



STATE BOARD OF ACCOUNTS

Reconciling

2025 Annual Clerks Conference

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PAUL D. JOYCE, CPA STATE EXAMINER

Indiana's State Examiner and the agency head for the State Board of Accounts, Paul Joyce coordinates and manages the post-audits and examinations of over 4,000 state and local governmental entities in Indiana.

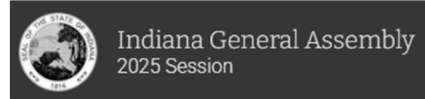
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Compliance

IC 5-13-6-1(e):

“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.”

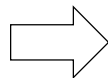


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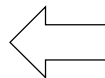
What is Reconciling?



Bank Statement(s)
What the Bank says you have



Reconciliation
Identifies the difference between



Cash Book
What your ledger says you have

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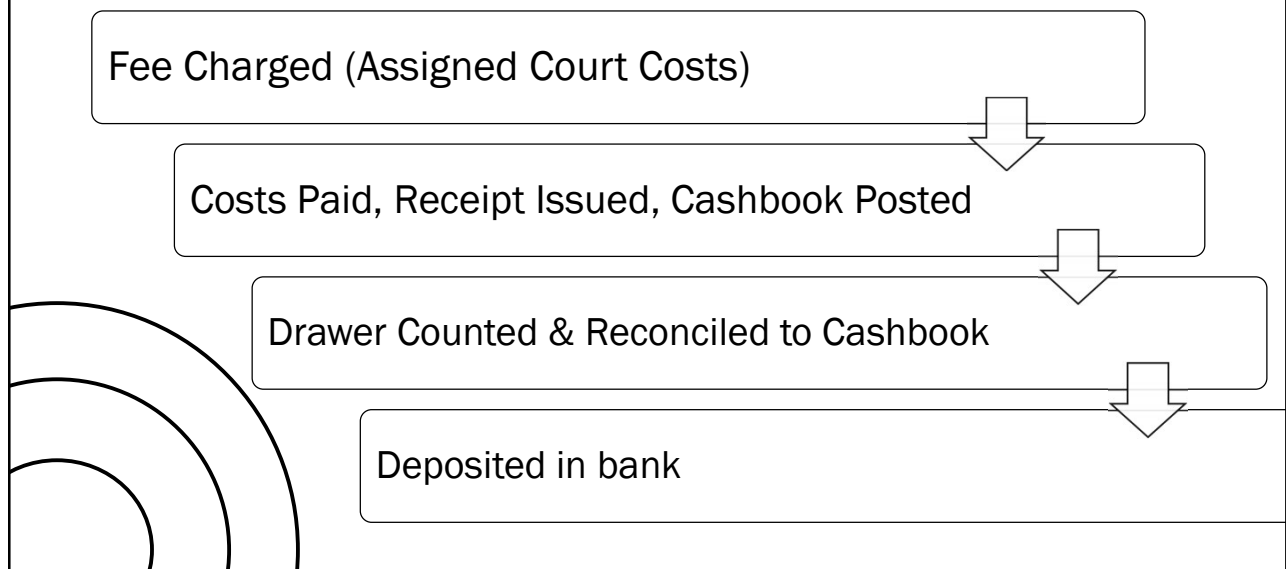
When to Reconcile

Daily	Monthly	Annually
<ul style="list-style-type: none">• Collections	<ul style="list-style-type: none">• Bank• Subsidiaries• Report of Collections	<ul style="list-style-type: none">• Supplemental AFR

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Daily Cash Collections




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Reconciling Cashbook to Subsidiary Trust Ledger	
<ul style="list-style-type: none"> ▪ The Cashbook is the aggregate of all the Court Costs and Fees along with amounts collected in trust. 	<ul style="list-style-type: none"> ▪ The Subsidiary Trust Ledger is the detail of what is being held, including the name and balance very trust item.

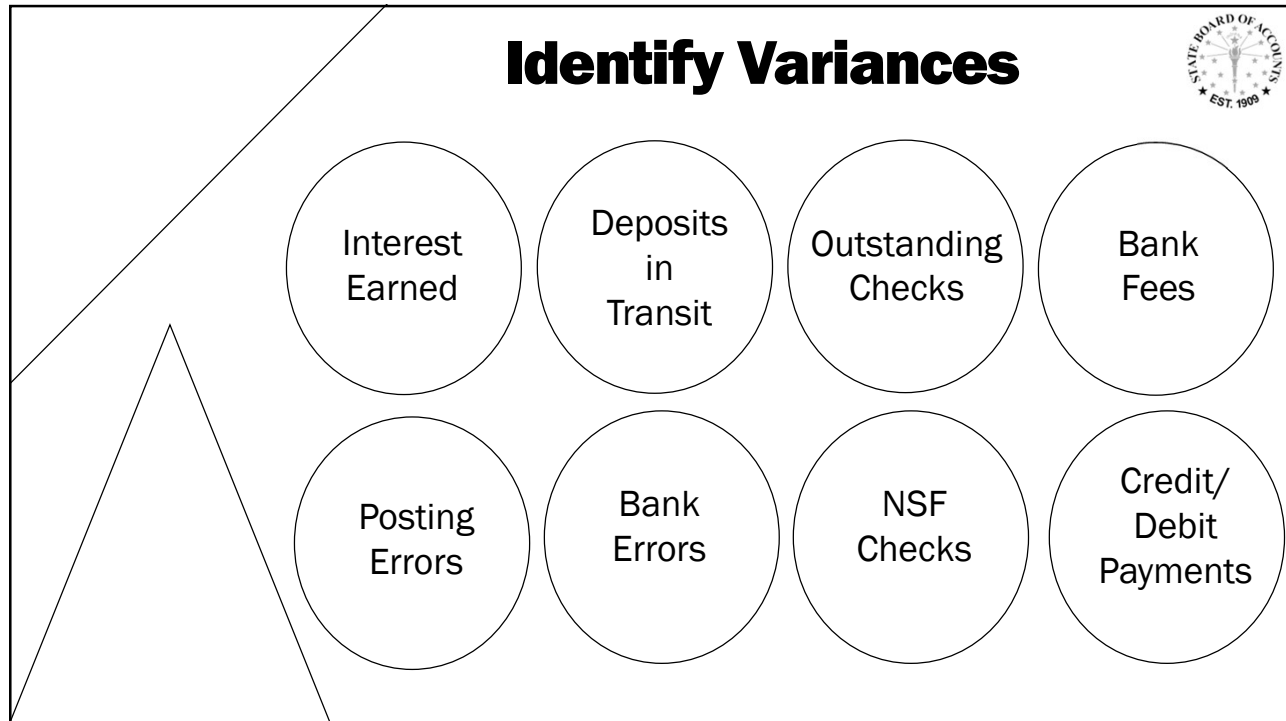


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Reconciling Cashbook to Bank Statements	
<ul style="list-style-type: none"> ▪ Trust total = Subsidiary Detail ▪ Odyssey - Daily Cash Balance Report ▪ Report of investments not included in trust 	<ul style="list-style-type: none"> ▪ Trust Bank Account ▪ CD investment ▪ Money Market Account ▪ Any other account holding money




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Interest and Bank Fees	<small>STATE BOARD OF ACCOUNTANTS EST. 1909</small>
<ul style="list-style-type: none"> ▪ Post any: <ul style="list-style-type: none"> ➤ 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. 	


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<h2>Interest</h2>	
<ul style="list-style-type: none"> ▪ Remit interest on the Report of Collections every month ▪ This would not include interest through court ordered investments ▪ Interest should be receipted into General Fund unless Board of Finance has approved alternative 	


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<h2>Posting Errors and Bank Errors</h2>	
<ul style="list-style-type: none"> ▪ Correct any Posting Errors such as: <ul style="list-style-type: none"> ➤ Transposition Errors ➤ Double postings ➤ Transaction not posted ➤ Wrong information ▪ Bank Errors should be addressed timely: <ul style="list-style-type: none"> ➤ Transactions hitting wrong accounts ➤ Transactions accounted for twice ➤ Fees incorrect 	


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Outstanding Checks & Deposits in Transit	
<ul style="list-style-type: none"> ▪ Outstanding Checks: <ul style="list-style-type: none"> ➤ Checks that have been written and distributed that have not cleared the bank at the time of the Bank Statement ▪ Deposits in Transit: <ul style="list-style-type: none"> ➤ Deposits that have been receipted into the ledger but have not cleared the bank at the time of the Bank Statement 	


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Insufficient Fund Checks (NSF)	
<ul style="list-style-type: none"> ▪ 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 	

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Credit / Debit Payments	
<ul style="list-style-type: none"> 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. 	

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Reconciling		
<p>Ending <u>Bank</u> Balance</p> <p>+ Deposits in Transit</p> <p>+ Credit /Debit Payment</p> <p>+/- Bank Errors</p> <p>- Outstanding Checks</p> <hr/> <p>Adjusted Bank Balance</p>	<p>Ending <u>Record</u> Balance</p> <p>+ Credit /Debit Payment</p> <p>+ Interest Earned</p> <p>+/- Posting Errors</p> <p>- Bank Fees</p> <p>- NSF Checks</p> <hr/> <p>Adjusted Record Balance</p>	<p>≡</p>

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Supplemental AFR



Supplemental Annual Financial Report
 RETURN THE COMPLETED FORM TO THE OFFICIAL OF THE GOVERNMENTAL UNIT BY JANUARY 20TH.

Name of Governmental Unit: _____ Contact Person: _____
 Office Name: _____ Phone Number: _____
 Year: _____ E-mail Address: _____

List all accounts/funds managed by this office

Fund Name	Beg. Investment Balance	Ending Investment Balance	Beginning Cash Balance	Other Receipts	Other Disbursements	Ending Cash Balance	New Fund

Certification: This is to certify that the data contained in this report is accurate and agrees with the financial records, to the best of my knowledge and belief.

Signature of Dept Official: _____ Title: _____
 Printed Name of Dept Official: _____ Date Signed: _____

Annual Goal



Subsidiary = Cashbook = Bank =
 Supplemental AFR



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