



**NORTHWEST REGIONAL  
WORKFORCE INVESTMENT BOARD**

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**Finance Committee**

**Agenda**

**Tuesday, December 8<sup>th</sup>, 2020 at 12:00 PM**

**GO TO MEETING**

Tue, Dec 8, 2020 12:00 PM - 1:00 PM (EST)

**Please join my meeting from your computer, tablet, or smartphone.**

<https://global.gotomeeting.com/join/234072029>

You can also dial in using your phone. United States: +1 (872) 240-3212

- One-touch: <tel:+18722403212,,234072029#>

Access Code: 234-072-029

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- 1. Approval of Minutes of April, 2019**
- 2. Presentation of Draft Audit by Mahoney Sabol - PY 2020**
- 3. Review of Budget Versus Actual Expenditures**
- 4. Update on Revision of Financial Policies and Procedures**
- 5. Discussion Regarding Agency Credit Card**
- 6. Meeting Schedule for 2021**
- 7. Other Business**
- 8. Adjournment**

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Bureau of Health/Nutrition Family Services and Adult Education



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### **Finance Committee Responsibilities**

In accordance with the NRWIB Bylaws, there shall be a Finance Committee consisting of at least three members. The term of office shall be commensurate with their term on the Board of Directors.

The Finance Committee's responsibilities include, but shall not be limited to, the following:

- 1.Appointment of, and communication with, the Organization's independent auditors
- 2.Review and approval of the annual, audited financial statements
- 3.Discussion of internal control matters with the independent auditor
- 4.Responding to any reported instances of fraud involving NRWIB or its employees
- 5.Conducting a quarterly analysis of the Organization's financial statements
- 6.Making policy and other recommendations to the NRWIB Board of Directors regarding matters arising out of the audit

In fulfilling these duties and responsibilities, the Finance Committee is entitled to examine any and all documents within the control of NRWIB and its employees. In addition, the Finance Committee shall have the authority to contract with independent contractors in the fulfillment of the committee's responsibilities. The Finance Committee may also recommend the retention of outside firms for the purposes of internal audit or management consultation.

### **Annual Financial Statements**

A formal presentation of the Organization's annual financial statements shall be provided by the Independent Auditor to the full Board of Directors at the Organization's Annual Meeting. This presentation will be preceded by a meeting with NRWIB's Finance Committee, at which the Finance Committee will vote to accept or reject the annual financial statements. See separate policies regarding the annual audit under "Financial Management Policies."

### **Budget Modifications**

After a budget has been approved by the Board of Directors and adopted by the Organization, reclassifications of budgeted expense amounts of less than \$5,000 within a single funding source may be made by the Chief Financial Officer, with approval from the Executive Director. Reclassifications of budgeted expense amounts within funding sources of greater than \$5,000 may be made only with approval of the Finance Committee or Executive Committee.

Reclassifications in excess of the preceding thresholds, and any budget modification resulting in an increase in budgeted expenses or decrease in budgeted revenues shall be made only with approval of the Finance Committee and either the Executive Committee or the full Board of Directors.



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## **INVESTMENT POLICIES**

### **Introduction**

It is the policy of NRWIB to treat all assets of the organization, including those funds that are legally unrestricted, as though they are held by NRWIB in a fiduciary capacity for the purpose of accomplishing the organization's tax-exempt mission. As such, the policies described in this section are to be interpreted in light of that overall sense of stewardship, and the investment standards of NRWIB shall be those of a prudent investor.

### **Delegation of Authority**

The Board of Directors of NRWIB has delegated supervisory authority over its investing activities to the Finance Committee of the board. The Finance Committee is responsible for regularly reporting on the organization's investments to the full Board of Directors.

The Finance Committee is authorized to retain one or more Investment Counselors to assume the investment management function. In that regard, the Finance Committee may enter into agreements with, delegate investment authority to, pay compensation to, and receive reports from one or more Investment Counselors.

### **Investment Objectives**

NRWIB's investment objectives are the preservation and protection of the organization's assets, as well as the maintenance of liquid reserves to meet obligations arising from unanticipated activities, by earning an appropriate return on investments.

### **Allowable Investments**

Investments of NRWIB shall be made exclusively with the following securities:

1. Federally insured Certificates of Deposit, not to exceed \$250,000, including interest, at commercial banks or savings and loan institutions;
2. U.S. Treasury securities and securities of Federal agencies and instrumentalities.
3. Repurchase agreements with financial institutions collateralized by U.S. Treasury or Federal agency securities.



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4. Corporate bonds and notes rated A or better by Moody's and Standard & Poor's.

5. Commercial paper rated P-1/A-1 by Moody's and Standard & Poor's.

6. Money market funds that invest in securities approved under these guidelines.

NRWIB shall not engage in margin transactions, short selling, commodity transactions or use of derivatives.

**Diversification**

No more than 10 percent or \$10,000 whichever is greater of the investments of NRWIB shall be in the securities of any one issuer, with the exception of obligations of the U.S. government, its agencies and instrumentalities, and federally-insured certificates of deposit.

**Accounting Treatment**

All purchased investments shall initially be recorded at cost. All investments acquired by donation to NRWIB shall initially be recorded at their fair market value as of the date of donation. Donated investments shall be recorded as with or without restrictions based on the existence or absence of such restrictions, as defined earlier.

Subsequent to acquisition, it shall be the policy of NRWIB to carry all equity securities with readily determinable fair market values and all debt securities at their market values. Adjustments to market value shall be made in the accounting records and financial statements of NRWIB on a quarterly basis.

Adjustments to market value result in unrealized gains and losses on investments. Such gains and losses resulting from contributed investments shall be classified as with or without restrictions, based on the existence or absence of explicit restrictions on such appreciation and depreciation from the donor, as defined earlier.



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## **Procedures and Reporting**

The following procedures will be followed to ensure that investments are properly managed and that these investment policies are consistent with the mission of NRWIB and accurately reflect the current financial condition of the Organization:

1. The Chief Financial Officer shall maintain a schedule of investments and reconcile this schedule with the general ledger and with investment account statements on a monthly basis. The schedule of investments shall include the following information with respect to each investment:
  - a. Date acquired
  - b. Method of acquisition (purchase or donation)
  - c. Cost or basis at acquisition
  - d. Description of investment
  - e. Interest rate (if applicable)
  - f. Date of maturity (if applicable)
  - g. Holder/issuer of security
  - h. Current market value
  - i. Unrealized gain or loss
  - j. Accrued interest receivable (if applicable)
  - k. Income received, year-to-date (i.e. interest, dividends)
2. If NRWIB invests in other than a regular saving account the Chief Financial Officer and Investment Counselor shall prepare a schedule of investments for presentation on a semi-annual basis for the Finance Committee and on an annual basis for the Board of Directors.
3. If applicable the semi-annual investment reports shall detail the portfolio's composition and performance for the period and year-to-date, along with a comparison to budget and to the prior year.
4. If applicable the annual investment report shall be presented to the Board of Directors at the time the NRWIB audit is presented, outlining in detail the investment portfolio's composition and performance for the fiscal year, along with a comparison to appropriate market indices. The report will show results for the most recently completed fiscal year and for last three years.
5. Investment policies shall be reviewed annually by the Executive Director, working with the Finance Committee, to determine any appropriate modifications.
6. Recommendations for any revisions or modifications to the investment policy will be made by the Finance Committee to the Board of Directors for their approval.



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**NRWIB COMMITTEE MEETING SCHEDULES FOR YEAR 2021**

**Board of Directors Meetings**

*All meetings are held quarterly on the second Thursday Each Month @ 12PM*

March 11, 2021

June 10, 2021

September 9, 2021

December 9, 2021

**Executive Committee Meetings**

*All meetings are held the first Wednesday of every month @ 8AM*

January 6, 2021

February 3, 2021

March 3, 2021

April 7, 2021

May 5, 2021

June 2, 2021

July 7, 2021

August 4, 2021

September 1, 2021

October 6, 2021

November 3, 2021

December 1, 2021

**Finance Committee Meetings**

*All meetings are held quarterly on the first Thursday of each month @ 8AM*

*March 4, 2021*

*June 3, 2021*

*September 2, 2021*

*December 2, 2021*

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