

NEW YORK STATE RELIABILITY COUNCIL, L.L.C. (“NYSRC”)
POLICY NO. 3-54
ACCOUNTING PROCEDURE

1.0 Introduction

This document explains the NYSRC procedures associated with the handling of receipts, disbursements, bank statements, financial reports, and the NYSRC funding mechanism. Responsibilities of the NYSRC Executive Committee Treasurer (“Treasurer”), the NYSRC Accountant (“Accountant”), NYSRC Auditor (“Auditor”), and NYSRC members are delineated in this Procedure.

2.0 Receipts

The NYSRC Executive Committee shall authorize Calls for Funds, normally on a quarterly basis, in accordance with the annual Funding Mechanism (see Section 6.0).

The NYSRC shall maintain a regular checking account with a bank approved by the NYSRC Executive Committee.

All checks received by the Treasurer shall be deposited expeditiously in the checking account. Copies of the checks and deposit slips shall be forwarded to the Accountant in the current month. Copies shall be retained by the Treasurer.

3.0 Disbursements

The Accountant shall prepare the checks for authorized signature by the Treasurer, or such other individual as the NYSRC Executive Committee may designate, after appropriate approval for payment.

The Chairman of the NYSRC Executive Committee, or his/her designee, must authorize all payments, with the exception noted below. Appropriate documentation for expenses will be required as follows:

- 3.1 Annual Retainer Fee for Unaffiliated Members - The dates of payment and amounts to each individual shall be set forth in an annual document, approved by the NYSRC Executive Committee in accordance with the NYSRC Operating Agreement. Payments shall be made quarterly on or before January 15, April 15, July 15, and October 15. ~~Any change in the Unaffiliated Member fee shall be approved by the NYSRC Executive Committee and documented.~~ Authorization of the NYSRC Executive Committee Chairman for retainer fee payments is not required.

- 3.2 Meeting Fees for Unaffiliated Members – Appendix A sets forth the meeting fee amounts to be paid to the Unaffiliated Members of the NYSRC Executive Committee for participation in all NYSRC committee, subcommittee, and working group meetings. Unaffiliated Members shall submit an invoice, for the fee in the amount specified in Appendix A, as in the same or similar format as shown in Appendix B, to the Chairman of the NYSRC Executive Committee for approval. After the Chairman has approved the invoice for payment, he/she shall forward it to the Accountant for processing.
- 3.3 Travel and Other Expenses – Travel and other expenses by the Unaffiliated Members or other authorized personnel, which are to be reimbursed, must be submitted to the Chairman of the NYSRC Executive Committee as in the same or similar format as shown in Appendix B. After approval the travel/other expense invoice shall be forwarded to the Accountant for processing. Mileage shall be reimbursed at the current Internal Revenue Service (“IRS”) approved mileage reimbursement rate. Appropriate backup expense documentation and receipts shall be submitted to the Treasurer.
- 3.4 Other Expenditures – Invoices for all other expenditures, including fees for services from other authorized personnel, shall be approved by the Chairman and supported by an appropriate evidence of services or goods provided. Appendix B or similar forms should be used to submit these expenditures for payment.
- 3.5 When the Chairman of the NYSRC Executive Committee is an Unaffiliated Member, expenses under 3.2, 3.3 and 3.4 above shall be approved by the Vice Chairman of the NYSRC Executive Committee.

4.0 Bank Statements

The Treasurer shall review the monthly bank statements and forward them to the Accountant for reconciliation.

5.0 Annual Budget

The NYSRC Executive Committee shall annually prepare and approve a budget by August 15~~September 15th~~ for the following calendar year.

6.0 Annual Funding Mechanism

The NYSRC Executive Committee shall annually prepare and approve a Funding Mechanism by August 15~~October 15~~ to cover budget expenses for the following calendar year.

7.0 Compensation Reviews

The NYSRC Executive Committee shall annually review by July, compensation for the following calendar year, covering: Unaffiliated Members (retainer and meeting fees).

Consultants, the Executive Secretary, the Administrative Assistant, and other individuals that provide professional services for the NYSRC. Any compensation changes shall be approved by the NYSRC Executive Committee.

8.07-0 Reporting

The Accountant shall prepare monthly summaries of receipts and expenses, including a comparison with the NYSRC budget, by the 7th of the month, in a format agreed upon with the NYSRC Executive Committee. This monthly report shall be presented to the NYSRC Executive Committee.

The Auditor shall prepare a year-end financial statement and annual audit, and present them to the NYSRC Executive Committee by March 31 of the following year. The Accountant and Treasurer shall forward to the Auditor appropriate documentation, as required, for the annual audit.

The Accountant or Auditor shall prepare tax exempt organization returns for filing with the IRS and State, as determined necessary.

The Accountant shall prepare IRS Form 1099 individual income statements, as determined necessary.

NYSRC Policy No. 3-~~54~~ approved by NYSRC Executive Committee – ~~December 11, 2003~~

APPENDIX A
NEW YORK STATE RELIABILITY COUNCIL, L.L.C.
MEETING FEES FOR UNAFFILIATED MEMBERS

Pursuant to Section 3.2 of the NYSRC Policy No. 3, "Accounting Procedure," this document sets forth the Meeting Fee amounts to be paid to the Unaffiliated Members of the NYSRC Executive Committee for participation in all NYSRC Committee, Subcommittee, and Working Group meetings, including conference calls. This document shall remain in effect until and unless modified by the NYSRC Executive Committee and is not intended to modify Policy No. 3 in any way.

Personal attendance at and participation in meetings by Unaffiliated Members shall be compensated at a rate of \$1,000 per Meeting Day. A Meeting Day is a normal calendar day in which one or more meetings are held. The Unaffiliated Member is expected to attend essentially all of a meeting to qualify to receive compensation and attendance is as an official purpose for the NYSRC.

Participation by Unaffiliated Members in a regularly scheduled NYSRC Executive Committee, Subcommittee, or Working Group meeting through telephonic conferencing shall be compensated at a rate of \$500 per Meeting Day, as defined above. The Unaffiliated Member is expected to be on line for essentially all of the meeting.

Participation by Unaffiliated Members in other (special purpose) prearranged conference calls in which it is required to have a quorum, shall be compensated at a rate of \$250.

Participation by Unaffiliated Members in (conference or other) calls, which are merely for information or for discussion purposes, shall not be compensated for.

Appendix A approved by the NYSRC Executive Committee - October 17, 2000

APPENDIX B
NEW YORK STATE RELIABILITY COUNCIL, L.L.C.
REIMBURSABLE EXPENSES & COMPENSATION

Submitted by: _____ Signature: _____ Date: _____

ALLOWABLE EXPENSES*

Date(s) of Travel	
Purpose of Trip(s)	
Mileage @ Current IRS Rate	
Car Rental	
Gas	
Airfare	
Hotel	
Meals	
Other (describe)	
TOTAL EXPENSES	

*Attach receipts to support all expenses in excess of \$25.

COMPENSATION (INCLUDING MEETING FEES & OTHER SERVICES)

Dates and Descriptions of Meetings, Services, etc. (use additional sheets if necessary)	
TOTAL COMPENSATION	

TOTAL COMPENSATION + EXPENSES	
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For New York State Reliability, L.L.C. Use Only

Approved for Payment by: _____ Date: _____
Print Name

Signature: _____