

# **UTAH COUNTIES INDEMNITY POOL ACCOUNTING POLICY**

## **SECTION A EFFECTIVE DATE AND FREQUENCY OF REVIEW**

1. The effective date of this Accounting Policy is August 17, 2023.
2. This policy should be reviewed annually, but not less than every three years by the Board of Directors.
3. This policy should also be reviewed at any time that changes to laws or rules governing the fiscal procedures for interlocal entities are amended or recommendations are made by the UCIP CEO, which would require review and update to this policy.
4. Failure to review this policy in the frequency stated shall not nullify, void, limit or waive this policy or any action taken under this policy.
5. This policy is considered to be amended at the time any new federal or state law becomes effective which conflicts with this policy, but only to the extent necessary to come into compliance with new law.

## **SECTION B PURPOSE**

1. The purpose of the accounting policy of the Board is to comply with fiscal procedures of an interlocal entity under the laws of the State of Utah.

## **SECTION C AUTHORITY**

1. The Board has the authority to adopt this policy under the UCIP Interlocal Agreement and Bylaws.

## **SECTION D APPLICABILITY AND SCOPE**

1. This policy applies to all decisions regarding accounting procedures of UCIP by the Board.

## **SECTION E DEFINITIONS**

1. ACH: Automated Clearing House, a United States electronic payment network.
2. Board: the Board of Directors of the Utah Counties Indemnity Pool.
3. CEO: the Chief Executive Officer of the Utah Counties Indemnity Pool.
4. UCIP: the Utah Counties Indemnity Pool.

## **SECTION F POLICY STATEMENTS**

1. UCIP will comply with the Governmental Accounting Standards Board basis of accounting.
2. UCIP will utilize appropriate separation of duties to prevent fraud as outlined in the Internal Accounting Controls Policy.
3. UCIP operates as a joint liability reserve fund of its members and reports as a single enterprise fund.
4. UCIP will comply with the Interlocal Cooperation Act—Fiscal Procedures for Interlocal Entities.
5. UCIP may map their operational chart of accounts to the uniform chart of accounts developed by the Office of the Utah State Auditor to the extent that chart of accounts provides the best method of accounting for UCIP. Any deviation from the uniform chart of accounts developed by the Office of the Utah State Auditor shall be recommended by the UCIP Audit Committee and approved by the Board.
6. UCIP will follow accounting processes as outlined in the UCIP Accounting Manual.

## **SECTION G PROCEDURES AND RESPONSIBILITIES**

1. The Board shall approve the financial institution for UCIP to utilize for revenue and expenditures.
2. The Board shall approve the accounting software for UCIP to carry out accounting functions.
3. The Board shall elect, appoint and designate individuals to ensure proper separation of duties.
4. The Board shall review and approve a summary of expenditure transaction at each regularly scheduled Board meeting.
  - a. The Board and UCIP shall comply with the procedures and responsibilities outlined in the Internal Accounting Controls Policy.

## **SECTION H REVISION HISTORY**

1. Adopted: August 17, 2023

## **SECTION I APPENDICES**

1. Accounting Manual.