



POLICY

SUBJECT: Financial Reports for Directors

POLICY: It shall be the policy of the Cooperative that the following reports shall be provided to the Board of Directors:

- 1) Monthly: The Board of Directors shall be provided a copy of the prior month's summary Form 7 Operating (income) Statement showing status against budget and the prior month's Form 7 Balance Sheet showing current year against prior year.
- 2) Annually: Upon the financial close of each year, the Board of Directors shall be provided a copy of that year's detailed, audited Form 7 Report as submitted to RUS and a summary of the Cooperative's financial performance of key ratios relating to loan covenant obligations.
- 3) Finance Committee: At each meeting of the Board's Finance Committee (at least three per year), the Committee members shall be provided with:
 - a. Long term debt summary/debt portfolio
 - b. Cash flow projection
 - c. Capital budget expenditure showing status against budget
 - d. Professional Services expenses
 - e. Donations showing status against budget
 - f. Employee training and travel showing status against budget
 - g. Director expenses showing status against budget
 - h. Year end projections including key ratios relating to loan covenants

In addition to the reporting schedule described above, these reports shall be made available to all directors for review as desired. Other reports shall be provided to the Board Treasurer as established for maintaining strong internal control procedures.

PROCEDURE: The Finance Manager shall prepare these reports for review and approval by the CEO/General Manager and subsequent presentation to the Board of Directors.

RESPONSIBILITY: General Manager and Finance Manager shall administer this policy and practice.



DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by Board of Directors	Mar 24, 1961
Revised by Board of Directors	Jul 21, 1971
Combined with Policy #12 and #70 and revised by Board	Aug 25, 1987
Reviewed by Board of Directors	Apr 25, 1995
Revised by Board of Directors	Apr 26, 2011
Revised by Board of Directors	Aug 26, 2014
Revised by Board of Directors	Oct 25, 2016
Reviewed by Board of Directors	Feb 20, 2018