

# SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION

## CORPORATE POLICY 3.02

### FINANCIAL REPORTING POLICY

Chapter: 3.0 – Financial & Fiscal Policies  
Section: 3.02 – Financial Reporting Policy  
Effective Date: April 1, 2011

#### 1.0 PURPOSE

1.1 To establish policies for the CORPORATION regarding the financial reporting on the CORPORATION's activities.

#### 2.0 EFFECTIVE DATE AND AMENDMENTS

2.1 This Policy shall be effective upon the approval by the BOARD and the AGENCY. This Policy may only be amended by approval of the BOARD and the AGENCY.

#### 3.0 PROCEDURES

3.1 The President or his/her designee is authorized to establish and disseminate administrative procedures to implement this BOARD POLICY, as applicable.

#### 4.0 POLICY

4.1 DELEGATION OF AUTHORITY - The Chief Financial Officer is responsible for the oversight of the accounting records and the financial reporting for the CORPORATION. The Chief Financial Officer may delegate as appropriate the responsibilities to maintain the accounting records and produce the financial reports.

4.2 FISCAL YEAR - The CORPORATION has elected to account for its financial information on a fiscal year consistent with the City's fiscal year basis which begins July 1 and ends June 30.

4.3 ACCOUNTING RECORDS -The accounting records shall be kept in accordance with generally accepted accounting principles and reflect the business operations of the CORPORATION.

4.4 MONTHLY FINANCIAL REPORTS - On or before the 30th day of each month, the CORPORATION's Chief Financial Officer will prepare and file with the Chief Financial Officer of the CITY unaudited financial statements of the CORPORATION covering the preceding month pursuant to Article 13, section 5 of the BYLAWS. The financial statements must first be reviewed and approved by the CORPORATION's Audit

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Committee or BOARD. The monthly financial reports shall include at least an unaudited balance sheet and an unaudited statement of income and expenses that compares the actual results of operations to the estimates provided in the APPROVED CORPORATION BUDGET. The CORPORATION's Chief Financial Officer must explain and disclose to the BOARD any material variation between actual results of the operations and the estimates provided in the APPROVED CORPORATION BUDGET.

- 4.5 AUDITED FINANCIAL STATEMENTS - Within 135 days after the close of each fiscal year, the CORPORATION shall submit to the CITY's Comptroller audited financial statements for the prior fiscal year, prepared by an independent certified public accountant, pursuant to Section 2.17(b) of the OPERATING AGREEMENT. The Audited Financial Statements must first be reviewed and approved by the CORPORATION's Audit Committee or BOARD. The CORPORATION shall follow the CITY or AGENCY's procedures when routing the Audited Financial Statements to the AGENCY, which may include presenting the Audited Financial Statements to the CITY's Audit Committee.
- 4.6 QUARTERLY EXPENDITURE REPORTS – Within 14 days after the close of each quarter of the fiscal year, the CORPORATION's Chief Financial Officer shall submit to the BOARD quarterly expenditure reports for professional and technical services provided to the CORPORATION.