

LA PLATA ELECTRIC ASSOCIATION, INC.
DURANGO, COLORADO

Board of Directors Policy

Subject: Internal Control of General Funds			Policy No: 211
Original Issue: 3/17/99	Last Revised: 2/15/23	Last Reviewed: 2/15/23	Page 1 of 2

I. OBJECTIVE

To provide for internal controls of La Plata Electric Association, Inc. (Cooperative) expenditures and disbursement of Cooperative funds.

II. POLICY

- A. All expenditures of the Cooperative will have appropriate documentation for the disbursement.
- B. The Chief Executive Officer (CEO) shall make sure that a system of invoice authorizations will be in place with appropriate internal controls and tracking.
 - 1. Department heads shall have the authority to authorize invoices for payments of up to \$2,500.
 - 2. The Vice President of Finance shall have the authority to authorize invoices for payment up to \$250,000. The Controller shall be the backup for the VP of Finance for times when the VP of Finance is absent.
 - 3. The CEO is required to approve invoices for payment for those that exceed \$250,000. The CEO shall designate a department head to be the backup for the CEO for times when the CEO is absent.
 - 4. The VP of Finance and Controller shall individually have the authority to authorize invoices for the wholesale power bill and debt service for payment in excess of \$250,000.
- C. The register of payments shall be given to all department heads and the CEO for review.
- D. Authorized signers on all bank accounts will be designated by the CEO. Any authorized signature is terminated upon leaving the Cooperative's employ.
- E. In no case shall checks be made payable to cash or bearer, and blank checks are not authorized to be signed or countersigned.
- F. All disbursements are subject to this policy irrespective of their method of payment.

LA PLATA ELECTRIC ASSOCIATION, INC.
DURANGO, COLORADO

Board of Directors Policy

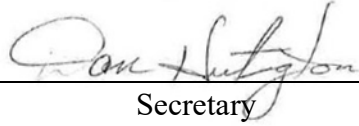
Subject: Internal Control of General Funds			Policy No: 211
Original Issue: 3/17/99	Last Revised: 2/15/23	Last Reviewed: 2/15/23	Page 2 of 2

III. RESPONSIBILITIES

The CEO is responsible for the administration of this policy.

2/25/2023

Date


Secretary