

ADAMHS BOARD FOR MONTGOMERY COUNTY		BP # 202	
TITLE BOARD	SUBJECT AGENCIES YEAR END FINANCIAL STATEMENTS		
	EFFECTIVE DATE 9/28/88		SUPERSEDES DATE 7/9/86

POLICY

It shall be the policy of the Mental Health Board for Montgomery County to require all contracting agencies to complete their year end financial statements (balance sheet, income statement, statement of change in financial position) and closing entries within 60 days after the end of the fiscal year.

PROCEDURE

The Mental Health Board independent auditor will begin a year end review of the contract agencies beginning the first of September. Once a contracting agency's year end review by the Mental Health Board independent auditor has begun, it must be completed within thirty days. If the independent auditor cannot complete the audit within thirty days because the agency has not completed its financial statements and closing entries, the agency will be assessed an hourly penalty. The penalty will be based on any additional auditing hours required to complete the audit beyond the initial 30 day times the hourly audit rate indicated by the independent auditor's contract.

The revenue generated from assessments made on contract agencies would go into a pool that would be used to bring in someone to provide training for the finance staff of the agencies.

