

Financial and Accounting, Auditing and Financial Reporting Policies
Addison County Communications Union District d/b/a/Maple Broadband
Adopted by Maple Broadband Executive Committee March 9, 2023

The purpose of this policy to ensure that Maple Broadband's financial practices and procedures are transparent, and ensure minimal opportunity for fraudulent activities.

ACCOUNTING

Accounting practices will conform to Generally Accepted Accounting Principles for local governments as established by the Governmental Accounting Standards Board. The Treasurer will establish and maintain a system of fund accounting and shall measure financial position and results of operations using the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for proprietary and fiduciary funds.

REPORTING

Each month the Treasurer will present financial reports for the Executive Committee's management purposes. These will consist of:

- Financial Dashboard showing current cash positions, projected expenses, YTD budget vs actual expenditures, and network operational data.
- End of month Statement of Net Position

The Treasurer will present quarterly financial reports to the Governing Board that consist of:

- Financial Dashboard showing current cash positions, projected expenses, YTD budget vs actual expenditures, and network operational data.
- End of quarter Statement of Revenues, Expenses and Changes in Net Position
- End of quarter Statement of Net Position

The Treasurer will also present an annual financial report, as well as the annual audit, at the annual organizational meeting of the Addison County Communications Union District each May .

The Executive Director will present a 3-year financial projection to the Executive Committee and Governing Board semi-annually; once prior to completion of the annual budget and once prior to the annual organizational meeting of the Addison County Communications Union District.

FINANCIAL PROCEDURES

The Treasurer or, in his/her absence, the Executive Director, shall receive and deposit all monies of Maple Broadband, pay its obligations, and render any requested reports to the Executive Committee and the Governing Board.

Executive Director

Specific financial responsibilities of the Executive Director include:

- Review and approval of all invoices – in consultation with any appropriate member of the Executive Committee as necessary
- Delivery of approved invoices to the Treasurer
- Review, approval and submission of all required grant funding reports with necessary narrative and documentation
- Track contractual agreements and associated invoices from vendors
- Prepare and monitor the annual operating budget

Treasurer

Specific responsibilities of the Treasurer include:

- Taking receipt of all approved invoices and coding them with information including:
- Date of approval
- Ledger line(s) to identify expense accounts
- Funding source for each approved expenditure
- Delivering approved and coded invoices to the Bookkeeper for input into financial software
- Monitoring operating budget with the Executive Director
- Reviewing and approving monthly financial statements after they are prepared by the Bookkeeper, prior to presentation to Executive Committee.
- Reviewing and approving monthly bank account reconciliations after they are completed by the Bookkeeper.
- Presenting reports on Maple Broadband's financial status to the Executive Committee on a monthly basis, to the Governing Board on a quarterly basis and to the membership at its annual organizational meeting.
- Working with the Executive Director to select and, upon approval by the Executive Committee, contract with an accountant to perform the annual audit
- Ensuring that all paperwork granting check-signing privileges is correct and up to date at any financial institution with which Maple Broadband has accounts.
- Supervising the Bookkeeper.

Bookkeeper

- The Bookkeeper is responsible for maintaining Maple Broadband's financial records, monitoring account balances, preparing requested reports for the Treasurer, printing checks for the Treasurer or a duly designated signer's signature, tracking expenditures, revenues and expenses, cash flow and other financial activities as requested.

BUDGET PREPARATION

- Budget preparation is the responsibility of the Executive Director, with input from the Treasurer and the Executive Committee, and is subject to final approval by the Governing Board.

BUDGET ADMINISTRATION AND REPORTING

- The Bookkeeper is responsible for preparing monthly financial reports, including a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Net Position.
- Bank statements are reconciled monthly by the Bookkeeper. A completed reconciliation will be reviewed and approved by the Treasurer.
- Completed monthly financials are presented to the Executive Committee for approval. Upon approval, they are filed electronically in Maple Broadband's shared and secure file system.

INCOME AND ACCOUNTS RECEIVABLE

- All income received by Maple Broadband shall be reviewed by the Treasurer and reported to the Bookkeeper for entry into Maple Broadband's financial software prior to the Treasurer depositing said funds into Maple Broadband's bank account. Funds deposited electronically shall also be reviewed by the Treasurer prior to the Bookkeeper making entries into financial software. Funds incrementally and automatically deposited electronically shall be matched back to their original

documentation by the Treasurer prior to reporting them to the Bookkeeper for entry into Maple Broadband's financial software.

- All Accounts Receivable shall be recorded by the Treasurer and entered into Maple Broadband's financial software by the Bookkeeper who will also generate invoices as requested by the Treasurer. All payments other than payments received for purchase of Maple Broadband internet or phone services shall be processed in the same manner as other income. Payments received for internet or phone services shall be received directly into a designated bank account, recorded and reported by Maple Broadband's operating partner, and reviewed by the Treasurer.

ACCOUNTS PAYABLE

- All non-recurring invoices shall be sent to the Executive Director, who shall review and approve the expenditures, and forward to the Treasurer for appropriate coding
- Upon approval and coding, invoices will be submitted to the Bookkeeper for processing.
- Payments will be processed on or about the 2nd and last Wednesday of each month. Checks will be attached to corresponding invoices to be reviewed and signed by the Treasurer prior to release. The Treasurer may designate an authorized signatory to sign checks and make electronic payments in his or her absence.
- Copies of signed checks will be maintained in digital form by the issuing bank. Receipts for electronic payments shall be saved digitally in accounting software.

GRANTS ADMINISTRATION

- The Executive Director and Treasurer are responsible for ensuring that Maple Broadband complies with all grant regulations and requirements, and will work in concert with the Bookkeeper to maintain appropriate records regarding receipt and use of grant funds. The Executive Director will report to the Governing Board quarterly on the status of all grants or other specially designated gifts to Maple Broadband.
- All grants are accounted for individually in accounting software, and the accounting/reporting for each will mirror its approved budget. The Executive Director, consulting as necessary with appropriate members of the Executive Committee, will review and approve all invoices to be paid with grant money. The Treasurer will code invoices to match the approved budget lines of each grant.

AUDIT

Per Maple Broadband Bylaws an audit of all ACCUD accounts shall be performed annually by a qualified, properly licensed independent professional accounting firm or a certified public accountant. The Treasurer will provide the Auditor with end-of-year financials, trial balance and any other information the Auditor requests. The draft audit will be reviewed by the Treasurer and Executive Director, and any necessary corrections made. The final audit will be presented to the Executive Committee and the Governing Board for approval, and then filed electronically in Maple Broadband's shared and secure file system.