Indiana Code 5-13-6-1(e) states:

“All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories.”
Ledger: Fee & Cash Book
Form 3

A written or computerized record of all transactions (Receipts and Disbursements) the office has completed. These transactions are recorded at the moment they occur. A running balance should be available after each transaction and totals for receipts and disbursements should be calculated at the end of the month.

Receipts and Disbursements

- Reconcile Collections to Receipts Posted Daily
  - Count Cash Drawers
  - Reconcile to Deposit Report
  - Account for Cash Change
  - Document and Cash Over / Short
- Make Daily Deposits
- Account for electronic payments (Debit, Credit, ACH)
- Post all Disbursements
A report issued by the bank to the depositor documenting all the activity that occurred during a specified period of time. This statement provides a balance at both the beginning and end of the specified period.

**Reconcile the Differences**
Bank Reconciliation Process:

1. Trace all Deposits
2. Trace all Checks
3. Outstanding Check List

Common Variances…

- Interest Earned
- Deposits in transit
- Outstanding Checks
- Bank Fees
- Posting Errors
- Bank Errors
- NSF Check
- Credit / Debit Card payments
Ending **Bank** Balance
+ Deposits in Transit
+ Credit /Debit Payment
+/- Bank Errors
- Outstanding Checks

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Adjusted Bank Balance

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Ending **Record** Balance
+ Credit /Debit Payment
+/- Interest Earned
+/- Posting Errors
- Bank Fees
- NSF Checks

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Adjusted Record Balance

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*If all variances are identified, you are RECONCILED!!!!*
Next Steps…Post Variances

Ending **Record** Balance

+ Credit /Debit Payment

+/- Interest Earned

+/- Posting Errors

- Bank Fees

- NSF Checks

Adjusted Record Balance

Credit / Debit Payments

• Post any credit / debit payments by issuing a receipt when notified of an electronic payment. This is for online payments and may be done throughout the month.

• SO…this may or may not be a reconciling item
**Bank Interest and Fees**

- Post any:
  - Interest earned by the bank
  - Bank fees taken by the bank
- Bank fees can be netted against interest when posting; however, if bank fees are higher than interest, need a claim from General fund to make account whole.

**Insufficient Fund Checks**

- Void the receipt (Notification by bank)
- Follow up with payers to collect fees owed
- Does the County have a policy of NSF checks and any additional fees
Posting Errors

• Correct any Posting Errors such as:
   Transposition Errors
   Double postings
   Transaction not posted
   Wrong information

Next Steps…Report of Collections

• Fees are remitted to the County Treasurer monthly (by the 10th)
• Fees are accompanied by the Report of Collections
• All receipts are included on the Report of Collections, however, until the electronic payments are credited to the bank, do not include them on the report of collections
Next Steps...Gateway Upload

- Monthly:
  - Bank Reconciliation
  - Bank Statement
  - Outstanding Check List
  - Cash Balance Report (Form 3)

**Note: If the Recorders office does not have a separate bank account no uploads are required**

Audit Expectations:

- Collections are remitted properly
- Bank Reconciliations are current and complete
- Deposit Daily
- Transactions posted properly
- Fees are proper
- Record Retention
Contact Us:

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QUESTIONS??????