

Accounting Team — Operating Procedures

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1. Team Overview

The Accounting Team manages all financial operations including revenue recognition, accounts payable/receivable, tax compliance, and financial reporting under SOX controls.

2. Team Leadership

Role	Name	Contact
Chief Financial Officer	Thomas Wright	twright@acmemeddevices.com
Controller	Maria Santos	msantos@acmemeddevices.com
Revenue Recognition Manager	David Lee	dlee@acmemeddevices.com
Tax Director	Jennifer Adams	jadams@acmemeddevices.com

3. Mandatory Rules

3.1 Revenue Recognition — ASC 606

- Revenue recognized ONLY when performance obligations satisfied
- Consignment inventory: NO revenue until customer takes possession
- Bill-and-hold arrangements require CFO + Controller approval
- Extended payment terms >90 days require CFO approval

3.2 Expense Approval Thresholds

- <\$1,000: Manager approval
- \$1,000-\$10,000: Director approval
- \$10,000-\$50,000: VP approval
- >\$50,000: CFO approval
- >\$250,000: CEO + Board notification

3.3 SOX Compliance

- ALL journal entries >\$25,000 require dual approval
- Month-end close entries require Controller review
- Account reconciliations due by 5th business day
- NO backdating of transactions — EVER

4. Required Approvals

Action	Approver	Form
Write-off >\$10,000	Controller + CFO	ACME-WO-001
New vendor setup	AP Manager + Requestor VP	ACME-VEND-001
Intercompany transaction	Controller	ACME-IC-001
Capitalization exception	Controller + CFO	ACME-CAP-001

5. Legal Gray Areas & Escalation

5.1 Side Agreements with Customers

If Sales presents a 'side letter' or informal agreement affecting revenue terms: STOP. Document the request. Escalate to Controller immediately. Side agreements not in the system = potential fraud and revenue misstatement.

5.2 Unusual Customer Payment Requests

Payment to third parties, offshore accounts, or in unusual currencies: Escalate to CFO and Compliance. May indicate money laundering or FCPA issues.

6. Reporting Deadlines

Report	Deadline	Owner
Monthly close	5th business day	Controller
Quarterly SEC filings	40 days after quarter end	CFO
Annual audit	60 days after year end	Controller
Tax returns	Per jurisdiction deadlines	Tax Director