

ELKHORN RURAL PUBLIC POWER DISTRICT

POLICY #1215

Financial Policy- Finance & Accounting Functions

I. Purpose

To set forth the board's policy regarding standards for staffing and performance of key finance and accounting functions.

II. Policy

A. Performance Standards

Subject to oversight by this board, management is responsible for planning, organizing and executing its finance and accounting functions at levels of expertise and precision required by the district's service responsibilities and stakeholder expectations, though not at costs exceeding related benefits. Those functions include:

1. Timely completion, documentation and revision of financial plans to guide development of service tariffs, equity management, business planning and debt portfolio management.
2. Capital budgeting performed so as to assure efficient use of the district's debt and equity while achieving required service reliability levels.
3. Promotion of consumer service reliability as well as employee productivity and asset efficiency by means of effective operational budgeting.
4. Creation of timely, accurate monthly financial and operating reports including explanations of budget variances as well as progress toward strategic and business goals.
5. Assured compliance with significant regulatory and contractual obligations.
6. Prompt completion, at reasonable cost, of the district's annual independent audit.

B. Organization Standards

The professionalism of the district's finance and accounting staff is promoted by:

1. Encouragement of the continuing professional education of staff members.
2. Effective performance improvement process linked to competitive compensation.
3. Cross-training and other organized development alternatives.

C. Policy Review

At least once each year, the Board of Directors reviews this policy, considers recommendation of district management and others, and amends it as appropriate.

Adopted: December 19, 2006

Reviewed: October 13, 2009