

Big Bend Community Based Care Policy & Procedure

Series: 1300: Financial Management

Policy Name: Internal Controls

Policy Number: 1306

Origination Date: 2/2/2009

Revised: Board Meeting of 12/13/2018

Policy

It is the policy of Big Bend Community Based Care, Inc. (BBCBC), to implement internal accounting control objectives, procedures and monitoring tools to ensure the integrity of the financial information and to safeguard against theft or loss.

Procedure

A. The following corporate officers oversee and implement policies, procedures and protocols for the Accounting Department:

1. Chief Executive Officer (CEO);
2. Chief Financial Officer (CFO).

B. Authorization.

1. BBCBC requires signatory authority before any employee may execute financial transactions.
2. Budgets, vendor purchases and invoices, pay rates, and journal entries require an authorized signature from a program's Supervisor, Director, and/or Corporate Officer. This ensures that management directives are carried out.

C. Recording. All financial transactions are recorded to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability.

D. Access to Assets. Management establishes through policy, procedure and protocol, responsible authority for use of BBCBC assets, including: facilities, vehicles, bank accounts, equipment, inventory, etc.

E. Asset Accountability.

1. The recorded accountability for assets is compared with the existing assets at regular intervals.
2. BBCBC will investigate and correct discrepancies between recorded assets and physical assets.
3. Cash accounts are reconciled monthly and reviewed by the CFO.

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4. BBCBC uses a tracking system to track fixed assets, these assets are recorded in a fixed asset tracking application.
 5. Assets purchased with state and federal funds are tracked as required by contract.
 6. Data of a financial or client nature are backed-up routinely and stored in accordance with BBCBC Information Technology Department procedures.
 - a. There will be one (1) on-site backup and one (1) off-site backup disk for each location maintained at all times.
 - b. Service centers data is backed up daily to Network Area Storage (NAS) location and data integrity is verified to ensure the safety and security of data.
 - i. Back up media (NAS) boxes are securely stored in server rooms at designated locations.
 - c. ALL Finance data is backed up to an NAS drive daily and then to an off-site location.
- F. Separation of Duties.** Duties are assigned so no one (1) individual can control all phases of the processing of a transaction. Specific protocols in each department outline positions, their function, separation of duties, and oversight/review to ensure sufficient internal controls.
1. The CFO reviews all budgets, invoices, pay rates and financial reports.
 2. The CFO subsequently reports to the CEO and Chairman of the Finance Committee.
- G. Independent Audit.** The independent auditors of the Agency conduct an annual audit in accordance with Generally Accepted Government Auditing Standards, Section 215.97, Florida Statutes (F.S.), Florida Single Audit Act, and Title 2, Part 200, Code of Federal Regulations (C.F.R.), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The independent auditors report to the CEO, the Audit Committee, and the Board of Directors.
- H. Senior Management Review.**
1. The CFO produces monthly financial statements as part of the month end close process. The CFO presents the bi-monthly financial reports to the CEO, Finance Committee, and the Board of Directors at their regularly scheduled meetings, to ensure GAAP compliance is being maintained. This oversight process helps reassure the full Board that the books of BBCBC are in good financial order.
 2. The staff of the finance department is structured to permit adequate segregation of duties. This internal control prevents or minimizes errors and theft.