



Otter Creek
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union district

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Otter Creek CUD Financial Policy and Procedures

ADOPTED

Revised and Adopted: November 19, 2025

OCCUD Financial Policy and Procedures

1. General

1.1 Drafting and Advising

The Financial Policy and Procedures of OCCUD were originally drafted and advised by **Vantage Point Solutions (VPS)**, a consulting firm that OCCUD has contracted with since February 24, 2023. The OCCUD board members involved in developing and implementing the financial procedures were :

- **Laura Black**, Chair
- **Larry Courcelle**, Vice-Chair
- **Jackie Savela**, Treasurer (non-Board member)

Effective, 7/1/2025, the OCCUD officers involved in developing and implementing the Financial Policy and Procedures are:

- **Laura Black**, Chair
- **Larry Courcelle**, Vice-Chair
- **Anna-Maria Barucco**, Treasurer. Anna-Maria Barucco is an employee of the Rutland Regional Planning Commission and is a non-Board Member. As Treasurer of the OCCUD, Rutland Regional Planning Commission is responsible for financial oversight, reporting and adherence of the organization's internal controls. This list is not all-encompassing.

1.2 Fiscal Operations Period

The OCCUD operates under a January 1 to December 31 fiscal year and uses the accrual-based accounting method.

2. Grant Reporting

OCCUD received two grants from the State of Vermont for its broadband network project: a **Construction Grant** and a **PreConstruction Grant**. The grant numbers are:

- **02240-FY24-Act71Const-09** for the Construction Grant

- **Construction Grant Term Dates:** The Construction Grant officially began on January 1, 2024 and is scheduled to end on December 31, 2025. However, the actual construction project concluded prior to the end date. A formal closeout presentation was delivered by the OCCUD Chair at the August 11, 2025 meeting of the Vermont Community Broadband Board (VCBB).
- **02240-FY22-Act71PreC-08** for the PreConstruction Grant
- **Pre-Construction Grant Term Dates:** The Pre-Construction Grant Amended term dates are from to 7-11-2022 to 12-31-2026. However, all submissions for reimbursement must be submitted by 9-30-2026.

All grant reporting for OCCUD is completed and submitted by VPS, as part of its project management services. VPS works with the following entities to gather the necessary information for each report:

- **Consolidated Communications, Inc. (CCI)** OCCUD’s partner provider, for network build-out information
- **Seward and Associates**, OCCUD’s contracted accounting firm, for financial reports
- **OCCUD Treasurer**, for invoices and warrants

2.1 Submission of Reports

All reporting data is submitted via the State’s online AmpliFund system, which provides specific data requests and required fields.

2.2 Quarterly KPI Report

OCCUD submits a Quarterly KPI Report providing detailed performance metrics and project progress for the Construction Grant. The report must be submitted no later than the 15th of the month following each quarter, consistent with Section 8.f of the grant agreement. The quarterly report must include the following sections:

- a. **Project Status and Expenditures:** This section captures key project performance data for the reporting period, including the start and end dates of the quarter, a narrative summary of major activities completed, and detailed expenditure tracking. Financial metrics include cumulative and quarterly expenditures for both the Universal Service Plan and the Construction Grant project, as well as planned expenditures for the upcoming quarter.
- b. **Locations Passed and Eligible Locations:** These subsections document broadband deployment progress by reporting cumulative, quarterly, and planned location passings under both the Universal Service Plan and the Construction Grant project. Separate fields track total versus eligible (unserved or underserved) locations, in accordance with Act 71 of 2021.

- c. **Miles Built and Lit:** This section reports cumulative and quarterly fiber construction progress, including total miles built and lit under both the Universal Service Plan and project scope. Planned miles for the next quarter are also identified to assess construction pacing and alignment with project schedules.
- d. **Customers Connected and Take Rate:** This section summarizes customer activation metrics, including cumulative and quarterly customers connected, planned customer additions for the next quarter, and the current take rate percentage. These figures help evaluate subscriber adoption and service penetration in project areas.
- e. **Cost per Drop and Mile:** This section provides both estimated and actual unit costs for network deployment, including the cost per service drop and cost per mile constructed. These figures enable analysis of construction efficiency and budget adherence over time.
- f. **Notes and Comments:** A final section allows OCCUD to include additional comments or context relevant to the reporting period, including explanations for variances, construction delays, or other noteworthy project updates.

This report will no longer be required after 12-31-2025 when the Construction grant is closed.

2.3 Quarterly ARPA CPF US Treasury Report

OCCUD shall submit a Quarterly ARPA CPF US Treasury Report detailing key performance indicators and project milestones for the Construction Grant. The report must be submitted no later than the 15th of the month following each calendar quarter, in accordance with Section 8.f of the grant agreement. The Quarterly Treasury Report consists of the following sections:

- a. **Construction Status:** This section provides a summary of all major construction activities and expenditures for the reporting period, including costs related to community engagement and ancillary expenses. The report includes key milestone dates such as projected and actual construction start and completion, initiation of operations, and any explanations for delays.
- b. **Davis-Bacon Report:** For projects exceeding \$5,000,000, this section captures Davis-Bacon Act compliance information. It includes wage certifications, employee counts by labor source, and confirmation of compliance with prevailing wage requirements. It also addresses project labor agreements, workforce development strategies, safety and training programs, and any applicable community benefit or local hire agreements.
- c. **Notes and Supporting Documentation:** This section may include additional comments, clarifications, or file uploads that support the reported data or provide context for performance trends, challenges, or corrective actions.

This report will no longer be required after 12-31-2025 when the Construction grant is closed.

2.4 Annual Performance Treasury Report

OCCUD is responsible for providing the State with any data necessary for federal reporting, such as the number of locations served, the speed and quality of service, customer satisfaction, and the social and economic impact of the network. The data should be submitted quarterly and annually, following the same deadlines and format as the quarterly report for the Construction Grant.

3. Banking

3.1 Access

The Rutland Regional Planning Commission’s authorized signers have access to banking and the ability to withdraw and deposit funds at **Bar Harbor Bank & Trust**.

The Treasurer has online access to the operating account to monitor activity and process online bill payments as approved as well as deposit funds.

OCCUD banks at **Bar Harbor Bank & Trust**, located at 100 Woodstock Ave., Rutland Vermont.

3.2 Memorandum of Agreement between OCCUD and RRPC

On March 19, 2025, the Governing Board of the OCCUD met and approved a Memorandum of Agreement between OCCUD and the Rutland Regional Planning Commission (RRPC). The Agreement was executed on June 17, 2025 by the RRPC Executive Director, Devon Neary, and the Chair of the OCCUD. The Agreement covers aspects of financial management and administrative support.

3.3 Authorized Signers

Authorized to sign checks, transfer funds, and authorize payments on behalf of OCCUD:

- RRPC Authorized Signers may include the Executive Director and Board Officers—Chair, Vice Chair, and Treasurer. The above Authorized Signers were approved by the Executive Committee on 6/25/2025.
- RRPC Authorized Signers shall not be Officers of the OCCUD Board.

Authorized to sign the Warrant prior Quarterly Executive Committee approval, therefore authorizing payment of invoices contained in the Warrant:

- OCCUD Chair. The OCCUD Executive Committee has authorized the Chair to approve payment of pre-approved regular monthly expenses.
- RRPC Authorized Signer
- Both signatures are required to approve the Warrant.

3.4 ACH Transactions

OCCUD has set up ACH transactions at Bar Harbor Bank & Trust with the State of Vermont to receive grant funds electronically from the State of Vermont.

4. Invoicing and Warrants

4.1 Receipt of Invoices

The OCCUD Treasurer receives physical invoices from the OCCUD US Postal Service mailbox or via email if they are sent electronically. The OCCUD Treasurer reviews the invoices for accuracy and completeness. The OCCUD Treasurer creates the warrants.

Below are the email addresses that vendors send their invoices to:

- treasurer@occud.org
- chair@occud.org
- info@occud.org

Below is the address that vendors send their invoices to:

- PO Box 88, Rutland, VT 05702

4.2 Approval and Pre-Approval of OCCUD Expenses, and Vendors

Both the OCCUD Executive Committee and the OCCUD Governing Board are authorized to approve and to pre-approve invoices for payment based on the following criteria:

- a. The invoices are consistent with the budget and the grant agreement
- b. The invoices are supported by adequate documentation and evidence of work done
- c. The invoices are aligned with the project timeline and milestones

The OCCUD Executive Committee reviews and pre-approves regular monthly expenses and their corresponding vendors on an annual basis, including automatic payments made via bank ACH.

The OCCUD Executive Committee shall approve all non-routine expenses, as well as any expenses that have not been pre-approved, before payment is issued

The OCCUD Executive Committee and Governing Board shall review the warrants paid during the previous quarter at their quarterly meetings, and the Executive Committee shall approve the paid warrants.

4.3 Process

The Treasurer completes a Warrant on a monthly basis with the received invoices of the monthly time period.

The Warrant is sent via email (Adobe Document Sign) to the Authorized Signers of the warrant for signature, indicating approval for payment. The Authorized signers approve digitally. The signed Warrant is automatically received by the Treasurer.

Each warrant shall be coded to indicate where the expense should be recorded in QuickBooks. The chart of accounts expense line item and the grant number shall be included with each warrant.

RRPC will follow its Financial Procedures Policy for the issuance of OCCUD payments. In addition to RRPC's policies, a secondary approval by an RRPC employee is required for electronic payments entered by the OCCUD Treasurer. This approval will occur prior to the processing of payments and is in addition to the warrant approval.

4.4 Payment

Upon receipt of the approved (for payment) Warrant, the OCCUD Treasurer pays the invoices via paper check, electronic online payment, or ACH payment depending on the vendor and agreement.

Payments rely on the availability of funds. Vendor payments may not rely on reimbursement from the VCBB in advance of being paid.

4.5 Automatic Payments

Automatic payments via ACH shall be kept to a minimum number of vendors and invoice amount. Recommended maximum invoice for automatic payment is \$100.00.

5. Grant Funds Reimbursement

5.1 Submission

The OCCUD Treasurer e-mails the signed and approved Warrant to Vantage Point, Seward Associates and the Chair of the OCCUD so that all are informed of the month's financial activity.

Vantage Point submits all reimbursable invoices to the State in the AmpliFund Portal. Vantage Point ensures invoices are in the proper format before submittal to the State for approval and reimbursement. The warrant submittal must include the grant number for the grant (PreConstruction) that the group of invoices applies to.

5.2 Reimbursement

Payment by the State is made on a reimbursement basis in the form of ACH payment to OCCUD's checking account. The State reviews and approves the invoices upon receipt and subsequently transfers the approved funds to the OCCUD.

5.3 Portal

OCCUD provides invoices for review and payment through the **Amplifund Portal**, which is the State's online system for grant management and reporting. The Amplifund Portal allows OCCUD to upload the invoices, track the status of the reimbursement, and communicate with the State.

OCCUD will maintain one login for the Amplifund Portal that will be saved in the Google Drive. The OCCUD Chair, Vice-Chair, and the VPS Project Manager will all have access to the login credentials.

6. Financial Reports

6.1 Firm

Seward and Associates PLC is a local tax planning and accounting professionals firm based in Rutland, Vermont. OCCUD has an agreement with Seward & Associates to perform and provide all business financial reports for grant reporting and audit purposes.

6.2 Reports

For monthly reporting, Seward & Associates provides the following reports:

- a. **Balance Sheet:** This report shows the assets, liabilities, and equity of OCCUD as of the end of the month.
- b. **Profit & Loss Statement by Grant:** This report shows the income and expenses of OCCUD for each grant (PreConstruction or Construction) for the month.
- c. **Profit & Loss by Grant – LTD:** This report shows the income and expenses of OCCUD for each grant (PreConstruction or Construction) for the life to date (LTD) of the grant. Seward's completes the monthly reconciliation for the OCCUD bank accounts.
- d. **Grant Expenses for the Current Month:** This report shows the breakdown of the grant expenses of OCCUD for the current month, such as labor, materials, equipment, and overhead.
- e. **Grant Expenses for the Life of the Grant Funds:** This report shows the breakdown of the grant expenses of OCCUD for the life of the grant funds, such as labor, materials, equipment, and overhead.

Seward and Associates provides the monthly reports to the Treasurer and Chair for reporting of the previous month. (e.g., the report provided around April 10 covers March 1 to March 30).

6.3 Treasurer Duties and Reports

As described in the above processes, the Treasurer is responsible for monthly receipt of invoices, preparing the monthly warrant, distributing the warrant for approvals, receiving the approved warrant, making payments from the bank account balance, and e-mailing the warrants to the Chair, Seward and Associates, and Vantage Point on a monthly basis.

Additional Duties:

- Tracking the bank account balance to ensure there are adequate funds to pay invoices prior to receiving reimbursements.
- Preparing a quarterly financial summary report for the OCCUD Executive Committee including the bank balance, annual expenditures to date, and the beginning and ending quarterly balance of the pre-construction grant.

6.4 Executive Committee Role

The Executive Committee's responsibilities include carrying out tasks assigned by the Governing Board, which include approvals and pre-approvals of OCCUD operational expenses, reviewing financial documents and procedures to ensure accuracy and compliance with regulations and policies as well as fiscal responsibility of the OCCUD.

7. Audit

7.1 Requirement

Required through the Grant Agreement with VCBB, Vantage Point will complete the **Subrecipient Annual Report on behalf of OCCUD** annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a **Single Audit** is required for the prior fiscal year. If a Single Audit is required, OCCUD will submit a copy of the audit report to the granting party within 9 months. If a single audit is not required, only the Subrecipient Annual Report is required.

A Single Audit is required if the OCCUD expends \$750,000 or more in federal assistance during its fiscal year and must be conducted in accordance with **2 CFR Chapter I, Chapter II, Part 200, Subpart F**. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a Single Audit is required.

7.2 Process

OCCUD Governing Board will select a firm to perform the audit through a thorough RFP process. The Chair of the OCCUD Board will be the primary point of contact for the auditor to conduct the audit in accordance with 2 CFR Chapter I, Chapter II, Part 200, Subpart F. The audit will include the following steps:

- a. **Planning:** The auditor will obtain an understanding of OCCUD’s internal control over federal programs, assess the risk of material noncompliance, and design the audit procedures accordingly.
- b. **Testing:** The auditor will test the compliance of OCCUD with the federal laws, regulations, and grant agreements that are applicable to each major federal program, as well as the effectiveness of OCCUD’s internal control over federal programs.
- c. **Reporting:** The auditor will prepare and issue the audit report, which will include the opinion on the financial statements, the schedule of expenditures of federal awards, the summary of the auditor’s results, the findings and questioned costs, and the corrective action plan.

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