

Shadowfax

Title	Financial Reporting
Policy Number	FIN.2000.000.000
Policy Owner	Director of Finance
Approved By	Compliance Committee 12-15-21
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Next Review Date	January 2023
Associated Policies	
Associated Procedures	
Associated Forms	

I. POLICY STATEMENT

Finance is committed to providing timely, accurate, and thorough financial reporting to Program Directors, Executive Leadership, and Board of Directors.

II. PURPOSE

This policy is intended to provide the standards on the preparation and presentation of financial information to key stakeholders to ensure timely, accurate, and thorough reporting for decision-making purposes.

III. SCOPE

This policy applies to the Finance Department. The Director of Finance is responsible for the implementation and monitoring of this policy.

IV. GENERAL

The Finance Department prepares financial reporting on the accrual basis of accounting, which is outlined in Generally Accepted Accounting Principles (GAAP). Internal financial records are required to be audited by an independent outside

Shadowfax

accounting firm annually as put forth in Pennsylvania Solicitation of Funds for Charitable Purposes Act, 10 P.S. §162.1.

V. POLICY

Financial reporting will be prepared monthly and annually, and formally reviewed with Program Directors quarterly.

Monthly Reporting

Each month the Finance Department will prepare accrual-based financial reports by individual reporting program, as well as for the consolidated program of Shadowfax.

Final reports will be provided to Program Directors and Executive Leadership no later than the 15th business day of the month, unless otherwise communicated by the Director of Finance.

Individual reporting program reports will include an income statement that presents monthly and year to date financial data for each program, as well as monthly and year to date budgets with calculated variances. The Finance Department will assist Program Directors with the key performance indicator calculations; however, the calculation methodology and monitoring will be the responsibility of the Program Director. The Finance Department will act in a due diligence capacity for all individual program financial results.

Each Program Director will meet quarterly with Executive Leadership to discuss results and to analyze key performance indicators and significant budget variances. This meeting will be used to develop strategic changes to better meet future budget expectations or to capitalize on current financial gains.

Summary financial information will be provided to the Board of Directors by the Director of Finance at each Board meeting. The Board of Directors will review and approve financial information presented as evidence of completion of their fiduciary duty to Shadowfax.

Annual Reporting

Page 2 of 3 FIN.2000.000.000 Financial Reporting

Note: The term "Individual" is synonymous with resident, client, patient, consumer, or participant.

Shadowfax

Each year the Finance Department will prepare accrual-based annual financial reports by individual reporting program, as well as the consolidated Shadowfax.

Final reports will be provided to Program Directors and Executive Leadership no later than the 20th business day of the month after year-end, unless otherwise communicated by the Director of Finance.

Individual program reports will include an income statement that presents financial data for each program vs. budget, as well as monthly, annual budgets, and budget variances.

Each Program Director will meet with Executive Leadership to discuss annual results and to analyze key performance indicators and significant budget variances for the year. The Director of Finance will be responsible for coordinating required audit engagement, as required by state law.

VI. OVERSIGHT

Shadowfax's Director of Finance shall be in charge of the administration of this Policy. The responsibilities include:

1. Identifying the activities necessary to comply with this policy based on accounting and program requirements.
2. Periodically reviewing this policy and monitoring compliance to it.
3. Training responsible parties on their obligations under the policy.

Revision History

Name	Date	Reason for Changes	Version