

**NORTHERN MICHIGAN REGIONAL ENTITY
ADMINISTRATIVE MANUAL**

POLICY NAME: SOUND FINANCIAL ACCOUNTING POLICY
CHAPTER: NINE - FINANCE
POLICY #: 08-01-010
EFFECTIVE DATE: January 1, 2014

PURPOSE

To ensure sound financial management of agency funds.

APPLICATION

Finance Department

POLICY

The Northern Michigan Regional Entity (NMRE) will follow generally accepted accounting principles as modified by State and Federal laws and regulations. The NMRE will be in compliance with Michigan Department of Community Health (MSCH) accounting and reporting requirements specified in the MDCH/PIHP Medicaid Specialty Supports and Services Contract. The NMRE will adhere to the Generally Accepted Accounting Principles for Governmental Units.

The General Ledger will be maintained on a double entry system and will be supported by cash receipts journals, cash disbursements journal, general journal entries, paid invoices, check stubs, and supporting journals and schedules. The NMRE will ensure that there are proper audit trails and internal control systems in place to track financial information.

All journal entries will be reviewed and approved by an accounting staff other than the preparer. Payroll registers will be reviewed and signed by an accounting staff independent of preparing the payroll.

The fiscal year will run in accordance with the State of Michigan's fiscal year. October 1 through September 31.

REFERENCE

- Medicaid Managed Specialty Supports and Services Contract
- Other Federal, State, or Local Contracts

REVISED:

REVIEWED:

APPROVED: June 19, 2013

Signed copy is on file with NMRE

Dave Schneider
Northern Michigan Regional Entity Chief Executive Officer

Date

Signed copy is on file with NMRE

Joe Stone
Northern Michigan Regional Entity Board Chair

Date