

## CASHBOOK

**Accounting and Uniform Compliance Guidelines Manual for County Treasurers of Indiana, Pages 5-9**

### **TREASURER'S DAILY BALANCE OF CASH AND DEPOSITORIES**

Every public officer in this state, who receives or distributes public funds, shall keep a cash book wherein there shall be entered daily, by item, all receipts of public funds. The cash book shall be balanced daily, shall show funds on hand at the close of each day, and shall be a public record open to public inspection.[IC 5-13-5-1]

The Treasurer's Daily Balance of Cash and Depositories, Form 47, is the record prescribed to enable the treasurer to comply with IC 5-13-5-1. It reflects the daily receipts and disbursements, total amount of cash and investments on hand, and a proof of the financial condition of the office at the close of each day.

The record is designed to be posted "daily," with a separate page for each day. The left side of the page shows the total amount of money for which the treasurer is accountable (charges) and the right side of the page shows the money on deposit, invested or on hand (credits), as proof of the financial condition.

#### **Charges - Left Side of Page (Lines 1 to 65)**

Lines 1 to 65 reflect the receipts, disbursements and balances of all monies awaiting transfer to a specific fund.

Lines 1 to 43 are for the tax collections, by taxing districts, and lines 44 to 65 are for collections from all other sources that are accumulated pending a proper time to receipt them into specific funds.

Column 2 - Enter in this column the balance of each amount at the beginning of the day. These amounts are carried forward from Column 5 of the preceding day.

Column 3 - Enter the day's receipts.

Column 4 - Enter amounts transferred by quietus from an account and receipted into specific funds. The total transferred should agree with the amount entered on line 69, Column 2.

Column 5 - Enter in this column the balance in each account at the end of the day.

#### **Left Side of Page (Lines 66 to 73)**

Line 69 reflects the day's transactions and balance of all funds.

Column 1 - This column is for the balance at the beginning of the day and the amount is brought forward from Column 5 of the preceding day.

Column 2 - This column is for the amounts being transferred by quietus from Column 4 accounts above, to funds.

Column 3 - Enter money received today and immediately receipted into a specific fund.

Column 4 - Enter disbursements, by warrant only.

Column 5 - Enter the balance of all funds at the end of the day.

Line 72 reflects the day's transactions and balance of all investments made from specific funds in the

funds ledger.

Column 1 - This column is for the balance at the beginning of the day and the amount is brought forward from Column 5 of the preceding day.

Column 2 - This column is not applicable and should not be used.

Column 3 - This column should show the purchase cost of investments purchased.

Column 4 - This column should show the purchase cost of investments cashed.

Column 5 - This column is for the balance at the close of the day.

Do not include investments not made from a specific fund in the funds ledger on line 72; for example, investments made from tax collections or from the total of all monies on deposit.

Line 73, Column 5, is the total of lines 43, 65, 69 and 72, and is the total amount of money for which the treasurer is accountable.

#### Credits - Right Side of Page (Lines 1 to 19)

Lines 1 to 19 reflect the amount of money in depositories. The day's transactions entered in the record for each depository are obtained from the following:

1. From 20-21, Combination Quietus, Application to Pay, Treasurer's Receipt and Auditor's Copy.

2. Forms 16, 16PR and 16W, Treasurer's Warrant Registers.

Column 7 - Enter the balance in each depository at the beginning of the day, amounts brought forward from Column 12 of the preceding day.

Column 8 - Enter the amount deposited in each depository during the day, which includes monies from tax collections, other sources and treasurer's copy of receipts issued.

Column 9 - Enter the amount deposited in each depository during the day, which amount had been received from investments cashed (purchase cost). This should include only those investments which were not made from a specific fund in the funds ledger; for example, investments made from tax collections or from the total of all funds on deposit.

Column 10 - Enter the total of all warrants issued from funds in the funds ledger against each depository during the day. The total on line 19 in this column should equal the amount shown in Column 4, line 69.

Column 11 - Enter the total of all warrants issued for investments purchased other than from specific funds in the funds ledger.

Column 12 - This column is for the balance in the depository (record bank balance) at the end of the day. The balance in this record will differ from that shown by the depository statements because of deposits in transit and warrants outstanding.

Lines 24 to 41 reflect the total amount of money invested. All transactions should be shown at the purchase cost of the investments and should agree with the Register of Investments, Form 350. Investments in U.S. Government Securities should be shown on line 25 and certificates of deposit should be listed by depositories on lines 26 through 40.

Column 7 - Enter the balances applicable to each line at the beginning of the day. The amounts are to be brought forward from Column 12 of the preceding day.

Column 8 - Enter the purchase cost of investments purchased from a specific fund in the funds ledger.

Column 9 - Enter the purchase cost of investments purchased from other than specific funds in the funds ledger.

Column 10 - Enter the purchase cost of investments cashed, which investments had been purchased from a specific fund in the funds ledger.

Column 11 - Enter the purchase cost of investments cashed, which investments had been purchased from other than specific funds in the funds ledger.

Column 12 - This column is for the balance of investments on hand at the close of the day.

Lines 47 to 73 reflect the cash transactions for the day. This section is designed for cross-proof and care should be taken that entries are made on the correct line and in the correct column. No entries should be made on the same line in more than one column.

Column 9 - Enter the cash on hand at the beginning of the day. The only entry is on line 48 and the amount is brought forward from Column 12, line 64, of the preceding day.

Lines 47 to 73 - Column 10 - Enter the day's receipts. The only entries made are on lines 49 to 53 and are brought forward from the left side of the page Column 3, lines 41, 65 and 69 and from right side, Column 11, line 41. Line 53 is the total of the above four lines (49 to 52) and is the total cash received on this day.

Column 11 - Enter deposits made during the day. Entries are made on lines 55 to 58 only. Items entered also appear on line 19, Columns 8 and 9.

Column 12 - Enter the cash on hand at the end of the day and the net amounts of the cash long and short. Entries on lines 59 to 73 are to record the actual cash count at the end of the day, the total being shown on line 64. This total should equal the result of Column 9 plus Column 10 less Column 11; if not, the difference should be entered in its proper place on either line 67 (short) or 69 (long). The totals on lines 67 and 69 should then be extended into the proper columns, as indicated on the form, and totals entered and proved on line 70. Line 73 is the total of lines 43 and 71 and must be the same as line 73 on the left side of the page.

### Settlements

After this record is balanced for the last day for paying taxes for the taxpaying period, the record will show on the left side of the page, Column 5, lines 1 to 43, the total amount of property taxes collected by the treasurer and available for settlement and distribution. The amounts shown on these lines shall continue to be carried forward each day until the date on which the settlement is made. This will then enable adjustments to be made in the respective taxing districts for any errors found in reconciling the tax duplicates and register of taxes collected to this record and for entry of the amounts of state property tax replacement credit determined at the time of settlement, as shown in Column 14 of the County Treasurer's Certificate of Collections, Form 49TC. Do not enter on these lines any after settlement tax collections until the semiannual settlement has been made.

All "after settlement property tax collections" which are to be accounted for and settled in the next settlement period should be accounted for on line 45 titled "Advance Collection of Taxes," and should not be commingled with the collections for the prior settlement period shown on lines 1 to 43. The collections for each day must, however, be entered in the register of taxes collected for the succeeding settlement period and the amounts entered in the register should at all times agree with the total collections shown on line 45. On the day after settlement is made for the prior period, the amounts collected, as shown on line 45, should then be transferred on the daily balance record. The transfer is made by entering a credit for the total taxes collected in Column 3, line 45, and by entering the amounts collected in Column 3, lines 1 to 43, for each taxing district in the amounts shown in the register of taxes collected. By entering a credit in Column 3 for the advance collection of taxes and by entering the collections on lines 1 to 43, this simply results in transferring the amounts to each district and will not affect the cash receipts and reconciliation of the daily balance record on the day the entries are made.

It is important that the amounts distributed at each semiannual settlement agree with the amounts shown in the treasurer's daily balance of cash and depositories, since a settlement and distribution in excess of the amounts entered in this record will result in "cash short" on the day the settlement is made. Conversely, if the settlement and distribution is made for less than the amount shown in this record, it will result in "cash long" for that day. Therefore, every effort should be made before settlement and distribution to see that the amounts distributed for each taxing district agree with the amounts entered in the register of taxes collected and in the treasurer's daily balance of cash and depositories.

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#### Advance Tax Draws

Advance tax draws shall be entered on line 42, left side of page, and are deducted from the total taxes shown on line 41. This will leave the balance of taxes to be settled on line 43.