

Best Practices - Know What Is In Your Agreements - What Is Required?

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- 1) Keep permanent file copy of relevant documents
 - a. Bond covenants (or loan agreement or grant contract)
 - b. Loan Register (amortization schedule)
 - c. Other relevant documents

- 2) Prepare a working list of requirements that require action (as applicable)
 - a. Pledge adequacy (Rates and Charges)
 - b. Timely audits
 - c. Reserve Fund requirement (if applicable)
 - d. Interest and Sinking Fund requirement (if applicable)
 - e. Federal Requirements (if applicable)
 - f. Continuing Disclosure Requirements
 - g. Debt Service Coverage Requirements (if applicable)
 - h. Other Special Fund Requirements (if applicable)
 - i. Annual Insurance Reviews for coverage adequacy

- 3) Assign responsibility for completion and compliance for each requirement
 - a. Board of Directors
 - b. Management
 - c. Auditors
 - d. Consultants

- 4) Report internally on compliance periodically (at least quarterly)
 - a. Create a standing agenda item to require reporting of updates