

FOUNDATION POLICY
3-1

ACCOUNTING RECORDS AND INTERNAL CONTROL

THE STATUE OF LIBERTY-ELLIS ISLAND FOUNDATION, INC.

PURPOSE:

To ensure that the Foundation has a system of internal control and maintains its accounting records in a manner that fairly reflects the operating results and guidance of all activities.

IT IS A POLICY OF THE FOUNDATION:

1. To maintain accounting records which accurately and fairly reflect all transactions and which permit preparation of required financial statements and accountability for assets, and to grant the Foundation's internal and public auditors unrestricted access to all such records and to make sure no false or misleading statements to them.
2. To enter in the accounting records all transactions and to prohibit the maintenance of any unrecorded funds or accounts.
3. To maintain proper documentation and support of all transactions and ensure general or specific management authorization for each.
4. To ensure that access with accountability records at reasonable intervals and to take appropriate action with respect to any difference.
5. To invoice accurately.

ACCOUNTING RECORDS AND INTERNAL CONTROL:
DELEGATION OF RESPONSIBILITIES

HEADS OF FOUNDATION DEPARTMENTS

Ensure that all affected employees are aware of and conform to the provisions of this Policy.

CONTROLLER'S OFFICE

Issue appropriate instructions to ensure compliance with the provisions of this Policy. Perform audits to determine compliance with the provisions of the Policy. Report audit results to management and to the Audit Committee of the Foundation.

AUDIT COMMITTEE

1. Review the adequacy of the Foundation's policies, and practices on internal controls.
2. Monitor the Foundation's policies, procedures and practices on internal controls.
3. Monitor the Foundation's internal control systems to identify potential deficiencies with respect to compliance with related statutes or regulations.
4. Recommend appropriate remedial action.

DEFINITION:

Internal Controls – Those practices which are implemented by management to safeguard Foundation assets against loss and to produce reliable financial records for internal use and external reporting purposes.