

FINGER LAKES REGIONAL TELECOMMUNICATIONS DEVELOPMENT CORPORATION

CASH RECEIPTS PROCEDURES

Note: This procedure will be used during the startup phase of FLRTDC. It is anticipated that this procedure will be updated in 2009.

During startup, cash receipts include interest income (directly deposited into bank accounts), grant funding, and/or refunds of expenses paid.

Checks received by FLRTDC for any of above-indicated purposes arrive in the mail from the payee to the FLRTDC office.

1. Mail for FLRTDC is received at the reception desk and given to the CEO unopened.
2. The CEO opens and sorts the mail.
3. For checks received, the CEO endorses the check "for deposit only and the name of the corporation", makes a copy of the check, indicates on paperwork and/or supporting documents received with the check the date received and purpose. The CEO prepares a deposit slip.
4. The CEO notifies the CFO that a check was received, the amount and purpose of the receipt. This is typically done by phone and followed up with an e-mail containing a copy of the check and supporting documentation.
5. The CEO delivers the check with the deposit slip to the bank for deposit and receives a receipt acknowledging the deposit. The receipt is attached to copies of the supporting documents and copy of the check. This packet is placed in a file for the CFO to review and file.
6. The CFO enters the receipt in QuickBooks from the information received by e-mail.
7. Due to the location of the CFO and the infrequency of receipts of checks during start-up, the CFO reviews the file folder containing the documentation in the FLRTDC office at a minimum of once per month.
8. The CFO reviews the items in the file folder, compares receipt documents to the information e-mailed and the entry in QuickBooks and files the receipt packet in its appropriate location depending on the purpose of the receipt.
9. Monthly, the CFO reconciles the bank statement, which includes a reconciliation of cash receipts.

CASH DISBURSEMENT PROCEDURES

Note: This procedure will be used during the startup phase of FLRTDC. It is anticipated that this procedure will be updated in 2009.

Finger Lakes Regional Telecommunications Development Corporation (FLRTDC) currently incurs expenses related to startup costs (fixed assets) and limited operational expenses related to marketing and office functions.

1. The checkbook and all FLRTDC files are stored in a locked cabinet in the CEO's office. The CEO and CFO have access to this cabinet.
2. Services related to startup are handled primarily through ECC Technologies. Per Board approval, ECC manages the "construction" and provides the marketing services for the fiber ring. Expenses incurred for startup and marketing are closely monitored by the CEO to assure that they are inline with projections.
3. Invoices are received at the FLRTDC office. The mail is received by the receptionist and handed to the CEO unopened.
4. The CEO opens and sorts the mail. Invoices are reviewed by the CEO for appropriateness. The CEO vouches the total to the agreed upon amount for the services provided. Any questions related to items on the invoice or amounts are immediately discussed with the vendor.
5. The CEO notifies the CFO that an invoice has arrived. This is done either by phone or e-mail or both depending on payment due date and amount of invoice. Startup construction work may be contingent upon receipt of payment requiring a check to be processed when an invoice is received.
6. The CFO reviews the cash position and approves payment. If the CFO is not available, the CEO has access to cash balance information and can verify that cash is sufficient to make the payment.
7. Due to logistics, the CFO is at the FLRTDC office at least one day each month. If processing of payment can be held until this time, the invoice is filed for the CFO to process. Typically, due to timing, the CEO prepares and signs the check. If the check is for an amount greater than \$10,000 or is payable to the CEO then the check will be signed by the Board Chair or Treasurer. Checks are copied after signed.
8. The CEO notes the date paid and check number on the original invoice.
9. A copy of the signed check, invoice and any supporting documentation are placed in a file for the CFO to review and file. This same documentation is scanned and e-mailed to the CFO.
10. The CFO enters the payable and payment in QuickBooks, prepares a bill payment stub from QuickBooks and sends this report to the CEO to place with the other documents for that payment.
11. The CFO reviews the packet in the file to verify that it corresponds with the information provided by CEO and the QuickBooks entry and files the packet according to vendor.

12. Monthly the CFO reconciles the bank statement, reviewing the payments and attached copies of checks.

BANK STATEMENT RECONCILIATION

Bank statements are reconciled monthly.

1. Bank statements are received at the FLRTDC office.
2. The bank statement is forwarded to the Board Chair unopened.
3. The Board Chair opens the bank statement, reviews the statement and attached copies of checks. The Board Chair initials the statement and the date reviewed to indicate that the statement has been reviewed.
4. If the Board Chair has any questions, he/she will direct them to the appropriate individual or committee of the Board.
5. The statement is forwarded to the FLRTDC CEO's office.
6. The CEO sends a scanned copy of the statement to the CFO, reviews the bank statement and files the statement in a hold file for the CFO review.
7. The CFO reconciles the statement to the QuickBooks file and prepares the reconciliation reports. Any non-reconciling items or questions are directed to the appropriate individual or committee or the bank. Long outstanding checks are reviewed with the CEO and the vendor is contacted to determine status. If appropriate, checks are turned over to NYS unclaimed funds.
8. The CFO sends a copy of the bank reconciliation report to the CEO to place in the file with the original banks statement. The CEO reviews the reconciliation report and initials and dates the reconciliation.
9. The CFO files the completed reconciliation report and bank statement in the FLRTDC office.