two authorized signatories.
6. The following are designated individuals whose signatures shall appear on check drawn upon the Treasury of HAGC. In the event a check is made payable to one of the signatories, which are identified below, an alternative authorized signatory is required.
 - a. All Board Members from their respective entities with appropriate bank signature card on file with HAGC;
 - b. The Executive Director;
 - c. The Assistant to the Executive Director;
 - d. The Human Resources Administrator;
 - e. The Finance Director (in the event no other designated individual is reasonable available and signature is required)

7. Payments on invoices should not be split into less than \$500 increments for the sole purpose of utilizing the computer rather than manually signing said checks.
8. The supporting data for each check shall be available for the signer to review at the time of signing.
9. With the exception of HAP checks and bills paid on the interim, The Board of Commissioners must approve all payments through the monthly bill lists presented at the Board Meeting. Approval must be obtained prior to the release of payment.
10. All claims approved for payment by the governing body shall be recorded in the minutes of the authority meetings and shall, upon approval of the minutes, be open to the public.
11. The payments of certain claims may be paid without delay or prior approval of the Board of Commissioners following the approval of a properly prepared, completed, and authorized (through the Executive Director's signature) Payment Voucher. These payments are considered "payments on the interim" and are included in the monthly bill list for Board approval. They include the following types of bills:
 - a. Utilities – including water, sewer; electric, gas, oil, etc.
 - b. Pre-approved telecommunication services – including telephone, beeper, cellular phones, data lines, internet, and cable services;
 - c. Pre-approved insurance premiums;
 - d. Payments in lieu of taxes and taxes;
 - e. Reimbursements to tenants/estates for out-of-pocket costs or refunds of security deposits or credit balances;
 - f. Funding for various escrow accounts;
 - g. Disbursements of client escrow accounts;
 - h. Replenishment of petty cash funds;
 - i. Inter-fund payments;
 - j. Authorized management and administrative fees;
 - k. Mortgage payments;
 - l. Emergency repair/replacement costs;
 - m. Weekly payroll withholdings and related expenses;
 - n. Governmental agency fees and charges (i.e. inspection fees);
 - o. Fees for training seminars and travel expenses;
 - p. Incidental repair/equipment costs under \$1,000;
 - q. Reasonable relocation costs associated with a temporary relocation of a tenant of an owned/managed property and
 - r. Other items as specified in writing by the Executive Director
12. The manner and time in which salaries, wages or other compensation for services shall be paid shall be in accordance with the HAGC's Personnel Policy and Collective Bargaining Agreement. Pay checks to employees shall be signed by the computer generated automated signatures of HAGC's Executive Director and Board of Commissioners Chairman.
13. In accordance with N.J.S.A. 40A:5-1 et seq., as an alternative to paper checks HAGC is authorized to pay claims electronically using electronic fund technology (EFT).

14. With respect to the use of EFT for the payment of Housing Assistance Payments pursuant to Housing Assistant Payments Contracts, the Section 8 Supervisor shall be the initiator and the Finance Director shall be the authorizer. For any transfers initiated by the Finance Director, the Executive Director shall authorize the transfer. In the event that the Executive Director is unavailable the transfer shall be authorized by the Assistant to the Executive Director.
15. With respect to the use of EFT for vendors, the Accounts Payable Technician shall be the initiator and the Executive Director shall be the authorizer. The authorization is evidenced by signature on the payment voucher and on the Direct Deposit Bank Report.
16. With respect to the use of EFT for employee pay checks, the Human Resources Administrator shall be the initiator and the Finance Director shall be the authorizer.
17. On no less than a weekly basis, activity reports on all EFT-based transactions shall be reviewed by the Finance Director. Such review shall be completed by review of the Check Register to determine if the Register includes any EFTs.
18. Any activity report on the EFT-based transactions generated by the Finance Director must be reviewed by the Executive Director.
19. In conjunction with the monthly bank reconciliation to the General Ledger, reconciliation of the actual EFT transactions to the accounting records shall be performed at least on a monthly basis and maintained for audit.
20. Each bill list approved or ratified by the Board of Commissioners shall indicate the type of technology utilized in each EFT transaction.
21. The EFT technology must allow verification that a payment is not being diverted to an individual or entity other than the one authorized to receive payment. Such verification shall occur through requiring each individual to complete a Direct Deposit Authorization Form along with a copy of a voided check and by performing a validity test on the bank account. The Section 8 Supervisor shall ensure that the identity of landlords completing the Direct Deposit Authorization Form corresponds to W-9 form completed by the landlord.
22. Electronic funds transfers through Automated Clearing House (ACH) must utilize Electronic Data Interchange (EDI) technology. Any user uploading an ACH file shall check the amounts and recipients against a register displaying ACH payments. The Finance Director uploads and verifies the contents of the ACH file.
23. In accordance with N.J.A.C 5:30-9A.4, HAGC is authorized to use charge cards issued by a specific vendor for the utilization of goods and services provided by said vendor. Outstanding balances on all charge cards shall be paid in full each monthly.
24. The Executive Director shall approve of the specific individuals designated to use each charge card. Designated users shall complete an acknowledgement as to the understanding of the policies and procedures for usage and acknowledge financial responsibility for misuse. See Attachment "A".

25. The Finance Director shall obtain annually from Financial Institution providers of EFT evidence of satisfactory internal controls.

26. HAGC shall operate all EFT technologies in accordance with the cyber security framework specified in N.J.A.C. 5:33-1.1

Attachment "A"

HOUSING AUTHORITY OF GLOUCESTER COUNTY

CHARGE CARD USE AGREEMENT

This Charge Card Use Agreement (Agreement) is between _____ (Company) and _____ (Employee)

By my signature on this Agreement, I agree to comply with and be bound by the following conditions:

1. I understand the vendor card is Company property and I will be making financial commitments on behalf of the Company when using this Card. I agree that the use of this Card is limited to business purposes authorized by the Company. I agree that this Card must not be used for any personal, unauthorized or illegal charges and any such misuse will result in disciplinary action up to and including termination of employment.
2. I understand that documentation of expenses shall be submitted to the Finance Department within 10 days.
3. I understand that the Company may review and investigate use of this Card and I have no expectation of privacy concerning any charges incurred. I will cooperate with any such review or investigation.
4. I agree to be held personally liable for the total dollar amount of any improper charge incurred plus any administrative fees assessed in connection with misuse of this Card. I agree that any personal, unauthorized or illegal charge made by me, including any administrative fees and or finance charges assessed in connection with such charge and paid for by the Company will be considered a personal loan to be repaid through payroll deduction. If such deductions are not permissible or feasible, I will repay the Company these amounts plus any finance or other charges due in connection with the misuse of this Card and Company may take appropriate legal action to collect monies owed. I agree to pay the Company's expenses, including attorney's fees, incurred in its collection efforts. I agree that I may be liable for improper charge that results from allowing others to use this Card.
5. I agree to immediately notify the Finance Director upon discovering this Card has been lost, misused, stolen or subject to fraud or unauthorized use. I agree to cooperate with any investigation concerning the loss, theft or suspect misuse of the Card.

Employee

Date

Executive Director

Date