

**WOODRIDGE LAKE SEWER DISTRICT
INTERNAL CONTROL PROCEDURES
FOR FINANCIAL ACTIVITIES
Board Approved May 12, 2026**

PURCHASE ORDERS

- The Superintendent can approve operating expenses that are in the approved Operating budget.
- Items greater than \$1,000 and not in the taxpayer-approved Operating or Capital budget require the approval of the Superintendent and the Treasurer or one other Board member
- A Purchase Order (PO) of more than \$10,000 requires detailed specifications for one-time items, and if the item is in the Operating or Capital budget approved by the taxpayers, no additional approval prior to commitment is required.
- POs of more than \$25,000 require three bids and the Superintendent's recommendation of the selected vendor to one Board member before beginning work.
- POs of more than \$2,500 require two bids and the Superintendent's recommendation of the selected vendor to one Board member before beginning work.
- The Board can accept requirements for multiple bids at the request of the Supervisor.

EMERGENCY EXPENDITURES

- In the event of an emergency, the Superintendent must contact the Treasurer or President within 24 hours, detailing the emergency and funds needed to cover the expenditure.
- Ratification of the expenditure must be approved in the minutes of the next Board meeting.

APPROVAL OF EXPENDITURES:

- The Superintendent reviews the work completed against the PO's detailed specifications
- When invoices for any item received or services are received, the Superintendent verifies and initials that the items have been received or services provided as shown on the invoice.
- Once written approval for payment has been given by two other Board members on the posting control stamp, the invoice is processed for payment.

CHECK SIGNING AUTHORIZATION

- An account posting control stamp on the invoice and the unsigned check will be reviewed by the Superintendent.
- All checks require one Board signatory.
- Checks for more than \$500 or capital expenditures require two Board signatories.
- Authorized signatories are only Board members.
- The Board will approve authorized signatories at a Board meeting.
- Signature stamps are not authorized.

CASH RECEIPTS CONTROL:

- Internal Control requires a separation of receiving tax and other checks, recording the receipts, and depositing them in the bank account.
- With limited staff, the tax receipts should be recorded by the Tax Collector 12, 2026
- The Office Manager should deposit the funds in the bank account, verifying the amount input to the tax records.
- All other receipts, such as Cell Tower Rent and Sewer Permit/Connection Fees, are recorded and deposited by the Office Manager.
- An outside accountant will reconcile tax billing, receipts, and bank deposits prior to submission of records to the outside audit firm.

CREDIT CARDS / FUEL RECEIPTS:

- Debit and Credit Cards are issued in the name of the district: Union Bank debit card with a \$500 limit is used by the office staff; Staples - used by the office staff; Home Depot, used by operations staff; Tractor Supply, used by operations staff. The Superintendent will receive all receipts daily from staff for purchases made.
- Identity codes for the acquisition of fuel from the Goshen Public Works Department have been issued to match each vehicle. The Superintendent will receive all receipts daily, which identify the staff member who received the fuel.
- Usage of credit cards and fuel obtained from Goshen will be reconciled against daily purchase logs and vehicle logs by the office staff monthly.
- Payments of credit card bills and fuel purchases will follow the above check-signing authorization procedure. Debit cards will be part of the monthly bank reconciliations.