

MEMORANDUM

To: WCI, Inc. Board of Directors
From: Greg Tamblyn, WCI, Inc. Executive Director
Date: September 24, 2025
Re: **Draft Accounting Policy and Procedures Amendments**

As part of the annual review of WCI, Inc. policies, WCI, Inc. personnel worked with our independent financial auditor and members of the Finance Committee to propose changes to our Accounting Policies and Procedures. These changes aim to improve operational efficiency and support continuity, maintain adequate controls, and reflect the activities undertaken by those designated to complete specified tasks as our Corporation evolves.

Attached as Exhibit A is a draft of the Accounting Policy and Procedures ("Draft Policy") with recommended changes. The purpose of this memo is to explain why each of these changes is being recommended to the Board for its consideration. All section references in this memo correspond to the same section in the attached Draft Policy. Capitalized terms used in this memo but not defined here shall have the same meaning as in the Draft Policy.

The most substantive recommended changes regard **Section 2. Division of Responsibilities, Section 5. Cash Disbursements and Appendix 2. Invoice and Review of Payments:**

- The cash disbursement amount requiring the second approval of a Board member with signing authority on the account moves from \$25,000 to \$50,000.
- As part of its responsibilities described in paragraph #6, the Finance Committee establishes and maintains a new list of pre-authorized vendor payments in an amount equal to or greater than \$50,000. This list includes a limited number of well-known vendors, with recurring payments, and consistent not-to-exceed amounts, also bounded by our annual budget.
- Cash disbursements below the new \$50,000 threshold, and pre-authorized vendor payments, now require two approvals from either the Executive Director, the Assistant Executive Director, or the Accounting and Administrative Specialist. The Executive Director oversees payments and fund transfers.
- The Administrative and Accounting Specialist works with the Assistant Executive Director to initiate payments under \$50,000, as well as other pre-authorized disbursements and fund transfers, upon technical approval of invoices, and in accordance with the requirement to obtain a second approval. If the Accounting and Administrative Specialist is unavailable, the Assistant Executive Director or the Executive Director may initiate a payment.

The above changes aim to improve our operational efficiency and reduce the administrative burden of clerical but time-sensitive tasks for our Board members and Executive Director. The new responsibilities granted to WCI, Inc. personnel increase our operational support continuity, ensuring that at least two members have the authority to complete each task. Adequate controls are also maintained through the second approval process required for any cash disbursements, and various mechanisms ensuring proper

oversight by the Executive Director and transparency to our Board members. As a reminder, at least two Board members have full access and signing authority to our bank accounts, the Finance Committee reviews the monthly financial reports prepared with the support of an external accountant, and the Executive Committee reviews the quarterly 18-month cash flow projection report from our Treasurer. In addition, the Audit Committee is supported by an independent auditor to oversee the quality and integrity of WCI, Inc.'s accounting, auditing, and reporting practices, supporting the preparation of our year-end financial statements and tax filings.

Other edits are also proposed throughout the various sections and appendices of this document to reflect the activities undertaken by those designated to complete specified tasks as our Corporation evolves, such as:

- **Section 2. Division of Responsibilities:** The Accounting and Administrative Specialist's overall responsibility for processing our payroll expenditures and benefits administration is clarified.
- **Section 5. Cash Disbursements—Invoice Submission and Processing:** The Assistant Executive Director now approves the annual verification of remote work reimbursements.
- **Appendix 4. Payroll Processing Procedure.** Employees' timekeeping and time off request expectations and approvals are clarified to reflect the processes implemented through WCI, Inc.'s timekeeping software, and as they are also described in WCI, Inc. Employee Handbooks. The scope and approval responsibility for the changes to the standing information of the payroll register have also been clarified.
- **Appendix 5. End of Month and Year-End Close.** The content of monthly financial reports is updated to reflect the information about non-participating jurisdictions in our Accounts Receivable Aging Report; an Account Summary Savings is also available. The quality assurance responsibilities of the Accounting and Administrative Specialist and the Assistant Executive Director are also highlighted in the preparation of the year-end financial reports, the audited financial statements, and the annual tax returns.