Bank Reconciliation and Accounting

Recorder Virtual Meeting
July 2020

PRIMARY DUTIES

• Record instruments submitted for recording
• Enter each instrument into the Entry Book and properly index
• Make all recorded documents available to the public
• Supply copies of any instrument to the public

• Charge fees for both recording and retrieving documents.
ACCOUNTING FOR COLLECTIONS

• Fees
• Receipts
  • Reconcile Daily Collections
  • Deposits
• Posting Records
  • Cash and Fee Book
  • Prepaid Accounts
• Reconciling to Bank
• Report of Collections
RECEIPTS

- Reconcile Collections to Receipts Posted
  - Count cash drawers
  - Reconcile to Deposit Report
- Make daily deposits
- Account for electronic payments (Debit, Credit, ACH)
  - Issue a receipt when you run a debit or credit card
  - Issue a receipt when you are notified of an EFT
  - Reconcile collections to payments posted to bank

Posting Records

- Demand of fees – IC 36-2-11-6 and IC 36-2-11-7
- Cash and Fee Book (or software financial system)
- Prepaid Accounts
- Admin fees from overpayments IC 36-2-11-6
- Refunds
Posting of Records-Demand of Fees

• IC 36-2-11-6(a) “The recorder may demand the recorder’s fees before entering and recording an instrument.”

• IC 36-2-11-7 “When the recorder has received an instrument for record, the recorder may return it to the person who presented it only after the fee for recording the instrument has been paid.”

Posting Records – Cash Book
Posting Records – Prepaid Accounts

• Prepaid Accounts are allowed

• Must properly record and account for prepaid accounts

• Amounts are not earned until they are applied to a fee for an instrument that is recorded

Posting Records – Administrative fee

• IC 36-2-11-6(b) “If: (1) a person, in payment of a recording fee required under IC 36-2-7-10, submits an amount that exceeds the amount of the fee set forth in IC 36-2-7-10; and (2) the instrument submitted meets the statutory requirements for filing; the recorder shall accept and record the instrument. If the amount submitted is at least three dollars ($3) more than the fee required under IC 36-2-7-10, the amount that exceeds ($3) shall be refunded upon the request of the person filing the document. The recorder may retain as an administrative fee up to $3 of the excess of the amount submitted.”
Posting Records - Disbursements

- Refunds of overpayments
  - Amounts overpaid
  - Return of Prepaid accounts
- Bank Fees usually taken from bank account
  - Operating expense of Recorders office
  - Claim from County
- Remit fees collected to County treasury
  - Report of Collections
  - Receipting process

Report of Collections

- Fees are remitted monthly to the County Treasurer
- Accompanied by a Report of Collections to be filed with County Auditor

• Note: The Report of Collections, by itself, is not a cash balance report for uploads.
BANK RECONCILEMENT

Bank Balance per bank statement  Bank Reconciliation  Record Balance

Audit Expectations

• Collections are remitted properly
• Bank Reconciliations are current and complete
• Receipts are posted properly
• Fees are proper
• Record Retention
Remote Audits

- Communication through phone, email and video chats
- Use of Gateway
  - Monthly Uploads
  - Direct Requests
- Please acknowledge if you receive a request
- Provide time frame for response
- May receive questionnaires on Internal Controls