



**BrightLife
Enhancement Services**
Holistic approach to healthcare

Financial Management

POLICY:

1. GENERAL

- A. The Owner/Chief Executive Officer (CEO) of Brightlife Enhancement Services formulates financial policies and reviews operations and activities.
- B. The CEO has management responsibility including financial management.
- C. Current job descriptions will be maintained for all employees, indicating financial duties and responsibilities.
- D. Financial duties and responsibilities must be separated so that no one employee has sole control over cash receipts; disbursements; payroll; reconciliation of bank accounts; etc.
- E. Back-up personnel will be cross-trained in the duties of financial personnel in the event of illness, vacation, etc.

- F. Professional financial service providers will be established annually. These include Accounting Software for accounting software and payroll services, a bank to be determined for corporate banking, and a CPA Firm as the organization's accountant with Mr. Marvel Riley serving as our Chief Financial Officer (CFO).

- G. The CFO will maintain a current and accurate log of the chart of accounts, job accounts and accounting classes.

- H. These policies and procedures will be reviewed annually by the Owner/CEO

2. CASH RECEIPTS (includes checks, cash, electronic deposits)

- A. The CEO opens any mail addressed to Brightlife Enhancement Services or without specific addressee. The receipt of check and cash will be recorded in the accounting system.
- B. The CEO or designee will endorse all checks by rubber stamp to read as follows:
PAY TO THE ORDER OF
Account # XXXXXXXXXXXX
FOR DEPOSIT ONLY
Brightlife Enhancement Services

The endorsement stamp will specify into which corporate account (savings, checking) the deposit will be made.

- C. A report will be printed that includes the source and amount of the receipt as well as the total daily deposit amount.



**BrightLife
Enhancement Services**
Holistic approach to healthcare

- D. The checks and cash will then be forwarded to the CFO who will complete deposit slip in duplicate. Receipts and deposit slip will be placed in an envelope for Brightlife Enhancement Services
- E. If no cash is present, the envelope may be sealed and sent through the US mail. If cash is present, the CFO will verify deposited funds prior to sealing the envelope and making the deposit in person.
- F. Documentation for all receipts (a copy of check, letter, etc.) will be attached to the duplicate slip and filed chronologically.
- G. All receipts will be deposited intact. No disbursements will be made from cash or check receipts prior to deposit.
- H. The CFO will record each cash payment received in a number receipt book with a duplicate for the payer. Cash shall be locked in a secure location until taken to the bank.
- I. All electronic deposits will be tracked in the Brightlife Enhancement Services accounting system.
- J. The CEO will receive a copy of all deposit reports for review.

3. CASH DISBURSEMENTS

- A. CHECK AUTHORIZATION
 - 1. All invoices will be immediately forwarded to the CFO who will review all invoices for mathematical accuracy, validity, conformity to the budget (or other authorization) and compliance with bid requirements.
 - 2. Prior to payment, all invoices will be approved (indicated by initialing) by the CFO, who will code the invoice with an appropriate expense or other chart of accounts line item number, class and job number (where applicable).
 - 3. By approving an invoice, the CFO indicates that it has been reviewed by the CEO and authorizes a check.
 - 4. The CFO will ensure that all conditions and specifications on a contract or order have been satisfactorily fulfilled, including inventorying items received against packing slip counts. The CFO is responsible for timely follow-up on discrepancies and payment.
 - 5. Approved invoices will be entered into the accounting system.



BrightLife
Enhancement Services
Holistic approach to healthcare

6. The CEO will prepare checks/electronic payments on a weekly basis.
7. Authorized signers on Brightlife Enhancement Services accounts include the CEO .

B. CHECKS

1. The CEO will be responsible for all blank checks.
2. All checks, including payroll checks/direct deposits, will be authorized by the CEO.
3. The CFO will generate checks/electronic payments for approved invoices through the accounting system using "Pay Bills" and/or "Write Checks" screens where appropriate.
4. Voided checks will have "VOID" written boldly in ink on the face and have the signature portion of the check torn out. Voided checks will be kept on file.
5. **In no event will:**
 - a. invoices be paid unless approved by an authorized signer
 - b. blank checks (checks without a date or payee designated) be signed in advance
 - c. checks be made out to "bearer", "petty cash", etc.
 - d. checks be prepared on verbal authorization, unless approved by the CEO.
6. In the event that it is necessary to issue a duplicate check for checks in an amount over \$15, a stop payment will be ordered at the bank on the original check.

C. BANK RECONCILIATION

1. Brightlife Enhancement Services Bank statements will be received directly and opened by the CEO or designee.
2. The CFO will reconcile the bank statement monthly.
3. The CFO shall verify the reconciliation of the bank accounts on at least a quarterly basis.
4. On all checks outstanding over 90 days, the staff position should take appropriate action.

4. PURCHASING

- A. All purchases including services must be approved in advance by the CEO.
- B. Purchases over \$5,000 will be required to undergo a competitive bid



procedure.

C. All bid requests will contain clear specifications and will not contain features which unduly restrict competition.

D. The CEO will be responsible to ensure that all conditions and specifications of a contract, bid, or order have been satisfactorily fulfilled and will be responsible for timely follow-up of these purchases.

E. The CEO will obtain at least 3 bids wherever possible unless prior approval by Executive Committee has been obtained.

F. Purchases of over \$5000 will not be fragmented or reduced to components of less than \$5,000 to avoid the bid process.

5. PAYROLL

A. TIME SHEETS

1. Each hourly employee will be responsible for completing a time sheet on a bi-monthly basis.

2. Completed time sheets will be dated and signed by the employee, via paychex (if the organization chooses them as their payroll vendor) and both will be submitted to the Chief Financial Officer/Designee at the end of the last working day of each pay period.

3. No payroll checks will be issued without a completed time sheet and time card if required.

4. Incomplete time sheets will be returned to the employee for correction.

5. The Chief Financial Officer will verify the accuracy of the time sheets and addition.

6. Employees will be twice a month; deductions are itemized on each paycheck.

B. PAYROLL

1. The Paychex Payroll System will enter payroll, print payroll checks, make direct deposit transfers print payroll reports and send reports to the Program Director

2. The CFO will review the payroll checks before they are distributed.

3. The CFO will distribute the payroll checks/electronic deposits to the employees.



**BrightLife
Enhancement Services**
Holistic approach to healthcare

4. Checks will not be issued to any person other than the employee without written authorization from the employee.

5. The Chief Financial Officer is responsible for entering payroll reports into the accounting system.

6. Voluntary terminations will be paid at regular pay date. Involuntary terminations will be paid on day of separation.

C. PAYROLL TAXES

1. The CFO will prepare and transmit the payroll tax reports, W-2 forms, and 1099 forms.

2. The CFO will verify payroll tax preparation on a quarterly basis.

D. BENEFITS

1. Payroll will be prepared in accordance with the personnel policies and benefit plan.

6. TRAVEL & EXPENSES

A. Each employee will complete an expense voucher if any traveling is done.

B. Mileage to and from residence will not be paid by Brightlife Enhancement Services.

C. The expense voucher will be submitted within 60 days for payment, with a total, signed by the employee, authorized for payment by the CEO.

D. Reimbursement will be based upon current travel policies. Receipts must be attached to the expense voucher for lodging, common carrier transportation, and receipts for meals where required.

E. Incomplete expense vouchers will be returned.

F. Employees will be reimbursed for travel and other related expenses at the rate set by the CEO. The CEO must approve employee travel and workshop expenditures prior to their occurrence. The organization will reimburse no more than the standard mileage rate for the business use of a car as established by the IRS. Brightlife Enhancement Services will reimburse meal expenses incurred in direct connection with Brightlife Enhancement Services employment. The mileage rate will be established annually by the CFO.

7. CONSULTANTS



**BrightLife
Enhancement Services**
Holistic approach to healthcare

- A. Consideration will be made of internal capabilities to accomplish services before contracting for them.
- B. Written contracts clearly defining work to be performed, terms and conditions will be maintained for all consultant and contract services.
- C. The qualifications of the consultant and reasonableness of fees will be considered in hiring consultants.
- D. Consultant services will be paid for as work is performed or as delineated in the contract.
- E. The CEO will approve audit and other significant contracts.
- F. The CFO will prepare 1099 returns for consultants at year - end.

8. PROPERTY

A. EQUIPMENT

- 1. Equipment shall be defined as all items (purchased or donated) with a unit cost of \$500 or more and a useful life of more than one year.
- 2. The Chief Financial Officer will maintain an inventory log; which shall list a description of the item, and its location.
- 3. A depreciation schedule shall be prepared at least annually for the audited financial statements.
- 4. The Chief Financial Officer will record all equipment in the accounting system. An entry must be made whenever property is disposed of or acquired.

9. LEASES

A. REAL ESTATE

- 1. The CEO will review leases for approval.
- 2. The CEO will keep a copy of each lease on file.
- 3. The Consulting Accountant will be notified of each lease and lease specifications, and will make proper general journal entries for same.

B. EQUIPMENT

- 1. The CEO will review all leases.
- 2. All leases, clearly delineating terms and conditions, will be approved and signed by the CEO.
- 3. The CEO will keep a copy of each lease on file.
- 4. The Consulting Accountant will be notified of each lease and lease



**BrightLife
Enhancement Services**
Holistic approach to healthcare

specifications, and will make proper general journal entries for same.

10. INSURANCE

- A. Reasonable, adequate coverage will be maintained to safeguard the assets of the corporation. Such coverage will include property and liability, worker's compensation, employee dishonesty and other insurance deemed necessary.
- B. The CEO/Designee will carefully review insurance policies before renewal.
- C. The CEO will maintain insurance policies in insurance files.
- D. Insurance policies will correspond to the calendar year whenever possible.

11. TELEPHONE

- A. Personal long distance or cellular phone calls that result in additional charges made on Brightlife Enhancement Services' telephones by employees must be logged with the staff position, indicating that it is a personal call. Employees will be billed on these calls.
- B. Brightlife Enhancement Services business calls from phones outside the office should be billed to the Brightlife Enhancement Services telephone account.

12. BOOKS OF ORIGINAL ENTRY

- A. Brightlife Enhancement Services will utilize a double entry system for accounting for all funds.
- B. Adequate documentation will be maintained to support all general entries.
- C. At the end of each month, the CFO will prepare a Balance Sheet, Statement of Activities, and Statement of Activities by Project that will be reviewed by the CEO.
- D. The Statement of Activities report will include a comparison to the budget.
- E. Brightlife Enhancement Services will maintain its accounting records on the accrual basis in a manner that facilitates the preparation of audited financial statements conforming to generally accepted accounting principles.

13. GRANTS AND CONTRACTS

- A. The CEO will carefully review each award and contract to ensure compliance with all financial and programmatic provisions. The CEO will also



**BrightLife
Enhancement Services**
Holistic approach to healthcare

maintain originals of all grants and contracts in a file. The CFO will prepare initial entries as appropriate to record each award.

B. The CFO will prepare and maintain on a current basis a Grant/Contract Summary form for each grant or contract awarded to Brightlife Enhancement Services. This form shall include the name, address, contact person, and phone number for the funding organization; the time period applicable to expenditures; all significant covenants (such as bonding or liability insurance requirements) and restrictions on expenditures; all require financial and program report and due dates; and the chart of accounts line item number for the revenue deposited.

C. Payments for projects for which Brightlife Enhancement Services serves as fiscal agent shall be paid out within one week.

D. The CFO will prepare financial reports to funding sources as required.

E. The CEO will review and approve all reports to funding sources.

F. It will be the responsibility of the CFO to ensure that all financial reports are submitted on a timely basis to the CEO and designated identified sources.

14. BUDGETS

A. The CFO will prepare the financial budget.

B. The CFO will ensure that budgets are on file.

15. LOANS

A. The CEO will approve loans.

B. A promissory note will be prepared and signed by the CEO before funds are borrowed.

16. OTHER

A. NON-PROGRAM INCOME

1. Donations of cash and non-program related income will be separately accounted for.

B. ACCOUNTS RECEIVABLE

1. Documentation will be maintained for accounts receivable.



**BrightLife
Enhancement Services**
Holistic approach to healthcare

2. Accounts receivable will be recorded in the accounting system and collected on a timely basis.
- C. FINANCIAL PROCEDURES
1. Financial procedures will be reviewed annually by the Owner/CEO. The Owner/CEO must approve changes to the financial procedure manual prior to implementation.
- D. FORM 990
1. The CEO in conjunction with the auditor will authorize preparation of Form 990. Form 990 will be signed by the CEO.
 2. Copies of Form 990 will be files in the staff position's files, and a copy of Brightlife Enhancement Services Form 990 and Form 1023 shall be available for public inspection and/or copying.
- E. AUDITS
1. The organization shall annually contract with an independent auditing firm or individual accountant for a full audit of the books, to be completed prior to the following first of May.
- F. PERSONNEL FILES
1. The Human Resources/Office Administrator will maintain a personnel file for each employee, containing appropriate documents as required.



**BrightLife
Enhancement Services**
Holistic approach to healthcare

Financial Solvency

Policy

It is the policy of the Brightlife Enhancement Services to be vigilant about reviewing and ensuring the financial solvency of the organization.

Procedure

1. The Management Team/Owner shall review the financial statements of the organization monthly.
2. Financial stability during periods of decreased revenues will be ensured through one or both of the following as feasible:
 - a. Developing a set-aside of at least three months of projected expenses.
 - b. Maintaining a line of credit of at least three months of projected expenses.
 - c. When feasible, the combined total will be maintained at six months of operating expenses
3. Should, during the monthly review of the organization's financial statements, the Management Team/Owner determine that the organization has run a deficit for three consecutive months, the management team will:
 - a. Appoint an internal task force to review:
 - i. Revenues and
 - ii. Expenses.
 - b. And to make recommendations regarding potential increases of various revenues and decreases in expenses.
4. The Management Team will review the recommendations of the internal task force and approve a set of recommendations to ensure financial solvency.
5. The Management Team will submit its recommendations to the Owner for approval.
6. The Management Team will create an implementation plan for the approved recommendations, implement the plan and monitor the plan.
7. Should the plan not result in a positive financial performance in three months the internal task force will be re-convened to suggest further measures for solvency.



PURPOSE:

To establish Brightlife Enhancement Services guidelines for determining appropriate service fees and billing.

POLICY:

It is the policy of Brightlife Enhancement Services to establish set fees and bill for services at these set rates.

PROCEDURES:

1. All service fees shall be billed at the set rates monthly on a schedule determined by the Chief Executive Officer (CEO) or designee.
2. Brightlife Enhancement Services service fee schedule is approved by the placing jurisdiction(s) and is available upon request.
3. All service fees are evaluated on an annual basis and modified when necessary. To determine service rates the CEO and assigned members of the Management Team will perform a formal analysis.
4. Rates are determined by:
 - A. Cost of service analysis
 - B. Competitive rate analysis.
 - C. Medicaid fee set (when applicable)
 - D. Negotiation with placing jurisdictions.
5. All clients/families and placing agencies shall receive disclosure of all fees for which they will be responsible.

V 1.0 reviewed 06/2025