



SALISH BH-ASO POLICIES AND PROCEDURES

Policy Name: Financial Management

Policy Number: FI504

Effective Date: 1/1/2023

Revision Dates:

Reviewed Date:

Executive Board Approval Dates: 5/19/2023

POLICY

The SBH-ASO prudently manages public resources and employs accounting principles consistent with applicable state and federal requirements and accepted accounting principles (GAAP).

PROCEDURE

1. The SBH-ASO, by Inter-local agreement, operates administratively under the auspices of the Kitsap County Human Services Department.
2. Management of SBH-ASO financial resources is supported by the Kitsap County Human Services Accounting section, which:
 - a. Provides the SBH-ASO, its Administrator, and governing body with such monthly, quarterly or annual budgets, reports and other financial statements required to meet contractual agreement with the state.
 - b. Performs and evidences sound accounting procedures.
 - c. Maintains consistency with applicable state and federal requirement and accepted accounting procedures (GAAP).
3. By subcontract, providers agree to prudently manage public resources so that quality services are provided in a cost-efficient manner and to employ accounting procedures that are consistent with applicable state and federal requirements and generally accepted accounting principles, which includes:
 - a. Providers maintaining readily accessible documents and records sufficient to provide an audit trail to SBH-ASO.
 - b. Providers' documents identify contracted funds and their expenditures identified.
 - c. Providers delivering requested documents to SBH-ASO as required.

4. The SBH-ASO and its providers expend funds received in accordance with the revenue contract and only for the purposes that they are intended.
5. The SBH-ASO and its providers deliver and/or purchase goods and services prudently consistent with state or county procurement procedures.
 - a. SBH-ASO complies with Kitsap County procurement procedures.
 - b. Providers designate policies and procedures which so comply.
6. The SBH-ASO manages assets of the SBH-ASO under applicable state and federal requirements and generally accepted accounting principles (GAAP) by maintaining:
 - a. A list of the assets of the SBH-ASO including property, equipment, vehicles, buildings, capital reserve funds, operating reserve funds, risk reserve funds or self-insurance funds.
 - b. An accounting of any interest accrued on funds; using any accrued interest to perform requirements of the contract.
 - c. An annual physical inventory of property, equipment, vehicles, and buildings. Proceeds from the disposal of any assets will be retained by the SBH-ASO and its providers for the purposes of the contract.
 - d. Lists and inventories will be filed at the SBH-ASO.
7. The SBH-ASO maintains a Cost Allocation Plan, which is reviewed at least annually, and upon budgetary changes.

MONITORING

This policy is a mandate by contract and federal regulation.

1. This policy will be monitored through the use of SBH-ASO:
 - a. Annual Subcontractor Administrative Reviews
 - b. Annual Provider Fiscal Reviews
2. If a provider performs below expected standards, a Corrective Action Plan will be required for SBH-ASO approval.