



Treasury Register

2019-1

Wednesday

Jul. 31, 2019

City of Wilmington
Government
Office of the City Treasurer
Velda Jones-Potter

Chapter 2 –**The City Treasurer****Order of the Treasurer 2019-1 of July 31, 2019****Imposing Extended Custody of Payments with Respect to the Wilmington Housing Partnership Corporation**

Chapter 2 of the Charter of the City of Wilmington (the “City”) vests the City Treasurer (the “Treasurer”) with the authority to make payments out of the city treasury as custodian of city funds; and

- It is the practice of the Office of the City Treasurer (the “Treasury”) to impose adequate controls to reasonably assure that payments from the city treasury are accurate, timely and practical; and
- Treasury seeks to reduce operating risks of noncompliance, inefficiencies and misstatements due to irregularities by performing investigatory procedures on payment warrants prior to releasing payments; and
- According to Treasury’s Disbursement Policy (the “Policy”), Treasury shall perform extensive investigatory procedures by vendor, general ledger account, department, project, and/or any common element representing activity that Treasury deems to carry increased risk; and
- A common element is deemed by Treasury to carry increased risk if Treasury is made aware of, or otherwise has reason to suspect, irregularity with respect thereto; and
- Also according to the Policy, the Treasurer may impose extended custody of payments associated with a common element if, after extensive investigatory procedures are performed, Treasury identifies possible irregularities; and
- The Wilmington Housing Partnership Corporation (the “Corporation”) is a vendor of the City deemed by Treasury to be a common element carrying increased risk; and
- After performing extensive investigatory procedures as more fully illustrated in the analysis attached hereto as Exhibit “A”, Treasury has identified possible irregularities with respect to City payments to the Corporation.

Now, therefore, the Treasurer, hereby orders:

Section 1. Extended Custody. Treasury is hereby directed to maintain custody of all payments associated with the Corporation pending attestation of the accuracy and compliance of the same by the City's Internal Auditor which shall be substantiated by interviews of the City department originating the payments, the Procurement and Accounting Divisions of the City's Finance Department, the City's Law Department, and/or any related party of interest; and/or performing procedures necessary to assure the compliance and accuracy of payments to the Corporation and render opinion of same.

Sec. 2. Effective and Terminating Date. This Order of the Treasurer shall become effective immediately upon execution by the Treasurer and shall terminate with Treasury's receipt of the approving opinion from the City's Internal Auditor.



WILMINGTON CITY HALL,
July 31, 2019