

TWINSBURG COMMUNITY IMPROVEMENT CORPORATION (TCIC)

Internal Administrative and Financial Control Policies

2/18/14

In order to assure that efforts and finances of the Twinsburg Community Improvement Corporation (TCIC) are appropriately managed and to lessen risk associated with error or fraudulent practices the following policies and controls are adopted by the Board of Trustees and are hereby imposed on the officers and administrators of the TCIC. The two areas of control stipulated herein are identified as “Internal Administrative Policies” and “Financial Control Policies.” Internal Administrative Policies relate to the day-to-day actions of the staff and limits of authority as provided by the Code of Regulations as interpreted by the Board of Trustees. Financial Control Policies relate to practices and documentation associated with financial aspects of the TCIC’s operations.

Internal Administrative Policies

Property acquisition and disposal.

- Market value appraisals shall be required prior to acquisition or sale of real property by the TCIC.
- Property sale price may be negotiated for more or less than the market value appraised amount. If sale is considered for less than the appraised market value the amount of sale will be negotiated only for an amount that recognizes those off-setting public benefits that may be identified, quantified and monitored.
- Real property shall not be gifted to private interests, but may be offered for like-kind exchange with prior authorization of the Board of Trustees.
- Real and personal property that has been donated to the TCIC may be sold or auctioned and the proceeds there-from placed into an interest bearing account to be spent for purposes related to the primary mission of the TCIC as authorized by the Board of Trustees.

Funds granted to the TCIC from City of Twinsburg General Revenues

- No portion of funds granted to the TCIC by the City of Twinsburg, the source of which is from tax related general fund revenues, shall be granted or gifted to a developer, contractor, or TCIC employee. Further, no portion of such funds shall be used to pay personnel costs or benefits of TCIC Board members or staff.
- Funds assigned to the TCIC from the City of Twinsburg, the source of which is from a revenue fund, such as the transient bed tax or lease of lands for cell towers, may be

used for such purposes as necessary to support the operations and efforts of the TCIC as approved by the Board of Trustees in an annual budget.

- Funds captured by the TCIC related to services performed for the City or any other entity may be used for such purposes as necessary to support the operations and efforts of the TCIC as approved by the Board of Trustees in an annual budget.

Meetings of the Board of Trustees

- The Board of Trustees of the TCIC shall meet no less than quarterly to conduct the business of the Board, to receive reports of its officers and to provide guidance to the Executive Director regarding the tasks and goals to be pursued.
- The Board of Trustees shall review and approve an annual budget for the operations of the TCIC at a regular or special meeting before January 31st of each year during which the TCIC is in operation.

Records

- Each meeting of the TCIC shall be recorded and minutes transcribed.
- Minutes of each TCIC meeting shall be reviewed at the earliest possible time by the Board of Trustees. The approved minutes, along with any exhibits or collateral material, shall form the record of proceedings of the meeting.
- Minutes of meetings of the TCIC shall be filed and maintained for the period of time as required by statute.
- The Secretary/Treasurer shall maintain a record of all TCIC assets and their estimated value.

Financial Control Policies

Chart of Accounts

- A chart of accounts related to financial aspects of TCIC operations shall be prepared by the Secretary/Treasurer and submitted to the Board of Trustees for approval.
- The approved chart of accounts will provide the basis for recording and monitoring all financial aspects of TCIC operations.
- The Secretary/Treasurer shall be responsible for keeping proper books of account consistent with GAAP practices.
- The Secretary/Treasurer shall be responsible for receiving and keeping all monies of the TCIC as specified in Article 11 of the TCIC Code of Regulations.
- All cash receipts of the TCIC shall be deposited within 24 hours of receipt in an appropriate bank account.

Authorizations for Spending

- The Executive Director is authorized to request funds from any approved line item in the annual budget at any time during the calendar year.
- Any request for funds by the Executive Director must be made on forms developed for that purpose and submitted to the Secretary/Treasurer for review and approval before any check or payment may be issued.

- The Executive Director is authorized to spend up to \$3,000 from any line item of the budget with the approval of the Secretary/Treasurer.
- The Executive Director is not authorized to commit the TCIC to spending of more than \$3,000 from any budget line item without prior approval from the Board of Trustees, such authorization coming in the form of an approved motion for the specific purpose at a meeting of the Board of Trustees.
- Payment for any commitment of the TCIC shall be made by check or by electronic draft executed by at least two officers or Board members who may be any of the following: the Executive Director; the Secretary/Treasurer; the President; or, Vice-President of the Board of Directors.

Receipt of Gifts and Donations

- The Executive Director is authorized to negotiate grants or gifts of real or personal property on behalf of, and for the benefit of, the TCIC at any time. Grants of real property shall be negotiated by the Executive Director but shall be subject to acceptance by the Board of Trustees after appropriate due diligence investigations. Any such grant or gift must be entered into the records of the TCIC and reported to the Secretary/Treasurer within 24 hours of receipt. Value of donations must be estimated by Secretary/Treasurer and entered into the record within 24 hours of receipt or at the time of appraisal if an appraisal is needed to determine value.
- Gifts or Donations of real or personal property must be valued via an appraisal for the purposes of noting market value and for determining tax benefits, if subject to charitable donation deduction. For real property such appraisal will be secured from an MAI appraiser. For personal property the appraisal will be secured from an appropriate recognized expert in the subject matter to be appraised.
- Persons or organizations making donations may specify specific line item purposes for the proceeds of their donation. If none is specified, the value will be assigned to such line item as approved by the Board of Trustees.