

Great Rivers Behavioral Health Administration Services Organization

Policy Title:	Internal Controls and Segregation of Duties	Policy No. 2004.01
Category:	Fiscal	Date Adopted: 01/10/2020 Date Revised: 03/13/2020 Date Reviewed:
Reference:	Budgeting Accounting and Reporting System (BARS)	

POLICY:

- 1.1. Great Rivers Behavioral Health Administrative Services Organization ("Great Rivers BH-ASO") shall develop and implement controls and segregate duties that are adequate to reduce or eliminate the possibility of loss, fraud, abuse or waste.

PROCEDURE:

- 2.1. Cash Receipts:
 - 2.1.1. The Great Rivers BH-ASO Operations Staff (that is not the Chief Executive Director (CED) or a staff that performs finance and accounting functions) or designee opens the mail. All checks received are listed on a check receipt log showing date received, from whom received; check number and amount of the check. A "For Deposit Only" stamp which includes the bank account number is used to endorse the check. All checks and supporting documentation are routed to the Fiscal Manager for review prior to deposit and kept in a lockbox. Checks must be deposited within one (1-2) business days of receipt;
 - 2.1.2. The designee (admin staff available) prepares deposit slips, make deposits, and requests a deposit transaction receipt from the bank;
 - 2.1.3. The Fiscal Manager, or designee, prepares the general receipt/transmittal that is required by the Lewis County Treasurer. All receipts are issued with corresponding BARS numbers by Lewis County Treasurer. Receipt forms are delivered to the Treasurer's office for validation. One (1) copy is kept by the Treasurer and the second (2nd) copy is returned to the Great Rivers BH-ASO office after validation;
 - 2.1.4. Most all funds received in the mail are by check. In the rare event that cash is received, it will be open with the presence of Fiscal Manager and immediately receipted and deposited with the Lewis County Treasurer once the cash is identified as appropriate for Great Rivers BH-ASO;
- 2.2. Cash Payments:
 - 2.2.1. The Great Rivers BH-ASO Operations Staff (that is not CED or a staff that performs finance and accounting functions) or designee opens the mail and stamps each item with the current date. For any invoice(s), the Staff will give to the Fiscal Manager. The Fiscal Manager, or designee will scan the invoices into the appropriate folder on server. An Accounts Payable form is prepared and attached to the invoice. The Fiscal Manager or designee will perform a desk audit to ascertain if the goods or services have approved authority, appropriate to business and governmental need in alignment with purchasing policy. Purchase prices / costs are checked for accuracy. Amount and invoice numbers are checked against the accounts payable system to avoid double payments. The Fiscal Manager or designee will log the invoice into the budget utilization database to monitor Great Rivers BH-ASO contract utilization. All purchases without contracts, vendor

agreements, and/or signed quote and purchase order must have a manager's approval before payment is made.

- 2.2.2. All Supporting emails, approvals, research will be attached or linked to the invoice. Original invoices detailing services or goods purchased are requested, but in the absence of the original, faxed copies and emails may be accepted.
- 2.2.3. The AP approval form will include the Vendor, Invoice amount, GL account, Class, Location, and approval line.
- 2.2.4. The Great Rivers BH-ASO Fiscal Manager or designee will then use the AP approval form to enter invoices into the financial accounting system. An AP bills register will be produced for the CED to review and authorize for payment.
- 2.2.5. The pre-numbered checks are then prepared by the Great Rivers BH-ASO Fiscal Manager or designee. Checks must be reviewed and signed by either of the following two (2) individuals:
 - 2.2.5.1. Great Rivers BH-ASO CED
 - 2.2.5.2. Governing Board Member or designee by motion of the Governing Board
- 2.2.6. When CED are not physically available to sign checks, they may provide authorization to use their electronic signature. The bills register must be provided to CED prior to approval. The electronic authorization will be linked to signature and bills register folder.
- 2.2.7. The checks are then mailed by the Great Rivers Operations Staff or designee.
- 2.2.8. Check stock is kept in a locked file cabinet in the Great Rivers BH-ASO offices. All voided or spoiled checks are marked "Void" and the signature block is removed or made invalid. Once per month the Lewis County Treasurer send Great Rivers BH-ASO finance a redeemed warrants register along with other cash reports to reconcile checks, vouchers and cash accounts.
- 2.2.9. At the next meeting of the Great Rivers BH-ASO Governing Board, an AP check register cover sheet that lists all approved vouchers (voucher approval) is authorized and signed by the Great Rivers CED and the Great Rivers Fiscal Manager or designee and presented to the Board for approval. Original vouchers are available for their inspection if questions arise. The AP check register cover sheet is signed by all members of the Great Rivers BH-ASO Governing Board who are present.

2.3. Safeguarding of Assets:

- 2.3.1. Furniture and Equipment valued at more than \$5,000.00 must be capitalized and inventoried.
- 2.3.2. Information on assets will be entered into the Furniture and Equipment section of the Great Rivers BH-ASO inventory database. The information will include date of acquisition, purchase price, Model Number and Serial Number (if applicable) salvage value, estimated useful life, any additions or deletions from the asset, sale price and date or other disposition.
- 2.3.3. Assets will be tagged with labels stating "Property of Great Rivers BH-ASO in a non-conspicuous place.
- 2.3.4. Great Rivers BH-ASO will conduct an annual physical inventory of all assets.

2.4. Payroll and Employee Benefit Processing:

- 2.4.1. Great Rivers BH-ASO will contract out for payroll and employee benefit services. Great Rivers BH-ASO will follow the contracted payroll vendor internal controls for completing the necessary steps for payroll and employee benefit processing and could include the following:
 - 2.4.1.1. Electronic timesheets are filled out and submitted by employees. The timesheet system automatically notifies the supervisor to review and approve their employee's timesheet electronically. This review will include reconciliation of

dates and times of personal leave taken as well as hours worked. Supervisors are responsible for reviewing the hours worked, validated approved overtime, PTO, Flex time, and provide notes to support this in the system;


- 2.4.1.2. Timesheets are then processed into the Great Rivers BH-ASO payroll/timesheet to generate direct deposits, payroll checks, wage and benefit and tax reports;
- 2.4.1.3. A Payroll and benefits reconciliation spreadsheet report is updated with current employee deductions, employer contributions, taxes and benefits to support the net amounts for payroll and benefits paid by Great Rivers BH-ASO. This information is used to enter payroll into the financial system and to enter on the voucher approval form that is presented to the Great Rivers BH-ASO Governing Board;
- 2.4.1.4. Payroll cash transactions are coordinated by Great Rivers BH-ASO Fiscal Manager or designee through the Lewis County Treasurer via ACH to Great Rivers BH-ASO payroll vendor and system and reconciled as part of monthly treasury monitoring of Great Rivers BH-ASO register reports, checks, transactions and funding statements;
- 2.4.1.5. Payroll and Benefits are entered into Great Rivers BH-ASO Financial accounting system and reconciled.

2.4.2. Great Rivers BH-ASO CED or designee will review payroll reports furnished by the contracted payroll vendor on a quarterly or as needed basis for accuracy and completeness.

ATTACHMENTS

None

POLICY SIGNATURE

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6/12/2020

Edna J. Fund, Chair
Great Rivers BH-ASO Governing Board

Date