ST. CLAIR COUNTY COMMUNITY MENTAL HEALTH AUTHORITY

BOARD POLICY

Date Issued 07/20

CHAPTER Fiscal Management		**CHAPTER** 07	**SECTION** 002	**SUBJECT** 0015
SECTION Accounting	**SUBJECT** Cost Settlement			
WRITTEN BY Carol E. Kandell	**REVISED BY** Cathy Grattan		**AUTHORIZED BY** SCCCMHA Board	

I. APPLICATION:

- ☒ SCCCMHA Board
- ☒ SCCCMHA Providers & Subcontractors
- ☐ Direct Operated Programs
- ☐ Community Agency Programs
- ☐ Residential Programs
- ☐ Specialized Foster Care

II. POLICY STATEMENT:

It shall be the policy of St. Clair County Community Mental Health Authority Board (SCCCMHA) to cost settle monthly advances from Region 10 PIHP as necessary at fiscal year end based on actual revenue and expenditures governed by the terms of the contract with Region 10 PIHP and the Michigan Department of Health and Human Services (MDHHS).

III. DEFINITIONS:

None Available

IV. STANDARDS:

A. All cost settlement reports, preliminary and final, will be prepared in accordance with the format and timelines specified in the contracts between Region 10 PIHP and SCCCMHA, and between MDHHS and SCCCMHA.

B. All cost settlement reports will be based on financial records prepared on the applicable basis allowed by MDHHS (either full or modified full accrual) in accordance with GAAP (generally accepted accounting principles).

C. The regional finance officers will meet as needed, but at least quarterly, to keep abreast of issues potentially having an effect on the preliminary and final cost settlement with MDHHS.

V. PROCEDURES:

Finance Director

CHAPTER	CHAPTER	SECTION	SUBJECT
Fiscal Management	07	002	0015
SECTION	**SUBJECT**		
Accounting	Cost Settlement		

1. Presents the preliminary settlement reports to the executive director and provides any explanation or clarification needed.

2. Finalizes the preliminary settlement reports with any recommended changes.

3. Submits the preliminary settlement reports to the Region 10 PIHP Chief Financial Officer (CFO) per the timeline specified in the contract.

4. Finalizes the settlement reports with any required or recommended changes from the Region 10 PIHP CFO review.

5. Submits final Settlement report to the Region 10 PIHP CFO and MDHHS.

6. Presents the final settlement report to the SCCCMHA Board for review and information.

SCCCMHA Board

7. Reviews the final settlement report as submitted to MDHHS.

VI. REFERENCES:

A. MDHHS and PIHP contracts

VII. EXHIBIT:

None Available

VIII. REVISION HISTORY:

Dates issued 02/02; 3/04; 06/04; 11/05; 2/08; 05/08; 05/10; 01/12; 06/14; 03/16; 05/17; 05/18; 05/19; 07/20.