

CHAPTER 4

USE OF FINANCIAL AND APPROPRIATION RECORD

PURPOSE OF RULED COLUMNS

The "A" columns provide for a control account of all funds: A-1 Received for all Funds; A-2 Disbursed for all Funds; and A-3 Balance in all funds.

The "B" columns provide controls for the Township Fund; the "C" columns for the Dog Fund; other columns are available for the Fire Fighting Fund and other funds as may be required.

Following the "B" columns are four columns for listing expenditures by appropriation from the Township Fund, as originally approved, along with space for investments purchased and interfund transfers. Record the total appropriation made for personal services in column 1. The remaining columns account for the total appropriations for points 2, 3 and 4, as shown on Budget Form No. 1.

All additional or emergency appropriations made during the year, or any transfers between departments should be added to the then remaining appropriation in the proper column 1 through 4.

No appropriations are necessary for the Dog Fund.

Note that the columns headed by letters are to be used for all fund financial transactions in the several funds, and the columns headed by numbers are to be used for appropriations and expenditures from such appropriations. Additional fund columns do not have a letter, which may be added as needed.

Columns "M-1" to "M-5" are to be used to record receipts of all deductions from salaries and wages. Columns "M-6" records the disbursements to federal and state departments designated to receive the various withholdings and column "M-7" accounts for balances withheld and not yet paid to proper authorities.

FINANCIAL AND APPROPRIATION RECORD ENTRIES

Open a new record, or a new series of pages for each year, by recording all fund balances of the previous year. Record the total balances as of the end of the previous year on line 2, in column A-3. Post the balance in each of such funds as of January 1 on line 2, in columns B-3, C-3, etc., and others if used. The sum total of columns B-1, C-1, and others used should equal the amount posted in column A-1. Likewise, the sum of columns B-3, C-3, and others should equal column A-3.

Receipts and disbursements during the year are to be posted on lines 3 to 34, inclusive. Show the date received, the receipt number (posted in "Voucher Number" column), the name of person from whom received, the nature or purpose of the receipt, and the amount in columns A-1, Total All Funds, and the appropriate fund to which the receipt belongs in B-1, C-1, etc. The total of the funds columns will equal the entry in A-1.

Show the date of payment, voucher number, name of payee, nature or purpose of disbursement, and the amount in Columns A-2, Total All Funds, and the appropriate fund or funds to which the disbursements belong in B-2, C-2, etc. Distribution of the amounts disbursed should be made at the same time by charging the appropriation account or accounts (the number columns in each fund). The total postings to the numbered columns in each fund will equal the postings to B-2, C-2, etc., and the total of these columns will equal A-2.

All checks from which deductions are made must be entered in Column A-2, in the net amount. The gross amount is to be entered in the appropriate fund disbursed column and the correct appropriation column to which the disbursement applies. The amounts withheld must be entered in the appropriate "M" under "Deductions from Salaries and Wages". Thus the net amount of the warrants issued in Column A-2, plus the amounts withheld in the "M" columns will equal the gross amount of disbursements in the funds disbursed columns and in the appropriation columns affected.

The amounts withheld in the "M" columns are to be disbursed as follows:

Make wage reports to Public Employee's Retirement Fund, 501 Harrison Building, Indianapolis, Indiana 46204, in accordance with their instructions.

On or before January 31, April 30, July 31 and October 31 of each year:

Make report of federal tax withheld during the preceding quarter and make payment to Internal Revenue Service, if not deposited previously in accordance with IRS deposit requirements.

Make report WH-1 and pay State Tax withheld during preceding quarter to Indiana Department of Revenue.

On or before January 31 of each year prepare and furnish each employee Federal Form W-2 showing compensation paid, and appropriate withholdings; and State WH-2, showing compensation paid and proper withholdings.

Post the checks written to disburse taxes withheld, to Column M-6 and A-2 only. The net salary payments as originally posted and the posting or remittances from Column M-6 account for total salaries in Column A-2.

PROVING FINANCIAL AND APPROPRIATION RECORD

The record is to be proved at the close of each month and reconciled with the monthly bank statement or statements. As pages become fully posted, lines 3 to 34 inclusive, or for as many lines are used in a month, the items are to be totaled for all columns. After checking off the township checks returned paid by the bank or banks, list the checks, outstanding, immediately following the totals, on the first full page of the Financial and Appropriation Record. The total receipts of all separate funds must agree with the control Column A-1, and the total disbursements of all separate funds must agree with the control Column A-2, plus the balance carried in Column M-7. The total balances in all funds must agree with the control Column A-3, minus the balance in Column M-7.

After the funds have been proved to the control account, prove the various appropriation expenditures of each fund to total disbursements for each fund. As a check, the total of all appropriation (numbered) accounts must equal the total of Column A-2, plus the balance of Column M-7.

The amount shown in Column A-3 (all funds) should be the same as the balance given by the bank or banks, less the checks outstanding.