

## Assessment of the Effectiveness of Internal Controls

### Fiscal Year 2016

Mayor's Fund to Advance New York City (the "Fund") has completed its review of the Fund's internal control structure as per Section 2800 (2)(a)(9) of the Public Authorities Law. The financial operations of the Fund are carried out by staff of the Fund.

The Fund has also entered a client services agreement with ADP, Inc. a professional employer organization. Pursuant to this agreement, ADP processes the Fund's payroll and prepares and files all required payroll returns, including W-2s. In addition, under the client services agreement, ADP handles all transit benefits administration for the Fund, as well as the payment of all employer taxes. ADP requires approval by the Director of Finance and Operations to process payroll.

At the Fund's primary place of business, the computer systems management, security, business continuity planning and related functions are carried out by the City of New York pursuant to the Fund's contract with the City of New York. Controls over these matters are maintained in accordance with the City of New York's policies.

The accounting, financial reporting, cash management and related functions are carried out relying on the following controls:

- Dual signatures are required for all disbursements (via wire transfer or check) over \$2,500.00.
- Vendor payments are checked by the Director of Finance and Operations to prevent duplicate payments and are approved by the Fund's Executive Director, Treasurer, and the manager responsible for the goods or services received
- Employee reimbursements are appropriately documented and approved by the Director of Finance and Operations
- Checking and investment accounts are reconciled regularly and reconciliations are reviewed and approved by an independent accountant and the Director of Finance and Operations.

The Fund undergoes an annual financial statement audit by an independent audit firm. While auditors are not engaged to perform an audit of internal controls, auditors do provide a management letter and comments when internal control weaknesses are identified. The Fund has assessed the adequacy of its internal control structure and policies for the year ending June 30, 2016. No material weaknesses have been identified by the auditors or the Fund, except as disclosed in The Fund's June 30, 2016 Financial Report and Supplementary Information (in accordance with *Government Auditing Standards* and Federal Single Audit. To the extent that deficiencies were identified, the Fund has developed corrective action plans to reduce any corresponding risk.