

Policy: Financial Reporting

Policy Number: FI11

Effective Date: August 28, 2018

Editions:

The Coalition, under the authority of the Board of Directors, will follow Federal and State laws, regulations, rules, and guidance including:

- 31 CFR Part 208
- 2 CFR Part 200
- Generally Accepted Accounting Principles
- Additional requirements of funding source

to institute proper controls relative to financial reporting for agency funds, as well as, in accordance to Generally Accepted Account Principles.

Internal control measures will be used to ensure proper security, documentation and maintenance of Coalition transactions.

The primary purpose of financial statements is to provide relevant information to meet the common interests of donors, members, creditors and others who provide resources to the Coalition. Preparing financial reports and communicating key financial information is a necessary and critical accounting function. Financial reports are management tools used in making decisions, in monitoring the achievement of financial objectives, and as a standard method for providing information to interested parties external to the Organization. The Coalition has several key financial reports which include:

- Monthly Board Reports - Statement of Financial Position, Year to Date Agencywide Projection and Children Served
- Monthly Departmental Budget to Actual Expenditure Reports
- Quarterly/Annual Payroll Tax Forms
- Monthly Match Report
- Annual Form 990
- Annual Audited Financial Statements

Monthly Board Reports

The monthly Board Reports will be based on the accrual method of accounting. These reports will be prepared for Coalition senior leadership and the Board of Directors and will be designed to provide information that is useful in making high level decisions.

Generally Accepted Accounting Principles (GAAP) are designed to provide consistent financial reporting to external stakeholders. Because the information needed to make management decisions may be different from the information needed by external users, these reports will not be required to be prepared in accordance with GAAP.

Monthly Departmental Budget to Actual Reports

Monthly budget to actual reports will be prepared by the Finance Department for each department with budgeting responsibility. These are internal use management reports that will be used to ensure spending occurs in alignment with direction provided by the Board and senior leadership. The report format will be designed and adjusted as needed to meet the needs of the end users.

Monthly Match Reporting

Monthly match reporting will be done in accordance with the policy FI13 – Grant Management Policy.

Quarterly /Annual Payroll Tax Reports

All required payroll reports will be prepared by ELCFV's payroll processing company. The payroll processing company will also file all required reports with the appropriate state or federal taxing authority on or before the due date for each required form.

Annual Form 990 Return of Organization Exempt from Income Tax

The Coalition's annual Form 990 Return of Organization Exempt from Income Tax will be prepared by the independent Certified Public Accounting Firm that is responsible for the annual financial statement audit. The form will be reviewed by Coalition staff and the Board of Directors prior to being submitted to the United States Treasury each year.

Annual Audited Financial Statements

Annual Financial Statements will be prepared by the Finance Department in accordance with GAAP. These statements will be audited in accordance with Generally Accepted Auditing Standards (GAAS); 2 CFR §200 Subpart F, Audit Requirements; and Florida Single Audit Act, s. 215.97, Florida Statutes (F.S.). The audit will be conducted by an independent Certified Public Accounting Firm as approved by the Board of Directors. The Executive Committee will review the management letter comments to determine whether the system of internal controls require improvements. Once audited, the financial statements will be presented to the Finance and Executive Committees and Board of Directors for approval.