

**CALHOUN COUNTY
BOARD OF COMMISSIONERS
POLICY STATEMENT**

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| SUBJECT: GENERAL FISCAL | DATE APPROVED: | EFFECTIVE: 8/27/00 | POLICY NO. 285 |
| | 8/17/00 | REPLACES: NEW | |

PURPOSE: The purpose of this policy is to define the accounting practices and procedures that will ensure timely and accurate reporting of the financial condition of Calhoun County.

AUTHORITY: The Calhoun County Board of Commissioners.

RESPONSIBILITY: The Office of the Administrator shall be responsible for the implementation and administration of this policy.

POLICY: The County shall maintain a high standard of accounting practices in conformance with Generally Accepted Accounting Principles (GAAP) for governmental entities as promulgated by the Government Accounting Standards Board (GASB).

The Office of the Administrator - Finance Department will project annual revenues for a three-year period and update these projections annually in accordance with M.C.L. 141.421 et. seq. Existing and potential revenue sources will be reviewed annually with the respective Elected Official/Department Head to determine the accuracy of the projection.

The County Board of Commissioners shall maintain a sound equalization review system to maintain property values at current levels. Property values will be assessed at 50% of true market value in accordance with the State of Michigan Constitutional and statutory requirements.

Elected Officials/Department Heads shall establish all user charges and fees where permitted by statute or ordinance. When possible, user charges and fees will be established at levels consistent with the cost of providing those services. It is the responsibility of each Elected Official/Department Head to annually review their departmental fee schedule and revise it when inflation and other costs are not covered. All changes to fee schedules shall be presented to the Board of Commissioners for approval.

The computerized accounting system shall maintain records on a basis consistent with accepted standards for local units of government according to the Government Accounting Standards Board (GASB).

The Office of the Administrator - Finance Department will issue a chart of accounts and update it as necessary. The chart of accounts will include fund numbers, business units, asset, liability, and equity accounts, revenue object accounts, and expenditure/expense object accounts.

All journal entries shall be submitted to the Office of the Administrator - Finance Department by the third working day of the subsequent month to be included in the prior month's general ledger. Journal entries shall be in proper form and include an appropriate description explaining the nature and purpose of the entry. All journal entries shall be signed by the elected Official/Department Head or designated person, and shall be reviewed by the Calhoun County Director of Finance.

The Office of the Administrator - Finance Department will close the general ledger on the fourth working day of the subsequent month. Monthly Budget Variance Reports will be distributed to all Elected Officials/Department Heads the second week of each month.

A monthly summary of all fund activities, with comparison to budget, will be prepared and distributed to the Board of Commissioners at a regularly scheduled Board of Commissioners meeting.

An independent firm of certified public accountants (CPA) shall perform an annual financial audit according to Generally Accepted Auditing Standards (GAAS) and will issue an opinion that will be incorporated in the Comprehensive Annual Financial Report (CAFR). This firm shall be selected competitively through the formal public request for proposal (RFP) process.

The Office of the Administrator - Finance Department shall maintain a mailing list of all entities that should receive a copy of the Comprehensive Annual Financial Report (CAFR) and/or a copy of the annual Single Audit. Copies will be mailed as soon as they become available. It is the responsibility of Elected Officials/Department Heads to inform the Finance Department of any additions/deletions to this mailing list.

Annually the County will seek the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Reporting.