



**ROCKVILLE ECONOMIC DEVELOPMENT, INC.**

**FINANCE COMMITTEE**

September 8, 2020 5:30 p.m.

VIA Zoom

**Committee Attendees:** Susan Prince, Nancy Regelin, Jennifer Hester, Angela Chaney

**Not Present:** Todd Pearson, Bridget Donnell Newton, Scot Browning

**Staff:** Cindy Stewart, Stephanie Mitchell (SHS)

1. Review of July 2020 Financials.

The new Fiscal Year started July 1, 2020, and the financials reflect the timing for new grant revenues coming in from the City of Rockville, as well as some delayed SBA payments.

2. FY2020 Snyder Cohn Audit

Snyder Cohn is well under way with the audit and has met with Cindy, Stephanie and Susan. They have most of the documentation needed and are now asking follow-up questions. We plan to have them present the audit to the Finance Committee at their October 13<sup>th</sup> meeting so it can be approved by the Board at the October 28<sup>th</sup> meeting and submitted to the SBA by the end of October. All indications are that it is going smoothly.

3. FY2019 SBA Audit

Requested materials were submitted to the SBA by August 14<sup>th</sup>. We are waiting to see when they will do the desk audit. It had been scheduled for September 17<sup>th</sup>, so we are trying to confirm if that date is still accurate. We anticipate receiving findings that the FY2019 books were not in fully reformatted form. QuickBooks reflects proper categories from July 1, 2019 forward. The SBA accepted performance and the new structure in response to the FY2016 audit when they reviewed October 2019 and the first quarter of the SBA FY2020.

4. Finance Policies and Procedures.

A final draft of Finance Policies and Procedures was presented. **Nancy Regelin made a motion to accept, and Jennifer Hester seconded. The Committee approved unanimously.** Cindy will distribute the policies to staff, and will give a copy to Snyder Cohn.

5. Approval of Treasurer Report at BOD meetings.

The Committee discussed whether the Board should formally accept financials at board meetings. It was decided that this was not necessary as the Board formally adopts the annual budget, the annual audit, and the 990. They are provided information to be able to review financial performance through the year.

6. Moving funds to reserves.

The Committee discussed moving operating funds to reserves. The Capital Bank Operating Account as of June 10<sup>th</sup> was \$221,263 and the Citibank/MWBC Operating Account was \$120,783. It is a target per the Finance Policies and Procedures to have at least \$210,000 in reserves (3 months') with an ultimate goal of six months' operating expenses. The current Money Market Fund is \$151,195. The Committee agreed to move \$50,000 from the Capital Bank operating account to the Money Market Fund. They requested input from Snyder Cohn about moving money from the Citibank/MWBC operating account, and also asked that staff inquire whether funds if moved should be in a separate money market account.

Next meeting October 13, 2020, 5:30 p.m. VIA ZOOM