

**SUBJECT: FINANCIAL ACCOUNTABILITY**

BOCES must have internal controls in place to ensure that the goals and objectives of the BOCES are accomplished; laws, regulations, policies, and good business practices are complied with; operations are efficient and effective; assets are safeguarded; and accurate, timely and reliable data are maintained.

The base BOCES governance and control environment will include the following:

- a) The BOCES code of ethics (Policy 5000) addresses conflict of interest transactions with Board members and employees. Transactions that are less-than-arm's length are prohibited. Less-than-arm's length is a relationship between the BOCES and employees or vendors who are related to BOCES officials or Board members.
- b) The Board requires corrective action for issues reported in the Certified Public Accountant's (CPA's) management letter, audit reports, the Single Audit, and consultant reports.
- c) The Board has established the required policies and procedures concerning BOCES operations.
- d) The BOCES will implement standard procedures for the collection, recording, safeguarding, and deposit of cash. Reconciliations will be performed by someone independent of the process.
- e) The Board routinely receives and discusses the necessary fiscal reports including the:
  1. Cash disbursements;
  2. Treasurer's cash reports; and
  3. Budget status and appropriations adjustment reports.
- f) The BOCES has a long-term (five years) financial plan for capital projects.
- g) The BOCES requires attendance at training programs for Board members, business officials, treasurers, claims auditors, and others to ensure they understand their duties and responsibilities and the data provided to them.
- h) The Board has an audit committee to assist in carrying out its fiscal oversight responsibilities.
- i) The BOCES information systems are economical, efficient, current, and up-to-date.
- j) All computer files are secured with passwords or other controls, backed up on a regular basis, and stored at an off-site location.
- k) The BOCES periodically verifies that its controls are working efficiently.
- l) The BOCES requires all staff to take vacations during which time another staff member performs the duties of the staff on vacation.

8 New York Code of Rules and Regulations (NYCRR) Section 170.12

**Adopted: January 14, 2009**