

Big Bend Community Based Care Policy & Procedure

Series: 1300: Financial Management
Policy Name: Leases
Policy Number: 1331
Origination Date: 01/29/2009 **Revised:** Board Meeting of 12/13/2018

Policy

In order to establish a system for negotiation and securing both capital lease purchases for buildings and property and leases for equipment, it is the policy of Big Bend Community Based Care, Inc. (BBCBC), to have all lease contracts entered into with the express approval of the appropriate corporate director and/or the Board of Directors. Appropriate schedules will be maintained.

Procedure

- A. All lease transactions shall be recognized and recorded in accordance with generally accepted accounting principles.
- B. Lease transactions determined to be operation leases for equipment, property, etc., shall be entered into contract, negotiated, approved, and signed by the Chief Executive Officer or their designee. Copies shall be maintained in the Accounting Department.
- C. Lease transactions determined to be a capital lease purchase for equipment shall be entered into contract, negotiated, approved, and signed by the Chief Executive Officer. Copies shall be maintained in the Accounting Department.
- D. Lease transactions determined to be capital lease purchases for buildings and property shall require the approval of the Board of Directors. Amortization schedule shall be maintained and properly recorded to the financial statements.