

RESOLUTION 2021-1

**A RESOLUTION OF THE
READING PARKING AUTHORITY,
COUNTY OF BERKS, PENNSYLVANIA**

Adopted: February 16, 2021

TO ADOPT A FINANCIAL PROCEDURE POLICY.

WHEREAS, the Reading Parking Authority (“Authority”) is a body corporate and politic organized and existing under the Parking Authority Law, 53 P.S. §§ 5501 *et seq.* (“Act”); and

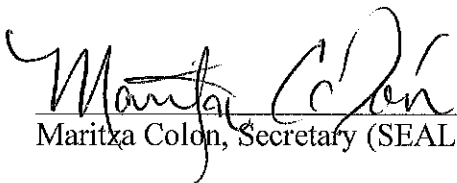
WHEREAS, the Authority wishes to and does by this Resolution adopt a Financial Procedure Policy in the form attached hereto.

NOW, THEREFORE, BE IT RESOLVED, by the Board of this Authority, in lawful session duly assembled, that the Authority hereby adopts a Financial Procedure Policy in the form attached hereto. The Policy shall take effect immediately upon the adoption of this Resolution.

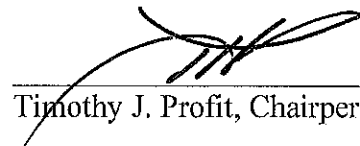
DULY ADOPTED, this 16th day of February, 2021, by the Board of Directors of the Reading Parking Authority.

ATTEST:

READING PARKING AUTHORITY



Maritza Colon, Secretary (SEAL)

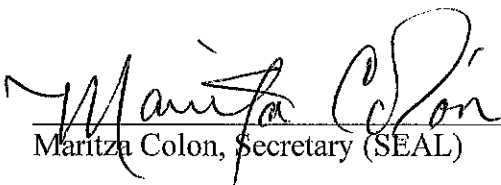
By: 

Timothy J. Profit, Chairperson

SECRETARY'S CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by a majority vote of the Board of Directors of the Reading Parking Authority at a meeting of said Board duly held on February 16, 2021, a quorum being present; that public notice of said meeting was given in the manner provided by law; that said resolution has been duly recorded upon the minutes of the Board, has not been amended or rescinded and is in full force and effect this 16th day of February, 2021.

READING PARKING AUTHORITY

By: 
Maritza Colon, Secretary (SEAL)

**FINANCIAL PROCEDURE POLICY
OF THE READING PARKING AUTHORITY**

Purpose

This Financial Procedure Policy (“Policy”) shall serve as a guide for the proper procedures and standards of conduct for managing the finances of the Reading Parking Authority (“Authority”).

Audit and Finance Committee

1. An Audit and Finance Committee (“Committee”) shall be formed by the Authority’s Board of Directors (“Board”).

2. The Board shall decide the members of the Committee. At a minimum, one member of the Board and a member of the Authority’s management staff shall be members of the Committee. The Authority’s Executive Director or its Director of Finance should serve on the Committee.

3. The Committee shall meet no less than four times per year, preferably quarterly, and at least two weeks prior to a regularly scheduled Board Meeting. The Committee may elect to meet more frequently as the need arises.

4. The Committee shall not have decision-making authority but shall provide recommendations to the Board for a final decision.

5. The primary responsibilities of the Committee shall include:

- a. Overseeing the Authority’s monthly financial reports.
- b. Monitoring accounting procedures and the financial health of the Authority.
- c. Recommending an auditor for the Authority.
- d. Working with the Authority’s Executive Director and Director of Finance in preparing an annual budget for approval by the Board.
- e. Working with the auditor chosen to audit the Authority’s financial statements in a timely manner.
- f. Other duties that may be needed to meet the goals of this Policy or assigned to the Committee by the Board.

Accounting Procedures

1. Day-to-day accounting will be the responsibility of the Authority’s administrative support staff under the supervision of the Director of Finance and will follow generally accepted accounting principles.

2. The Authority will use the accrual basis of accounting whereby revenue and expenses are identified at the end of each month. All expenses will be counted as a current-month expense and accrued at the end of the month when books close.

3. Revenue will always be recorded in the month it was earned or pledged.

4. At the end of the fiscal year, all expenses from the 12 months of the fiscal year will be accrued in year-end financial statements. The year-end books will close no later than 30 days after the end of the fiscal year.

5. Journal entries will be made by the Authority's accounting staff and approved by the Director of Finance. Entries may include expenses by staff that are necessary to the operation of the Authority. Expenses should receive the approval of the Executive Director and shall be approved by the Authority's Board.

6. Bank statements are to be reviewed and reconciled with the Authority's accounts by the Director of Finance within thirty (30) days of receipt. The Director of Finance will approve reconciliation once completed.

7. Monthly books shall close at the end of the month and shall be filed electronically and on paper prior to the next Board Meeting following the end of the month. Paper reports must be signed and dated by the Director of Finance before being filed.

8. Copies of monthly reports will be shared with the Board prior to Board Meetings.

Internal Controls

1. A duly chosen Board Member that is on the Committee, with the approval of the Board, will provide direction and oversight regarding accounting practices and financial planning for the Authority.

2. The Director of Finance will ensure the procedures set out in this Policy are carried out by supervising the duties of the Authority's accounting staff whose tasks are governed by this Policy.

3. The Director of Finance will provide the Board with monthly financial reports at board meetings and shall provide to the Committee copies of all financial documents necessary for budgetary purposes and accountability.

4. All employees of the Authority and the Board are expected to use good judgement to adhere to ethical standards. All parties are expected to recognize and avoid any conflict of interest. In the event a conflict of interest is identified, the Executive Director shall work with the Board Chair to identify an appropriate solution. Members of the Board and employees of the Authority should complete a disclosure report that identifies a conflict of interest they anticipate or which has occurred.

5. The Authority's financial documents shall be stored on password protected computers and in locked file cabinets.

Financial Planning and Reporting

1. An annual budget will be prepared by the Director of Finance and presented to the Committee at least sixty (60) days prior to the ensuing fiscal year. The budget will require the Board's approval and must be distributed to the Board at a regularly scheduled, monthly Board Meeting for review with approval by the Board at the next regularly scheduled, monthly Board Meeting occurring thereafter. Distribution, review and approval of a budget by the Board shall not occur at one Board Meeting.

2. Revenue:

- a. All of the Authority's revenue will be receipted in accordance with standard industry practices.
- b. If revenue requires a bank deposit, any such deposit will be made within one week by an Authority staff member.

3. With approval of the Board, the Executive Director and/or the Director Finance will set the Authority's goals for each fiscal year. These goals will permit the preparation and approval of a budget.

Expenses

1. The Authority's employees shall be paid on a bi-weekly schedule subject to appropriate deductions (taxation, benefits contribution, etc.).

2. All expenses related to the operation of the Authority will be submitted to the Director of Finance and subject to the Executive Director's review. Payments shall be released upon approval of the Board unless otherwise permitted by resolution of the Board. All expense claims shall be included in that month's financial report.

3. All expenses will be individually accounted on monthly financial statements and consolidated on year-end reports, budgets, or audited financial statements using standard accounting practices.

4. Expenses incurred by the Authority's employees should be made following consultation with the Executive Director and/or the Director of Finance to ensure they are reasonable and permissible. Authority employees are responsible for upholding this process and filing an expense claim. The failure to do so may result in non-payment of an expense.

Review

1. The Committee may draft and submit additions, deletions or revisions to this Policy to the Board for its approval. The Board shall decide the timing for the implementation of any such changes. It is anticipated that the Committee will present suggested changes to the Board at least sixty (60) days prior to a new fiscal year for implementation in that new fiscal year.

2. It will be the responsibility of the Executive Director, the Director of Finance and/or a duly authorized member of the Authority's management staff to oversee the administration of this Policy.

Audit

1. An annual independent audit shall be completed and submitted to the Board within one-hundred eighty (180) days of the close of a fiscal year. The Board may provide for more frequent audits at its discretion.

2. The audit shall include Authority receipts, expenditures, accounts and reports by a Pennsylvania Certified Public Accountant or a Certified Public Accounting firm, experienced in municipal finance, having no personal interest, direct or indirect, in the fiscal affairs of the Authority or any of its employed or appointed personnel.

3. Within thirty (30) days of completion, the Director of Finance shall present to the Board the results of the annual audit and a financial statement of the fiscal affairs of the Authority, with the results of the independent auditor's survey of internal controls and any recommendations related thereto.

4. The evaluation of the Authority's internal controls shall take the form of a management letter. This management letter shall be submitted to the Board after every audit.

5. A summary of the annual audit of the independent auditor shall be made available to the public on the Authority's website and as otherwise required by applicable law.

6. The annual audit shall be conducted in accordance with generally accepted auditing standards.