

**Financial and Accounting, Auditing, and Financial Reporting Policies
Addison County Communications Union District d/b/a/”Maple Broadband”**

Adopted by Maple Broadband Executive Committee 01/25/2024

The purpose of this policy is to ensure that Maple Broadband’s financial practices and procedures are transparent, that sufficient records exist in the event of third party inquiries, and that minimal opportunity exists 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.

BANKING/FUNDS MANAGEMENT

The primary banking account for Maple Broadband shall be used for receiving payments other than subscriber revenues, and for issuing payments as approved by the Treasurer. As far as is practicable, all funds in the primary account shall be interest-bearing, and must be fully insured or otherwise secured.

Income received by any ancillary accounts (e.g. a Lockbox account) shall be swept to the primary account on a monthly basis – maintaining only an acceptable minimum balance as determined by the Treasurer in consultation with the Bookkeeper.

REPORTING

Each month the Treasurer will present financial reports to the Executive Committee and the Governing Board for management purposes. These will consist of:

- Financial Dashboards showing current cash positions, projected expenses, YTD budget vs actual expenditures, and network operational data.

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

- End of quarter and YTD Statements of Revenue, Expenses and Changes in Net Position
- End of quarter and YTD 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. The financial projection used for the annual budget – or any other more recent financial document that has been third-party approved for grant funds or external financing – shall form the comparative basis for monthly Financial Dashboard reporting.

FINANCIAL PROCEDURES

The Treasurer or the Executive Director, as appropriate, shall receive and deposit all checks and cash received by Maple Broadband, and provide documentation of those deposits to the bookkeeper for account reconciliation.

The Treasurer shall be responsible for the payment of the District's obligations.

The Treasurer or Executive Director, as appropriate, shall provide any requested reports to the Executive Committee and the Governing Board.

Executive Director (an employee of Maple Broadband, for which a job description exists)

Specific responsibilities of the Executive Director include:

- Reviewing, approving, and assigning payment categories and funding sources of all invoices – in consultation with any appropriate member of the Executive Committee as necessary
- Delivery of approved and coded invoices to the Bookkeeper for input into financial software
- Reviewing, approving, and submitting all required grant funding reports with necessary narrative and documentation, and filing those submissions in Maple Broadband's shared and secure file system
- Tracking contractual agreements and associated invoices from vendors
- Preparing the end of year pro forma and annual operating budget for internal review and approval
- Monitoring the annual operating budget
- Preparing and delivering 3-year financial projection to the Governing Board semi-annually
- Preparing portion of the Financial Dashboard report as appropriate, and delivering to the Treasurer for inclusion in monthly reporting
- In the absence of the Treasurer, Executive Director may instigate Invoices and Purchase Orders
- Distribution of budget, audited financials, and other related documents to member towns within the timeframes required by statute

Treasurer (an officer of Maple Broadband, dedicating approximately 12 hours per month to the role)

Specific responsibilities of the Treasurer include:

- Reviewing and approving travel and meals expenses submitted by the Executive Director, and delivering them to the Bookkeeper
- Monitoring operating budget with the Executive Director
- Preparing monthly financial dashboard and grant reporting ledgers for review by the Executive Director
- Filing all monthly and quarterly financial reports in Maple Broadband's shared and secure file system
- Reviewing Accounts Payable reports and approving payment dates and methods
- Signing payment cheques and approving ACH or other electronic payments
- Reviewing and approving quarterly financial reports after they are prepared by the Bookkeeper, prior to presentation to Executive Committee and Governing Board
- Reviewing and approving monthly bank account reconciliations after they are completed by the Bookkeeper, and filing reconciliation reports in Maple Broadband's shared and secure file system
- Presenting reports on Maple Broadband's financial status to the Executive Committee and Governing Board on a monthly 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 functions of the Bookkeeper, as detailed below, may be performed by an employee of Maple Broadband, in which case a separate job description shall exist, or by a qualified third-party vendor under contract to Maple Broadband)

Specific responsibilities of the Bookkeeper include:

- Receiving and recording all approved invoices in financial software
- Preparing and transmitting Account Payable report to the Treasurer weekly for payment decisions/approvals
- Printing cheques for signature and drafting ACH payments for Treasurer to approve
- Reconciling all bank and credit card accounts monthly
- Reconciling operational financial reports prepared by Maple Broadband's operating partner
- Maintaining Maple Broadband's financial records
- Monitoring account balances
- Preparing requested reports for the Treasurer and/or Executive Director
- Tracking expenditures, revenues and expenses, cash flow and other financial activities as requested.

BUDGET ADMINISTRATION AND FINANCIAL REPORTING

- The Bookkeeper is responsible for preparing 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 signed by the Treasurer as documentation of approval.
- 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

- 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, reviewed by the Executive Director and reconciled by the Bookkeeper.

ACCOUNTS PAYABLE

- 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. Electronic payments will be drafted by the Bookkeeper and approved by the Treasurer. The Treasurer may designate an authorized signatory previously authorized by the Governing Board 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.
- All grants are accounted for individually in accounting software, and the accounting/reporting for each will mirror its approved budget

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, in concert with the Executive Director and Bookkeeper, 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 no later than April 30th of each calendar year, and then filed electronically in Maple Broadband's shared and secure file system.

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