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## **Appendix C – General Recordkeeping Requirements for Chief Fiscal Officers**

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Adequate accounting records and effective procedures need to be in place to properly account for and report financial activities of the local government or school district. Although most local governments and school districts maintain their accounting records electronically, the requirements are the same. Governing boards should familiarize themselves with the chief fiscal officer's recordkeeping system, whether maintained manually or electronically, before attempting to review the records. Some basic and essential record keeping and reporting requirements include the following:

1. Maintain official bank accounts in designated depositories.
2. Deposit moneys received into an official bank account and properly secure those moneys.
3. Moneys received should be deposited timely. Moneys received may be required by statute or local legislation to be deposited within a given number of days after receipt.
4. Disburse moneys, by check or electronic funds transfer, throughout the year. Most payments are made for salaries and wages of municipal officers and employees (based on certified payrolls) and for contractual expenses.
5. Maintain accurate and complete accounting records to record moneys received and disbursed. Accounting records are required to be kept on a fund basis.
6. Maintain separate appropriation accounts for every appropriation.
7. Prepare and provide interim reports to the governing board.
8. Prepare in a timely manner the annual financial report, which shows the summary of the prior year fiscal activity and the results of operations for that year. The report is filed with OSC and generally with the municipal clerk.
9. Reconcile cash, receivables, and other control accounts. Reconciliations of cash in the bank to recorded cash balances, and of detailed receivables or other subsidiary accounts to related control accounts, should be made periodically (monthly is recommended) and on a timely basis.

## Appendix C – General Recordkeeping Requirements for Chief Fiscal Officers continued

### Checklist for Review of Chief Fiscal Officer's Records

Determine the types of funds in use, and whether separate cash receipts and disbursements books are maintained for the various funds or whether a single cash receipts and single cash disbursements book is maintained. The following checklist can be used for each fund maintained.

#### A-ACCOUNT

<u>Cash Receipts</u>	<u>YES</u>	<u>NO</u>
Is the cash receipts journal up-to-date?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Is the cash receipts journal maintained in a manner that identifies the date received, payer, purpose and the amount either individually or totals referenced to subsidiary receipt records (e.g., water rents receipts register)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are un-deposited cash receipts safeguarded?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are duplicate deposit slips kept?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Do deposit amounts agree with cash receipt amounts?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are deposits made timely and recorded up-to-date?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Last Recorded Deposit: Date <u>3/27/2024</u> Amount <u>137.35</u></i>		
Is the cash receipts journal totaled and summarized monthly?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<u>Cash Disbursements</u> <i>Dove by Accountant Firm</i>	<u>YES</u>	<u>NO</u>
Is the cash disbursements journal up-to-date?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Is the cash disbursements journal maintained in a manner to identify amounts disbursed either individually or totals referenced to abstracts or payrolls?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are pre-numbered checks used for all disbursements (other than petty cash)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are all checks signed by the chief fiscal officer and co-signed if required?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If checks are signed electronically, is the signature stamp or software in the custody and control of the chief fiscal officer?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are canceled checks or check images returned with bank statements and maintained on file?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are all unused checks properly controlled (blank check stock)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are checks recorded up-to-date?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Last Recorded Check: # <u>11526</u> Date <u>3/25/24</u> Amount <u>343.75</u></i>		
Is the cash disbursements journal totaled and summarized monthly?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are payments supported by appropriate documentation? Consider comparing a sample of disbursements with supporting documentation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## Appendix C – General Recordkeeping Requirements for Chief Fiscal Officers continued

<u>Cash Reconciliations</u>	<u>YES</u>	<u>NO</u>																					
Are bank accounts reconciled? By Whom? <u>Accounting Firm</u> How Often? <u>Once a Month</u> Who Reviews/Verifies Them? <u>Town Supervisor/Town Board</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>																					
Is the bank reconciliation performed by a person whose job duties do not include maintaining either the cash receipts or disbursements journals or receiving or disbursing cash?	<input checked="" type="checkbox"/>	<input type="checkbox"/>																					
Is the bank reconciliation performed timely after the bank statement is received? <u>Done by Accounting Firm</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>																					
<table border="1"> <thead> <tr> <th colspan="3">Last Bank Reconciliation for Each Bank Account</th></tr> <tr> <th>Bank Account</th><th>Date Performed</th><th>Month Ending</th></tr> </thead> <tbody> <tr> <td><u>AB Account</u></td><td><u>3/31/2024</u></td><td><u>March 2024</u></td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>			Last Bank Reconciliation for Each Bank Account			Bank Account	Date Performed	Month Ending	<u>AB Account</u>	<u>3/31/2024</u>	<u>March 2024</u>												
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<u>AB Account</u>	<u>3/31/2024</u>	<u>March 2024</u>																					
Are reconciliations documented and available for review?	<input checked="" type="checkbox"/>	<input type="checkbox"/>																					
Does the reconciled bank balance agree with the cash balance recorded in the accounting records?	<input checked="" type="checkbox"/>	<input type="checkbox"/>																					
<u>Done by Accounting Firm</u>																							
<u>Receivables</u>	<u>YES</u>	<u>NO</u>																					
Are receivable control accounts maintained?	<input checked="" type="checkbox"/>	<input type="checkbox"/>																					
Is there indication that the receivable control accounts are reconciled to the detail subsidiary records?	<input checked="" type="checkbox"/>	<input type="checkbox"/>																					
<u>Investment Records</u>	<u>YES</u>	<u>NO</u>																					
Is an investment record maintained?	<input checked="" type="checkbox"/>	<input type="checkbox"/>																					
Is the record complete and up-to-date?	<input checked="" type="checkbox"/>	<input type="checkbox"/>																					
<u>Deposit Protection</u>	<u>YES</u>	<u>NO</u>																					
Has the bank pledged adequate, eligible securities to protect deposits and investments (under the custody of the chief fiscal officer) that exceed FDIC insurance protection?	<input checked="" type="checkbox"/>	<input type="checkbox"/>																					

## Appendix C – General Recordkeeping Requirements for Chief Fiscal Officers continued

<u>Indebtedness Records</u> (This record is maintained by the clerk in certain local governments)	<u>YES</u>	<u>NO</u>
Is an indebtedness register maintained? <i>Have NO debt</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the register complete and up-to-date?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

<u>Property Records</u>	<u>YES</u>	<u>NO</u>
Are property records maintained? <i>T/H Superintendant</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are the records up-to-date? <i>along w/ Supervisors Clerk</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are all fixed assets included in the records?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are physical inventories taken and compared to the records?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<u>Financial Reporting</u>	<u>YES</u>	<u>NO</u>
Are interim reports (budget/actual; trial balances; etc.) prepared?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are the reports distributed to the governing board and department heads?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Does total year-end recorded cash agree with that reported in the annual financial report?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<u>Payrolls</u>	<u>YES</u>	<u>NO</u>
Are payrolls certified/approved by the appropriate official?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are pay rates in accordance with collective bargaining agreements and other lawful employment contracts, or board resolutions?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Is leave time accounted for?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### Comments and Conclusions

*All records are kept in order with each account, Accounting firm does most accounts but everything is done thru Supervisor and Supervisors Clerk*