

Fiscal Accountability for Town Clerks

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Division of Local Government & School Accountability



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THOMAS P. DiNAPOLI

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Financial Recordkeeping

- Receive Moneys
- Maintain Cash Book & Deposit Moneys
- Issue Receipts
- Tax Collection Duties
- Additional Items
- Prepare Monthly Reports
- Maintain a Debt Register
- Disbursements
- Petty Cash
- Perform Reconciliations
- Process Claims
- Internal Controls
- Safeguarding Assets



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Receive Moneys

- Marriage licenses
 - Hunting/fishing licenses
 - Birth/death certificates
 - Dog licenses
 - Garbage bags or tags
 - Water/sewer rents
 - Building permits
 - Tax searches
 - Many more ...
- Put money received in:
 - Cash Register or
 - Cash Drawer



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Maintain Accounting Records and Deposit Receipts

Town Law Article 3 § 30 (1-a)

- Town Clerk:
 - Required to maintain a cash book
 - Enters money into cash book daily
 - Deposits intact
 - If receipts exceed \$250
 - Deposit by 3rd business day



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Issue Receipts

General Municipal Law § 99-b

- Receipt is required for collection of money
- Press-Numbered
- Duplicate
- Date - Name - Purpose
- Payment method
 - Cash - Check - Money Order - Credit Card



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Tax Collection Duties (if any)

Town Law § 35

- Towns:
 - Duplicate receipts
 - All money received
 - Deposit in 24 hours (we recommend using duplicate deposit slips)
 - Pay to Supervisor at least weekly
 - After warrant is satisfied, pay County Treasurer by 15th day of each month



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Additional Items

- For Tax Collections and Interest:
 - Interest Free - January 31
 - Postmark



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Additional Items (cont'd)

- Dishonored Checks – GML §85 allows for imposition of Service Charge up to \$20



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Additional Items (cont'd)

Credit Cards - GML §5b

- By local law, ordinance or resolution, Board designates officer to accept credit card payments for a specific purpose
 - Real Property taxes
 - Water/Sewer payments
 - Permits, Licenses, etc.



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Additional Items (cont'd)

Registrar's Fees - Public Health Law §4124

- Salaried
 - Fees property of town – A1603
 - Monthly report and fees to CFO
- Unsalariated
 - Fees property of town – A1603
 - Claim for fees – A4020.4
 - Registrar paid at least monthly by town for fees



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Reporting

- To the Supervisor
 - Submit report to Supervisor by 15th of following month
 - Report should detail all fees and charges
 - From Cash Receipts Record
- To Others
 - Marriage license fees – NYSDOH
 - Hunting/fishing license fees – NYSDEC
 - Dog licensing surcharge – Animal Population Control Fund



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Maintain Debt Register

Local Finance Law § 163

Bonds and Note Register should include:

- Type and amount
- Number of obligations in the issue
- Interest rate
- Date issued
- Maturity dates
- Payment schedule
- Date of adoption of resolutions, if any, pursuant to which obligations are issued



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Disbursements

- Make all disbursements by check except for authorized petty cash payments



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Petty Cash Fund

Town Law § 64 (1-a)

- Maximum
 - Receiver of Taxes: \$1,000
 - All Other Town Officers: \$500
- Reimburse Periodically
- Submit Claim
 - Materials
 - Supplies
 - Services



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Description	AC Code	Amount
Petty Cash Count		112.25
#2006-001 Rosalee (Receipt for Supplies)	A1330.4	\$48.75
#2006-003 Rosalee (Postage)	A1330.4	\$39.00
Petty Cash Fund	A210	\$200.00

Reimburse Custodian's Claim with Voucher for \$87.75



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Count and Prove Cash

- Daily – the sooner the better
- Reconcile cash – take back to original documents if necessary
- Discrepancies? – follow-up procedures
- Deposit intact



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Deposit Intact

Description	Check No.	Amount
Twyla Jones	234789	\$25.98
Wendy Smith	10001	\$74.89
Connie Williams	2789	\$25.00
Lester Johnson	987435	\$175.06
The Pizza Shack	00013456951	\$1,325.42
Total Checks:		\$1,626.35
CASH		300.52
Total Deposit		\$1,926.87

*Total Daily Collected **Equals** Total Deposited*



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Perform Reconciliations

- Reconcile Monthly
 - Bank Statement
 - Check Register/Cash Book
 - Liabilities



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Bank Reconciliation

Balance per bank		\$2,500
Add: Deposits in transit	\$85	
Less: Outstanding checks (i.e., Supervisor)	(\$175)	(\$90)
Adjusted bank balance:		\$2,410
Balance per cash book		\$2,468
Add: Interest earned	\$5	
Less: Dishonored checks (i.e., NSF)	(\$43)	
Plus or minus: Book adjustments	(\$20)	(\$58)
Adjusted book balance:		\$2,410



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Process Claims

Town Law §119

- Town Clerk's Statutory Responsibilities:
 - Consecutively number vouchers
 - Mark with date presented
 - Prepare abstract
 - Have available as a public record
 - Enter in the minutes



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Please note the following:

- Post audit not required:
 - Payrolls
 - Indebtedness (principal & interest)
 - Contracts exceeding one year
 - Court-ordered payments
 - Retirement system payments
 - Can pay in advance of audit:
 - Public utility services
 - Postage
 - Freight and express charges
- Note: All such claims shall be presented at the next regular meeting for audit.



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Claim Voucher

Appropriation Code (s)

Amount/Total

Itemized Description

Departmental Approval

Claimant Certification (Optional)

Audit Approval

Chapter 5 - Exhibits 65
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Abstract of Claims #01/2016

SUMMARY		
ACCOUNT CODE	AMOUNT	FUND TOTAL
A1220.4	\$35.57	
A1410.4	\$208.32	
A8160.2	\$3,450.00	A - \$3,693.89
B8010.4	\$31.15	B - \$31.15
DA5130.2	\$3,700.00	DA - \$3,700.00
TOTALS	\$7,425.04	\$7,425.04

Resolution noted in Minutes V#16-01 to V#16-05

Anne Scott, Town Clerk

Signature

To the Supervisor,

I certify that the vouchers listed above were audited by <Board or Comptroller> on <date> and allowed in the amounts shown.

You are hereby authorized and directed to pay to the claimant the amount opposite his name.

<date> <Signature of Town Clerk (or Comptroller)>

What Are Internal Controls?

- Any activities or procedures designed to provide reasonable assurance that operations are “going according to plan”.



Why Are Internal Controls Important?

- Ensure compliance with laws, regulations, policies, and procedures
- Preserve integrity
- Increase public confidence
- Establish standards of performance
- Ensure objectives are met
- Reduce fraud opportunities



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Safeguarding Assets

- Separate cash drawers
- Locked if unattended
- Use safe
- Frequent deposits
- Inventory of unused tags, licenses and permits
- Office (workspace)
- Duplicate receipts
- Check stock
- Inventory (bags)



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Transaction Processing

- Computerized Accounting Systems
 - Who has access? Is it limited?
 - Individual usernames/ passwords
 - Are computer records safeguarded?
 - Back-ups performed
 - How do you manage access changes?
 - Is software supported?



A Breakdown in Controls?

- Waste or misuse of assets
- Inaccurate or incomplete information
- Embezzlement and theft



Questions?

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