



Maine Connectivity Authority (“MCA”)

Cash Management Policy

The purpose of this Cash Management Policy (“Policy”) is to effectively control the process of collecting, disbursing and investing cash. It is the policy of MCA that appropriate internal controls and accepted best practices be utilized in the handling, receiving, safeguarding, transporting, depositing, and the accounting of all MCA cash assets.

The CFO will administer and update the Policy and ensure all MCA approvals comply with the Policy. The Policy (and subsequent updated versions) will be reviewed and approved by MCA’s Audit & Risk Committee (or Executive Committee only when necessary for timeliness of action).

Segregation of Duties

Every effort will be made to ensure proper segregation of duties is in place and no financial transaction is handled by only one person from beginning to end. Separate staff should authorize payments, sign checks, record payments in the books, and reconcile the bank statements.

Safeguarding of Funds

All forms of Cash (currency, checks, money orders, and negotiable instruments) must be physically protected through the use of safes or vaults, locked cash drawers, locked cash registers, or locked metal boxes, etc.

A reconciliation of each bank account will be prepared each month and then reviewed and approved by the CFO, or designee.

Bank Accounts, Check Signatories & Credit Cards

The CFO and President, acting on approval from the MCA Audit & Risk (“A&R”) Committee (or Executive Committee when necessary for timeliness of action), have the authority to open and operate new bank accounts.

Approved MCA “Check Signatories” are as follows:

- President
- CFO

Check Signatories are named administrators and designated signatories for MCA’s corporate credit card account, with the authority to set-up new users and credit card limits.

Online Banking

Access to online banking, along with appropriate access to tasks, will be set up by the CFO or President, who will serve as administrators on MCAs online bank account.

All disbursements will require dual online approvers designated by the CFO. Initial disbursements will be prepared and approved by designated staff at the Finance Authority of Maine (FAME) as authorized by the

Agreement Between MCA and FAME for Administrative and Financial Services. Secondary approvals, and exemption requests, will be made by the following MCA approved positions:

- President
- CFO
- Accounting, Compliance & Reporting (AC&R) Manager

Cash Receipts

All cash or checks received through the mail or in person must be immediately forwarded to the AC&R Manager. The AC&R Manager will deposit the funds into the appropriate cash account in a timely manner. Funds should only be held for deposit with the approval of the Chief Financial Officer (“CFO”).

Cash Disbursements

All cash disbursement related procedures should ensure that disbursements are only for valid business purposes after approvals by authorized persons and in compliance with applicable donor, sponsor or regulatory requirements.

ACHs

Payments by ACH are strongly encouraged by MCA and should be documented for each vendor. Individual or batch ACHs must be approved by a check signatory prior to approval through online banking. All ACHs will require dual online approval, per this Policy.

Checks

Checks are more expensive, cumbersome and timely to manage, therefore MCA strongly encourages ACH payments instead of checks. Access to blank checks must be limited to persons authorized to prepare checks. Blank check stock must be locked in a secure place when not in use. Any voided/spoiled checks must be marked “Void”, and either shredded or discarded with the signature portion removed.

Checks may only be signed by approved signatories, either wet-ink or electronic signature utilizing a process approved by CFO.

Positive pay will be set up for all MCA bank accounts to protect against potential check fraud. A file will be uploaded or added manually online immediately after each check is issued. Positive pay exceptions will be reviewed and approved or rejected by the CFO, President, or AC&R Manager.

Wires

Payments by wire are inherently riskier and will be used only in rare and necessary circumstances. All wires will require dual online approvals, per this Policy, plus an additional phone approval by an MCA check signatory.

Direct Withdrawals

Certain vendors may be set up and approved to receive their payments by direct debit to MCA's bank account. Approved vendors and an estimated maximum withdrawal amount will be reported to the bank and will be subject to banking controls. The CFO, President, and AC&R Manager will have access to add vendors, set maximum withdrawal amounts and approve any exceptions that may occur.

MCA Board of Directors authorizes MCA to make future edits to this policy upon review and approval by MCA's Audit & Risk Committee (or Executive Committee only when necessary for timeliness of action).

ConnectMaine (“CME”) Authority - Cash Management Policy

For purposes of CME activities and financial transactions, MCA is following the approved MCA Cash Management Policy, as stated above, with the following edits:

CME check signatories

- SOLIX
 - CME engaged administrator of funds and bank accounts - approved by CME Board
- CME Board Chair

CME online banking & check management

- SOLIX
 - CME engaged administrator of funds and bank accounts - approved by CME Board

CME Board of Directors authorizes MCA to make future edits to this policy upon review and approval by MCA's Audit & Risk Committee (or Executive Committee only when necessary for timeliness of action).

MCA Original Policy adopted by MCA Executive Committee 10.07.22

CME Policy adopted 10.14.22