

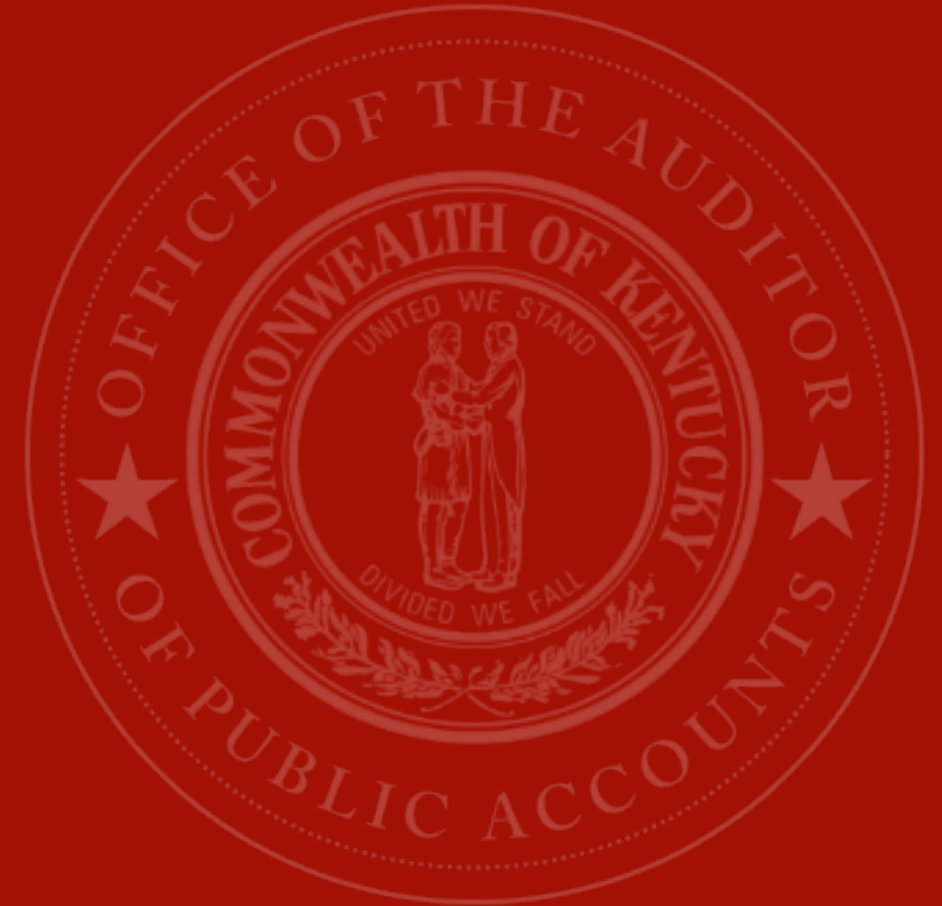
# Bookkeeping and Important Dates

“You are only as strong as your base”



# Agenda

- Bookkeeping
  - Daily
  - Monthly
  - Quarterly
  - Annually
- Important Dates



# Uniform System of Accounts

- Per DLG County Budget Preparation and State Local Finance Officer Policy Manual:
  - “All systems must comply with the Uniform System of Accounts.”



# KRS 68.210 Administration of county uniform budget system

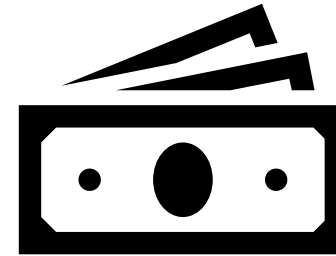
The administration of the county uniform budget system shall be under the supervision of the state local finance officer who may inspect and shall supervise the administration of accounts and financial operations and shall prescribe and shall install, by July 1, 1985, a system of uniform accounts for all counties and county officials. Subsequent to every regular and extraordinary session of the General Assembly he shall review the county uniform budget system to determine if it is consistent with state law and generally accepted accounting practices. If he finds the system to be inconsistent with state law or to contain obsolete accounting practices, he shall revise it accordingly. He may require all officials of all local governments and local taxing districts to submit such financial reports as he may deem proper. He may investigate, examine, and supervise the accounts and operations of all local governments and local government officers. This section does not impose upon or transfer to the state local finance officer any post audit functions.



# DLG Manual

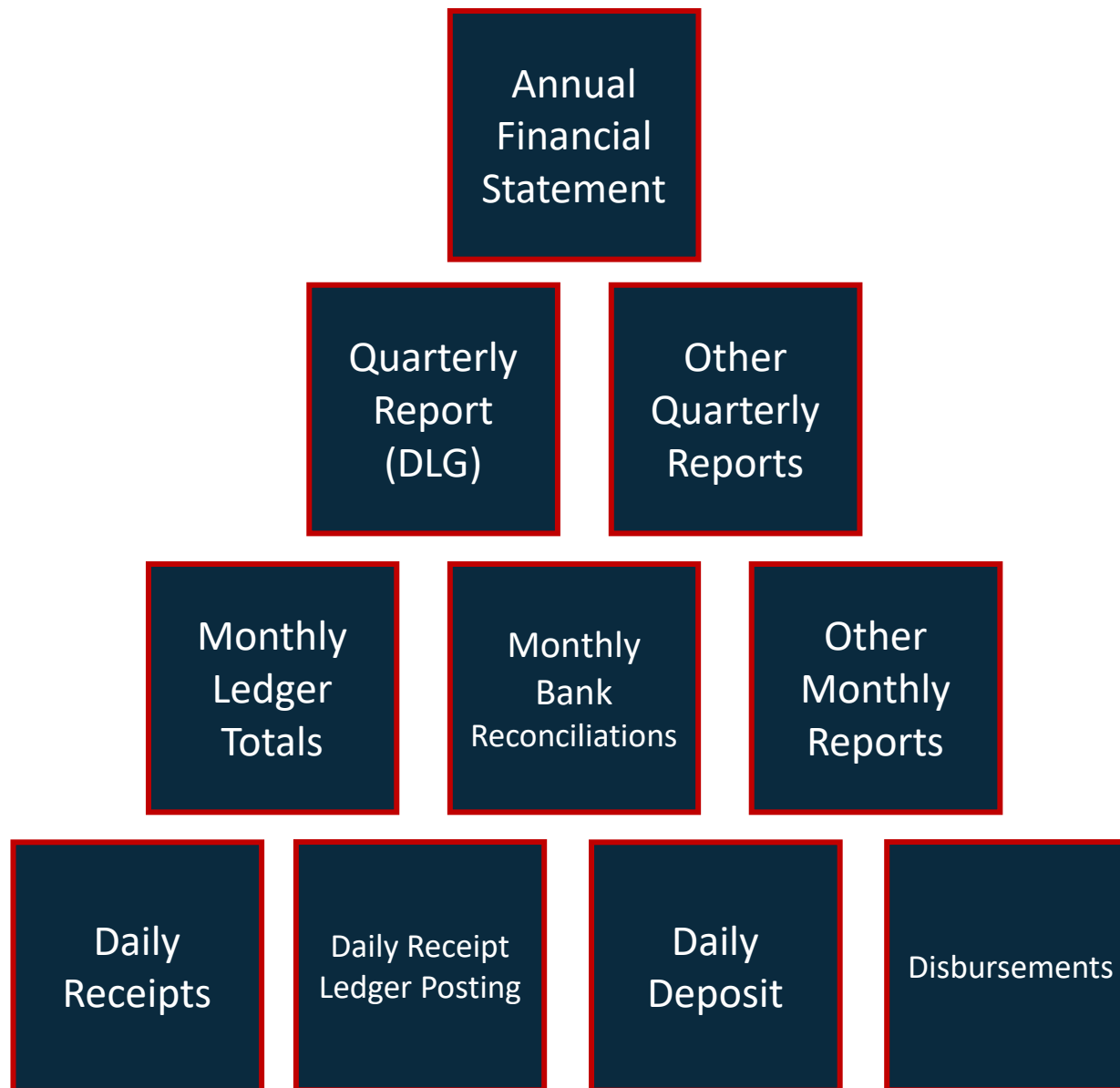


DLG County Budget  
Preparation and State Local  
Finance Officer Policy  
Manual



<http://kydlgweb.ky.gov/Documents/COUNTIES/BudgetManualRevised2017.pdf>





# Daily

## You Are Only as Strong as Your Base

Daily  
Receipts

Daily Receipt  
Ledger Posting

Daily  
Deposit

Disbursements



# Daily Receipts

- Receipt issued for all money received (KRS 64.840)
- Receipts batched and attached to daily checkout sheet/deposit
- Post to receipt ledger
- Fill-out deposit ticket
- Deposit daily into bank





# Receipts - KRS

- 64.840 Issuance of receipt for payment of fine, forfeiture, tax, or fee...
  - 1) Except for taxes collected on behalf of the state for which standard receipt forms had been supplied by the state prior to 1974, all county officials shall, upon the receipt of any fine, forfeiture, tax, or fee, prepare a receipt that meets the specifications of the state local finance officer...
  - 2) One copy of the receipt shall be given to the person paying the fine, forfeiture, tax, or fee and one copy shall be retained by the official for his own records. One copy of the receipt shall be retained by the official to be placed with the daily bank deposit.



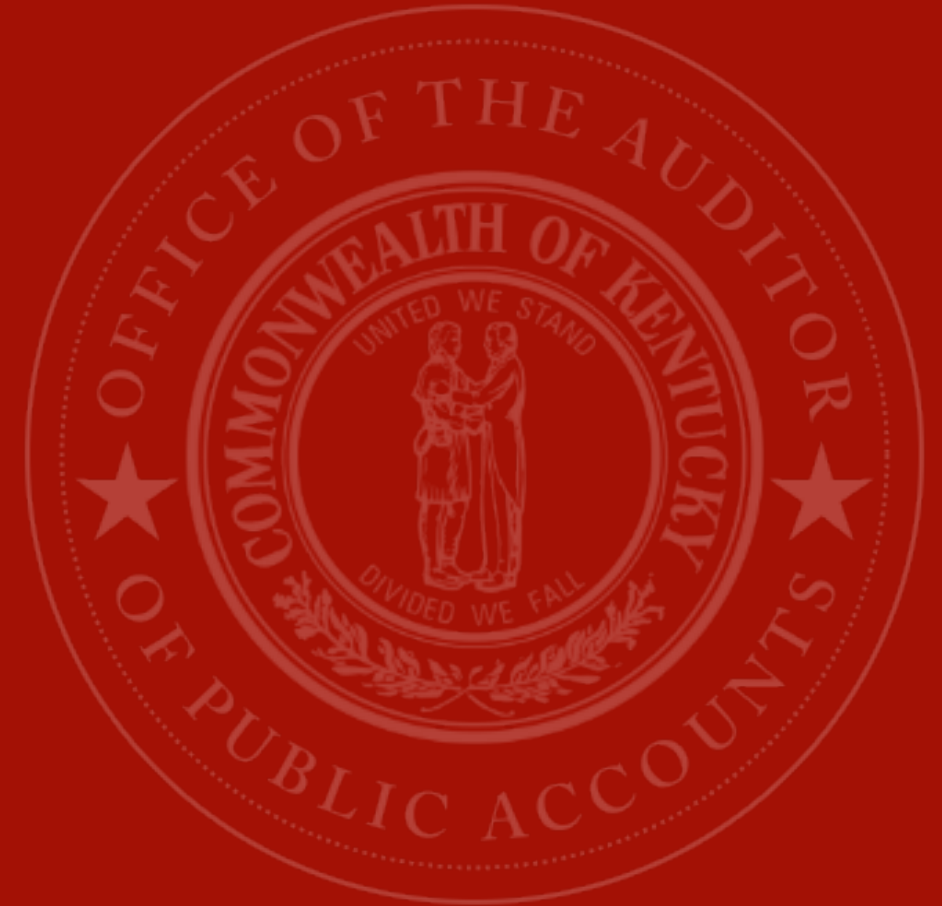
# Receipts - DLG

- Per DLG County Budget Preparation and State Local Finance Officer Policy Manual:
  - “Pre-numbered three-part receipt forms should be issued for all receipts. Original to be given to payor, copy to be attached in sequential order to daily cash check-out or daily deposit record, and copy to remain in file. Voided receipts should be so marked, copies one and two kept in numerical order with check-out records, and copy three remaining in file”. (KRS 64.840)



# Receipts

- Receipts should document if funds were received by Cash, Check, or Credit Card
- As noted by KRS, 3<sup>rd</sup> copy of the receipt should be batched and placed with the Daily Checkout sheet/daily deposit



# Receipts Ledger/Journal

- A daily, chronological listing of all receipts. The listing is the book of original entries for all revenues. The journal should indicate the date money is received, a description of the revenue source, the revenue account code, the total amount, and the fund(s) to which the amount is distributed. The cash receipts journal is totaled monthly.
- Can be electronic or paper
  - Most county officials have some type of software program



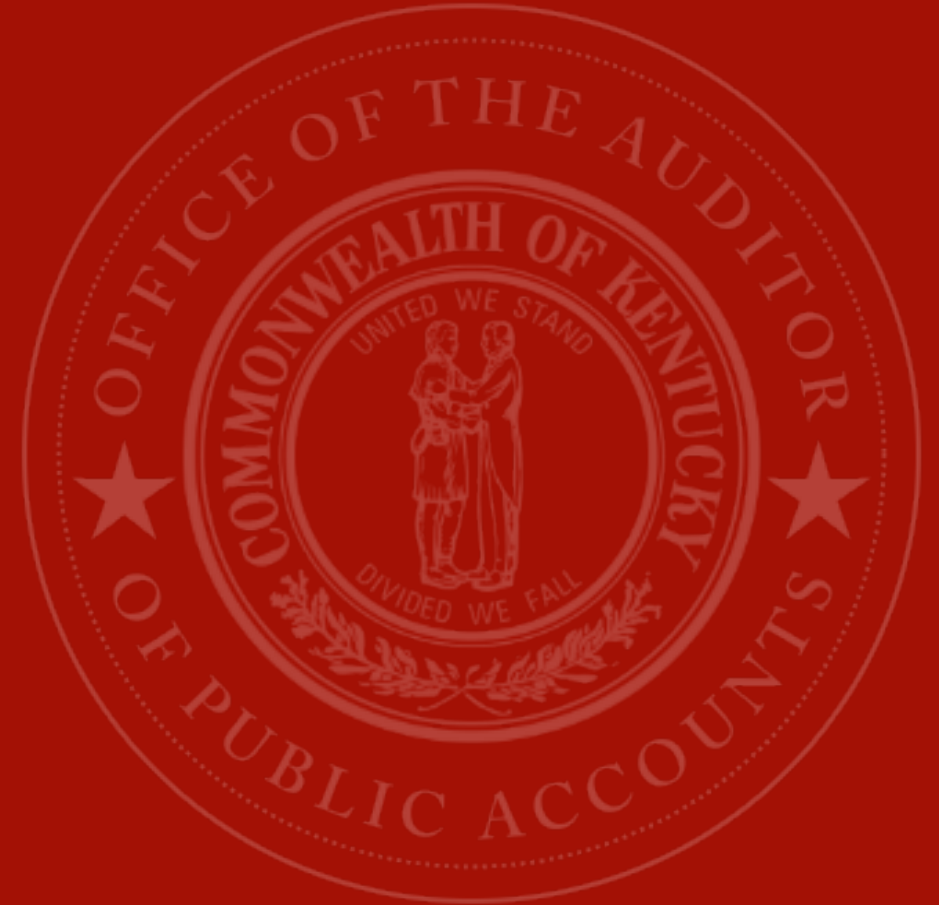
# Example Receipts Ledger (County Clerk)

| Date Received | Usage Tax  | Delinquent Tax | Deed Transfer Tax | Daily Total |
|---------------|------------|----------------|-------------------|-------------|
| 10/3/2022     | \$3,540.23 | \$1,390.15     | \$350.00          | \$5,280.38  |
| 10/4/2022     | \$2,750.44 | \$0            | \$725.00          | \$3,475.44  |
| ↓             |            |                |                   |             |
| 10/31/2022    |            |                |                   |             |
| Monthly Total | \$6,290.67 | \$1,390.15     | \$1,075.00        | \$8,755.82  |



# Receipts – Daily Deposit

- All public funds should be deposited into the official bank account **daily**
- Per DLG County Budget Preparation and State Local Finance Officer Policy Manual:
  - Daily deposits intact into a federally insured banking institution. (KRS 68.210)



# Receipts – Daily Deposit

- Ensure Deposits are made intact
- Intact: All monies received should be deposited as received-
  - Payment made by Check – Check should be deposited
  - Payment made by Cash – Cash should be deposited
  - Do not cash personal checks
- **The make-up of the deposit should mirror the actual funds received for the daily business**



# Deposit funds intact daily and agree to daily records

- Daily Records
  - Batched Pre-numbered Receipt Forms
  - Daily Check-Out Sheet
  - Daily Receipts Ledger Posting
  - Daily Deposit

All Should Agree





# Disbursements

Per DLG County Budget Preparation and State Local Finance Officer Policy Manual:

- Disbursements by check only. (KRS 68.210)

Note: Only a few exceptions to disbursements by check only



# Fiscal Court - Disbursements

## **67.080 Powers of fiscal court.**

- (2) The fiscal court shall:
  - (a) Appropriate county funds, according to the provisions of KRS 68.210 to 68.360, for purposes required by law;



# Funk v. Milliken – Disbursements (Fee Officials)

- In Funk v. Milliken, 317 S.W. 2d 499 (KY. 1958), Kentucky's highest court reaffirmed the rule that county fee officials' expenditures of public funds will be allowable only if they are:
  - Necessary
  - Adequately Documented
  - Reasonable in Amount
  - Beneficial to the Public
  - Not Personal Expenses



# Disbursements

- Disallowed Disbursement – Fee Officials
  - Any disbursements found to be in non-compliance with the provisions of **Funk v. Milliken** will be disallowed and will have to be reimbursed by the Clerk or Sheriff from **Personal Funds.**



# Example Disbursements Ledger (County Clerk)

| Date Paid  | Check Number | Payee         | Deputies Salaries | Delinquent Tax | Office Supplies |
|------------|--------------|---------------|-------------------|----------------|-----------------|
| 10/3/2022  | 2051         | J. Smith      | \$1,652.25        |                |                 |
| 10/4/2022  | 2052         | Office Depot  |                   |                | \$725.00        |
|            | 2053         | County School |                   | \$1,125.33     |                 |
| ↓          |              |               |                   |                |                 |
| 10/31/2022 |              |               |                   |                |                 |
|            |              |               |                   |                |                 |



# Disbursements

- Acceptable Supporting Documentation:
  - Original Bill, Invoice, or Receipt
    - **Needs to be Itemized**
  - Original Contract or Agreement
  - Credit Cards:
    - Credit Card Statement – Not Enough
    - Need the Supporting Documentation for the Purchase
      - Original Bill, Invoice, or Receipt (Itemized)



# Procurement

- Purchasing budget and cash in the bank to determine if funds are available before purchasing the item
- Follow administrative code and state laws
  - Purchase Order System
  - Bidding
    - KRS 424.260
    - Model Procurement Code KRS 45A
    - Admin. Code





# Monthly

Monthly  
Ledger Totals

Monthly Bank  
Reconciliation

Other Monthly  
Reports



# Example Disbursements Ledger (County Clerk)

| Date Paid            | Check Number | Payee         | Deputies Salaries | Delinquent Tax    | Office Supplies |
|----------------------|--------------|---------------|-------------------|-------------------|-----------------|
| 10/3/2022            | 2051         | J. Smith      | \$1,652.25        |                   |                 |
| 10/4/2022            | 2052         | Office Depot  |                   |                   | \$725.00        |
|                      | 2053         | County School |                   | \$1,125.33        |                 |
| ↓                    |              |               |                   |                   |                 |
| 10/31/2022           |              |               |                   |                   |                 |
| <b>Monthly Total</b> |              |               | <b>\$1,652.25</b> | <b>\$1,125.33</b> | <b>\$725.00</b> |



# Bank Reconciliations

- Per DLG County Budget Preparation and State Local Finance Officer Policy Manual:
  - Monthly bank reconciliation. (KRS 68.210)



# Bank Reconciliation

- A bank reconciliation is a summary of banking and business activity that reconciles an entity's bank account with its financial records which outlines the deposits, withdrawals, and other activities affecting a bank account for a specific period.



# Why are Bank Reconciliations Important?



1. Bank reconciliations may uncover differences that may need further investigation.
2. Bank reconciliations help to safeguard cash by detecting errors on the part of the bank and/or the municipality when recording activities in accounts.
3. Bank reconciliations can make you aware of recording errors and other problems more quickly by enabling you to isolate the problem.
4. Bank reconciliations help to create stronger internal controls, whereby accountability over cash assets is greatly enhanced.
5. Bank reconciliations ensure that account balances are accurate and that they reflect the true financial position of the municipality, so governing bodies can make more informed decisions.

SOI: TAB – Office of State Comptroller New York

# Bank Reconciliations – Records Needed

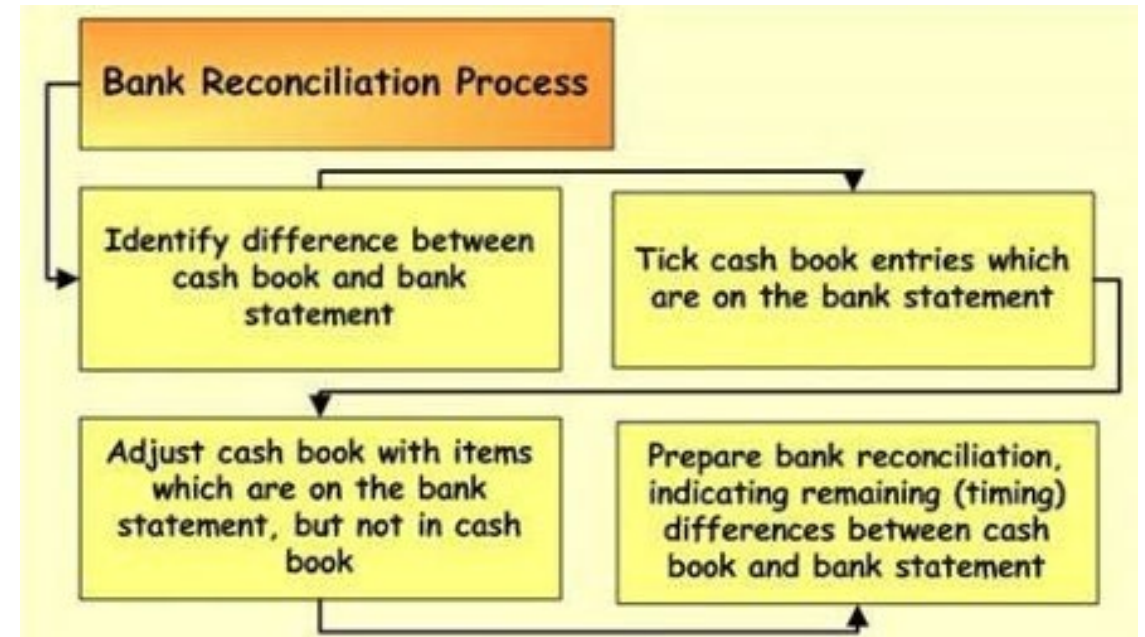


- Bank Statement
- Receipts and Disbursement Ledgers
- Check Register
- Financial Statement/Quarterly Report

# Bank Reconciliations – Definitions



- **Deposits in transit** – funds received and recorded in a company's records that have not yet been processed by the bank.
- **Outstanding checks** – checks that were issued but have not yet been cleared by the bank.



# Bank Reconciliation



## RECONCILIATION

Bank Balance

Plus Deposits in Transit

Less Checks Outstanding

Other : \_\_\_\_\_

Reconciled Bank Balance As Of:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\$ \_\_\_\_\_



# Bank Reconciliation

|  |    |   |
|--|----|---|
| <b>Book Balance per General Ledger</b> | \$ | - |
| <b>Adjustments to Book Balance:</b>    |    |   |
| <b><u>Add:</u></b>                     |    |   |
| Bank Interest - not posted             |    |   |
| Auto/electronic Deposit - not posted   |    |   |
| Other                                  |    |   |
| <b><u>Deduct:</u></b>                  |    |   |
| Returned Checks                        |    |   |
| Bank Fees                              |    |   |
| Other                                  |    |   |
| <b>Adjusted Book Balance</b>           | \$ | - |



# Bank Reconciliation



- Reconciled Bank Balance and Adjusted Book Balance should AGREE
- Be sure to record any unrecorded amounts to ledgers

# Bank Reconciliations – Document It!



- Document reconciliations. Documentation of reconciliations should include source documents used in the reconciliation and a schedule showing the comparisons made and adjustments or reconciling items identified with sufficient detail and clarity to enable effective review. Management should expect those in charge of performing the reconciliation to establish clear documentation of their process so it can be easily confirmed by others and reproduced if needed. Clear documentation also facilitates cross-training or succession planning, so as to avoid a breakdown in this key control in the event of staff turnover or absence.
- *SOI: Washington State Auditor*

# Other Monthly Reports



- Clerk – Delinquent Tax, Legal Process, Deed Transfer, Motor Vehicle Licensing, Tangible Personal Property
- Sheriff – Tax Collection

# KRS 68.360 – Fiscal Court



- 68.360 Monthly statement of county treasurer --Quarterly statement of county judge/executive.

(1) The county treasurer shall balance his/her books on the first day of each month, so as to show the correct amount on hand belonging to each fund on the day the balance is made, and shall within ten (10) days file with the county judge/executive and members of the fiscal court a monthly statement containing a list of warrants paid by him/her during the month, showing all cash receipts and the cash balance at the beginning and at the end of the month, and certifying that each warrant or contract is within the budget appropriation

# Quarterly



Quarterly  
Report  
(DLG)

Other  
Quarterly  
Reports

# Quarterly Financial Report – Fiscal Court



- Complete quarterly financial report
- Agrees to receipts and disbursements ledgers
- Due to DLG following the close of the quarter ending March 31, June 30, September 30, and December 31
- Note –Quarterly report has a bank reconciliation on the first page

# Quarterly Report – Fiscal Court



## Per DLG County Budget Preparation and State Local Finance Officer Policy Manual:

All county money is to be reported on the financial statement whether it is included in the budget or not. The statement is a cumulative report and is prepared, signed and dated by the county judge/executive and the county treasurer pursuant to KRS 68.210. The report is comprised of six sections as follows:

|              |   |
|--------------|---|
| Section I:   | Summary and Reconciliation, prepared by county treasurer                      |
| Section II:  | Receipts Section, prepared by county treasurer                                |
| Section III: | Contingent Liabilities Section, prepared by county treasurer                  |
| Section IV:  | Appropriation Condition Report, prepared by county judge/executive            |
| Section V:   | Fixed Asset Section— <i>4th quarter reporting only</i>                        |
| Section VI:  | Schedule of Expenditures of Federal Awards— <i>4th quarter reporting only</i> |

The State Local Finance Officer requires the report to be submitted by the 20th of the month following the close of the quarters ending September 30, December 31, March 31 and June 30. A copy must be posted in the courthouse and a copy must be transmitted to the State Local Finance Officer. Forward the report to Department for Local Government. The final quarterly report filed by a county within fifteen (15) days after the end of the last quarter of the fiscal year, in accordance with KRS 68.360(2), shall be deemed the uniform financial information report for that county for purposes of compliance with KRS 65.900 to 65.925.

# KRS 68.360 – Fiscal Court



- (2) The county judge/executive shall, within fifteen (15) days after the end of each quarter of each fiscal year, prepare a statement showing for the current fiscal year to date actual receipts from each county revenue source, the totals of all encumbrances and expenditures charged against each budget fund, the unencumbered balance of the fund, and any transfers made to or from the fund. The county judge/executive shall post the statement in a conspicuous place in the courthouse near the front door for at least ten (10) consecutive days, and transmit a copy to the fiscal court and to the state-local finance officer. The statement shall be read at the next meeting of the fiscal court



# Quarterly Report – Fee Officials



Per DLG County Budget Preparation and State Local Finance Officer Policy Manual:

## **FEE OFFICE QUARTERLY REPORTS (STATE LOCAL FINANCE OFFICER REQUIREMENTS)**

The State Local Finance Officer requires the quarterly report to be submitted no later than 30 days following the close of the quarters ending March 31, June 30, September 30, and December 31.

FORM FOR BUDGET, CUMULATIVE QUARTERLY REPORT AND ANNUAL SETTLEMENT FOR CALENDAR YEAR 20\_\_

\_\_\_\_\_ County Sheriff

Part One—Summary and Reconciliation of All Accounts

| Show & Describe All Accounts       | Column 1                            | Column 2                              | Column 3                     | Column 4                     | Column 5                     |
|------------------------------------|-------------------------------------|---------------------------------------|------------------------------|------------------------------|------------------------------|
|                                    | 20__ Fee Account<br>Budget Estimate | 20__ Fee Account<br>Cumulative Actual | Account<br>(NOT FEE ACCOUNT) | Account<br>(NOT FEE ACCOUNT) | Account<br>(NOT FEE ACCOUNT) |
| 1. Receipts YTD                    |                                     |                                       |                              |                              |                              |
| 2. Total Disbursements YTD         |                                     |                                       |                              |                              |                              |
| 3. Book Balance/Excess Fees        |                                     |                                       |                              |                              |                              |
| 4. Bank Statement Balance          |                                     |                                       |                              |                              |                              |
| 5. Plus Deposits in Transit        |                                     |                                       |                              |                              |                              |
| 6. Less Outstanding Checks         |                                     |                                       |                              |                              |                              |
| 7. Other                           |                                     |                                       |                              |                              |                              |
| 8. Reconciled Bank Balance         |                                     |                                       |                              |                              |                              |
| 9. Accounts Receivable as of 12/31 |                                     |                                       |                              |                              |                              |
| 10. Unpaid Obligations as of 12/31 |                                     |                                       |                              |                              |                              |
| 11. Excess Fees                    |                                     |                                       |                              |                              |                              |

Amounts Should Agree

Instructions: This form is the required format for the budget and the quarterly report. BUDGET: After completing the budget estimate columns of Parts One, Two and Three, submit to the fiscal court for approval by January 15th and following approval submit to the state local finance officer. QUARTERLY REPORT: The quarterly report is cumulative. Show the status of all funds in the official's charge during calendar year to date in Part One. **Line 1** Show total receipts on a cash basis for the year to date including any beginning balances for all accounts. **Show current year fee account in column 2 as calculated in Part Two of report.** **Line 2** Show total disbursements on a cash basis for the year to date for all accounts. **Show current year fee account in column 2 as calculated in Part Three of report.** **Line 3** Show difference between lines 1 and 2 for all accounts. **Line 4** Show bank statement balance(s) at close of quarter. **Line 5** Show total deposits made prior to close of quarter that are not reflected in bank statement(s). **Line 6** Show total amount of checks issued prior to close of quarter that are not reflected in bank statement(s). **Line 7** Show investments. **Line 8** Show line 4 adjusted for lines 5, 6, and 7. Line 8 should equal line 3 for all accounts. **Line 9** Complete for quarter ending 12/31. Show calculation in Part Two of report. **Line 10** Complete for quarter ending 12/31. Show calculation in Part Three of report. **Line 11** Complete for quarter ending 12/31. Show line 8 adjusted for lines 9 and 10. All debt to be shown in Part Four. Report due to: State Local Finance Officer, 1024 Capital Center Drive, Suite 340, Frankfort, KY 40601-8204 by the 30th day following the close of each quarter. Fax # 502-573-3712 / Ph # 502-573-2382.

Approved by the fiscal court on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_

To the best of my knowledge the information reported herein for the quarter ended \_\_\_\_\_ is accurate and complete.

\_\_\_\_\_  
County Judge/Executive

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of County Sheriff

\_\_\_\_\_  
Date



| Part Two Receipts                              | Budget Estimate | 1/1 thru 3/31 | 4/1 thru 6/30 | 7/1 thru 9/30 | 10/1 thru 12/31 | Total YTD | Accounts Receivable 12/31 | Settlement Total |
|--|-----------------|---------------|---------------|---------------|-----------------|-----------|---------------------------|------------------|
| 1. Federal Grants                              |                 |               |               |               |                 |           |                           |                  |
| 2. State Grants                                |                 |               |               |               |                 |           |                           |                  |
| 3. State - KLEFFP                              |                 |               |               |               |                 |           |                           |                  |
| 4. State Fees for Services                     |                 |               |               |               |                 |           |                           |                  |
| 5. Finance and Administration Cab.             |                 |               |               |               |                 |           |                           |                  |
| 6. Cabinet Human Resources                     |                 |               |               |               |                 |           |                           |                  |
| 7. Circuit Clerk                               |                 |               |               |               |                 |           |                           |                  |
| 8. Sheriff Security Services                   |                 |               |               |               |                 |           |                           |                  |
| 9. Fines/Fees Collected                        |                 |               |               |               |                 |           |                           |                  |
| 10. Court Ordered Payments                     |                 |               |               |               |                 |           |                           |                  |
| 11. Fiscal Court (includes Election Comm.)     |                 |               |               |               |                 |           |                           |                  |
| 12. County Clerk (Delinquent taxes)            |                 |               |               |               |                 |           |                           |                  |
| 13. Commissions on Taxes Collected             |                 |               |               |               |                 |           |                           |                  |
| 14. Fees Collected for Services                |                 |               |               |               |                 |           |                           |                  |
| 15. Auto Inspections                           |                 |               |               |               |                 |           |                           |                  |
| 16. Accident/Police Reports                    |                 |               |               |               |                 |           |                           |                  |
| 17. Serving Papers                             |                 |               |               |               |                 |           |                           |                  |
| 18. CCDW                                       |                 |               |               |               |                 |           |                           |                  |
| 19. Other (Describe)                           |                 |               |               |               |                 |           |                           |                  |
| 20.  |                 |               |               |               |                 |           |                           |                  |
| 21. Interest Earned                            |                 |               |               |               |                 |           |                           |                  |
| 22. Total Revenues                             |                 |               |               |               |                 |           |                           |                  |
| 23. Petty Cash                                 |                 |               |               |               |                 |           |                           |                  |
| 24. Borrowed Money                             |                 |               |               |               |                 |           |                           |                  |
| 25. State Advancement                          |                 |               |               |               |                 |           |                           |                  |
| 26. Bank Note                                  |                 |               |               |               |                 |           |                           |                  |
| 27. Total Receipts (Total lines 22 through 26) |                 |               |               |               |                 |           |                           |                  |



| Part Three<br>Disbursements                                       | Budget<br>Estimate | 1/1 thru<br>3/31 | 4/1 thru<br>6/30 | 7/1 thru<br>9/30 | 10/1 thru<br>12/31 | Total<br>YTD | Unpaid<br>Obligations | Settlement<br>Total |
|---|--------------------|------------------|------------------|------------------|--------------------|--------------|-----------------------|---------------------|
| <b>Official Expenses</b>  |                    |                  |                  |                  |                    |              |                       |                     |
| 1. Personal Services  |                    |                  |                  |                  |                    |              |                       |                     |
| 2. Sheriff's Gross Salary   |                    |                  |                  |                  |                    |              |                       |                     |
| 3. Deputies' Gross Salaries                                       |                    |                  |                  |                  |                    |              |                       |                     |
| 4. Part Time Gross Salaries                                       |                    |                  |                  |                  |                    |              |                       |                     |
| 5. Other Gross Salaries   |                    |                  |                  |                  |                    |              |                       |                     |
| 6. Overtime Gross   |                    |                  |                  |                  |                    |              |                       |                     |
| 7.  |                    |                  |                  |                  |                    |              |                       |                     |
| 8. Employee Benefits  |                    |                  |                  |                  |                    |              |                       |                     |
| 9. Employer's Share Social Security                               |                    |                  |                  |                  |                    |              |                       |                     |
| 10. Employer's Share Retirement                                   |                    |                  |                  |                  |                    |              |                       |                     |
| 11. Employer's Share Haz. Duty Ret.                               |                    |                  |                  |                  |                    |              |                       |                     |
| 12. Employer Paid Health Ins.                                     |                    |                  |                  |                  |                    |              |                       |                     |
| 13. Training Fringe Benefit (HB810)                               |                    |                  |                  |                  |                    |              |                       |                     |
| 14. Contracted Services   |                    |                  |                  |                  |                    |              |                       |                     |
| 15. Advertising   |                    |                  |                  |                  |                    |              |                       |                     |
| 16. Vehicle maintenance and repairs                               |                    |                  |                  |                  |                    |              |                       |                     |
| 17.   |                    |                  |                  |                  |                    |              |                       |                     |
| 18. Supplies and Materials (Tangible items with limited lifespan) |                    |                  |                  |                  |                    |              |                       |                     |
| 19. Office Materials and supplies                                 |                    |                  |                  |                  |                    |              |                       |                     |
| 20. Uniforms  |                    |                  |                  |                  |                    |              |                       |                     |
| 21. Gasoline  |                    |                  |                  |                  |                    |              |                       |                     |
| 22.   |                    |                  |                  |                  |                    |              |                       |                     |
| 23.   |                    |                  |                  |                  |                    |              |                       |                     |
| 24.   |                    |                  |                  |                  |                    |              |                       |                     |
| 25. Other Charges (Non-contracted )services, non-tangible items)  |                    |                  |                  |                  |                    |              |                       |                     |
| 26. Convention  |                    |                  |                  |                  |                    |              |                       |                     |
| 27. Dues  |                    |                  |                  |                  |                    |              |                       |                     |
| 28. Postage   |                    |                  |                  |                  |                    |              |                       |                     |
| 29. Mileage on Personal Vehicles                                  |                    |                  |                  |                  |                    |              |                       |                     |
| 30. Vehicle Expense   |                    |                  |                  |                  |                    |              |                       |                     |
| 31. Bond  |                    |                  |                  |                  |                    |              |                       |                     |
| 32.   |                    |                  |                  |                  |                    |              |                       |                     |
| 33.   |                    |                  |                  |                  |                    |              |                       |                     |



| Part Three<br>Disbursements  | Budget<br>Estimate | 1/1 thru<br>3/31 | 4/1 thru<br>6/30 | 7/1 thru<br>9/30 | 10/1 thru<br>12/31 | Total<br>YTD | Unpaid<br>Obligations<br>12/31 | Settlement<br>Total |
|--|--------------------|------------------|------------------|------------------|--------------------|--------------|--------------------------------|---------------------|
| 34. Auto Expenses on Personal Vehicles   |                    |                  |                  |                  |                    |              |                                |                     |
| 35. Gasoline   |                    |                  |                  |                  |                    |              |                                |                     |
| 36. Maintenance and repairs  |                    |                  |                  |                  |                    |              |                                |                     |
| 37. Insurance  |                    |                  |                  |                  |                    |              |                                |                     |
| 38. Depreciation   |                    |                  |                  |                  |                    |              |                                |                     |
| 39.  |                    |                  |                  |                  |                    |              |                                |                     |
| 40. Debt Service (Borrowed money, interest, lease/purchases)   |                    |                  |                  |                  |                    |              |                                |                     |
| 41. State Advertisement  |                    |                  |                  |                  |                    |              |                                |                     |
| 42. Notes  |                    |                  |                  |                  |                    |              |                                |                     |
| 43. Interest   |                    |                  |                  |                  |                    |              |                                |                     |
| 44.  |                    |                  |                  |                  |                    |              |                                |                     |
| 45. Capital Outlay (Outright purchases of tangible items lasting in nature)  |                    |                  |                  |                  |                    |              |                                |                     |
| 46. Office Equipment   |                    |                  |                  |                  |                    |              |                                |                     |
| 47. Vehicles   |                    |                  |                  |                  |                    |              |                                |                     |
| 48.  |                    |                  |                  |                  |                    |              |                                |                     |
| 49.  |                    |                  |                  |                  |                    |              |                                |                     |
| 50. Total Official Expenses  |                    |                  |                  |                  |                    |              |                                |                     |
| <i>For offices that fee pool, pay fees to county prior to December 31, or counties over 70,000 in population, show payments on appropriate line below.</i> |                    |                  |                  |                  |                    |              |                                |                     |
| 51. Payments to County Treasurer   |                    |                  |                  |                  |                    |              |                                |                     |
| 52. Payments to State Treasurer  |                    |                  |                  |                  |                    |              |                                |                     |
| 53. Total Disbursements (Total lines 50, 51, and 52)   |                    |                  |                  |                  |                    |              |                                |                     |



**PART FOUR - LIABILITIES OUTSTANDING**

QUARTER ENDED \_\_\_\_\_

| <b>Multi-year Issues</b>      | <b>Issue</b>  | <b>Issue</b> | <b>Totals</b> |
|-------------------------------|---|--------------|---------------|
| Where Budgeted                |   |              |               |
| Description                   |   |              |               |
| Term (# of Years)             |   |              |               |
| Current Interest Rate         |   |              |               |
| Issue Date                    |   |              |               |
| Total Principal Amount        |   |              |               |
| Total Interest Amount         |   |              |               |
| Total Issue                   |   |              |               |
| Principal Balance Remaining   |   |              |               |
| Interest Balance Remaining    |   |              |               |
| Less Reserve Earnings         |   |              |               |
| Net Outstanding               |   |              |               |
| Next Payment Date             |   |              |               |
| Next Payment Amount           |   |              |               |
| Final Payment Date            |   |              |               |
| <b>Short Term Liabilities</b> | <b>Issue</b>  | <b>Issue</b> |               |
| Where Budgeted                |   |              |               |
| Description                   |   |              |               |
| Term                          |   |              |               |
| Current Interest Rate         |   |              |               |
| Issue Date                    |   |              |               |
| Total Principal Amount        |   |              |               |
| Total Interest Amount         |   |              |               |
| Total Issue                   |   |              |               |
| Principal Balance Remaining   |   |              |               |
| Interest Balance Remaining    |   |              |               |
| Total Outstanding             |   |              |               |
| Next Payment Date             |   |              |               |
| Next Payment Amount           |   |              |               |
| Final Payment Date            |   |              |               |
| <b>Total Outstanding Debt</b> | (If no outstanding advancements, loans, leases, or other debt, show "\$0".) |              |               |



# How do you ensure quarterly report is correct?

- Starts with keeping accurate records every day:

- Daily Records

- Batched Pre-numbered Receipt Forms
- Daily Check-Out Sheet
- Daily Receipts Ledger Posting
- Daily Deposit



**All Should Agree**

- Daily Expenditure Records

- Invoice
- Check
- Daily Disbursement Ledger Posting



**All Should Agree**



# Ensure records agree to quarterly report

## Ledgers (Receipts and Disbursements)

- Ledger Categories Should Match the Categories/Accounts per Quarterly Report
- Should be Posted to Daily and Agree to Daily Records
- Should be Totaled Monthly/Quarterly/Yearly
- Should Agree to Quarterly Reports and Final Settlement
- Submit Quarterly Reports to DLG as Required

## Bank Reconciliations

- Completed Monthly and Reconcile to Ledgers





# Other Quarterly Reports

- Payroll Reporting



# Annually



Annual Financial  
Statement

# Fiscal Court

## 4<sup>th</sup> Quarter Report:

- The final quarterly report filed by a county, with DLG, within fifteen (15) days after the end of the last quarter of the fiscal year, in accordance with KRS 68.360(2), shall be deemed the uniform financial information report for that county for purposes of compliance with KRS 65.900 to 65.925

## Treasurer Settlement:

- At the close of each fiscal year, the county treasurer shall, within thirty (30) days after the close of each fiscal year, make a complete settlement of accounts with the fiscal court (KRS 68.020). After the fiscal court approves the treasurer's annual settlement, records of the settlement are filed in the office of the county clerk (KRS 68.030).



# Fiscal Court

## Per DLG County Budget Preparation and State Local Finance Officer Policy Manual:

All county money is to be reported on the financial statement whether it is included in the budget or not. The statement is a cumulative report and is prepared, signed and dated by the county judge/ executive and the county treasurer pursuant to KRS 68.210. The report is comprised of six sections as follows:

|              |   |
|--------------|---|
| Section I:   | Summary and Reconciliation, prepared by county treasurer                      |
| Section II:  | Receipts Section, prepared by county treasurer                                |
| Section III: | Contingent Liabilities Section, prepared by county treasurer                  |
| Section IV:  | Appropriation Condition Report, prepared by county judge/ executive           |
| Section V:   | Fixed Asset Section— <i>4th quarter reporting only</i>                        |
| Section VI:  | Schedule of Expenditures of Federal Awards— <i>4th quarter reporting only</i> |

The State Local Finance Officer requires the report to be submitted by the 20th of the month following the close of the quarters ending September 30, December 31, March 31 and June 30. A copy must be posted in the courthouse and a copy must be transmitted to the State Local Finance Officer. Forward the report to Department for Local Government. The final quarterly report filed by a county within fifteen (15) days after the end of the last quarter of the fiscal year, in accordance with KRS 68.360(2), shall be deemed the uniform financial information report for that county for purposes of compliance with KRS 65.900 to 65.925.



# Schedule of Expenditure of Federal Awards (SEFA)

- You **MUST** submit a SEFA to DLG with 4<sup>th</sup> Quarter Report
- SEFA is part of your annual financial statement
- Used to determine if you need an audit of federal awards (single audit)



# Schedule of Expenditure of Federal Awards (SEFA) – Information Included

- Federal Grantor
- Pass-Thru Agency
- Program or Cluster Title
- Federal CFDA Number
- Pass Through Entity's Identifying Number
- Amount Provided to Subrecipients
- Amount Expended



# Excel file can be found on DLG Website

| <b>Example</b>   | <b>Example</b>      | <b>Example</b>                           |    | Provided to  | Total                |
|--|---------------------|--|----|--------------|----------------------|
| Federal Grantor/Pass-Through Grantor/ Program or Cluster Title   | Federal CFDA Number | Pass-Through Entity's Identifying Number |    | Subrecipient | Federal Expenditures |
| <b>U. S. Department of Commerce</b>                              |                     |  |    |              |                      |
| <i>Direct Program</i>  |                     |  |    |              |                      |
| Investments for Public Works and Economic Development Facilities | 11.300              | 04-69-06556                              | ** | \$ -         | \$ -                 |
| <b>Total U.S. Department of Commerce</b>                         |                     |  |    | -            | -                    |
| <b>U. S. Department of Housing and Urban Development</b>         |                     |  |    |              |                      |
| <i>Passed-Through State Department for Local Government:</i>     |                     |  |    |              |                      |
| Community Development Block Grants/State's Program               | 14.228              | 12-046                                   | ** | \$ -         | \$ -                 |
| <b>Total U.S. Department of Housing and Urban Development</b>    |                     |  |    | -            | -                    |
| <b>U.S. Department of Justice</b>                                |                     |  |    |              |                      |
| <i>Passed-Through State Department of Justice-ARRA:</i>          |                     |  |    |              |                      |
| Crime Victims Assistance   | 16.575              |  |    | \$ -         | \$ -                 |
| <b>Total U.S. Department of Justice</b>                          |                     |  |    | -            | -                    |
| <b>U. S. Department of Transportation</b>                        |                     |  |    |              |                      |
| <i>Passed-Through State Transportation Cabinet:</i>              |                     |  |    |              |                      |
| Highway Planning and Construction                                | 20.205              | P02 - 628- 0600003423                    |    | \$ -         | \$ -                 |
| <b>Total U.S. Department of Transportation</b>                   |                     |  |    | -            | -                    |



# When do you need a single audit?

Federal Expenditures exceed \$750,000 in the fiscal year





# Annual Report – Jail Commissary

KRS 441.135 (2) ...The jailer shall keep books of accounts of all receipts and disbursements from the canteen and **shall annually report to the county treasurer** on the canteen account



JAIL COMMISSARY FUND SUMMARY AND RECONCILIATION

| Year To Date Summary                   |       |          |
|--|-------|----------|
| A. Cash Balance - July 1, 20____       |       | \$ _____ |
| Plus receipts for fiscal year:         |       |          |
| Inmate Pay State                       | _____ |          |
| Inmate Account                         | _____ |          |
| Sales Vending Machine                  | _____ |          |
| Sales Commissary                       | _____ |          |
| Other Receipts                         | _____ |          |
| B. Total Receipts                      |       | \$ _____ |
| C. Total Funds Available (A + B)       |       | \$ _____ |
| Less Expenditure for Fiscal Year:      |       |          |
| Inventory                              | _____ |          |
| Inmate Account Refund                  | _____ |          |
| Entertainment Expense                  | _____ |          |
| Inmate State Payroll                   | _____ |          |
| Other Expenses                         | _____ |          |
| D. Total Expenditures                  |       | \$ _____ |
| E. Cash Balance as of _____ (C-D)      |       | \$ _____ |
| RECONCILIATION                         |       |          |
| F. Bank Balance                        |       |          |
| G. Plus Deposits in Transit            | _____ |          |
| H. Less Checks Outstanding             | _____ |          |
| I. Other: _____                        | _____ |          |
| J. Reconciled Bank Balance As Of _____ |       | \$ _____ |
| (Sum of F through I)                   |       |          |

# Annual Report – Jail Commissary

(Sample from DLG  
Budget Manual)



# Annual Report – Fee Officials

Sheriff – KRS 134.192

- Tax –Settle by September 1<sup>st</sup>
- Fee –Settle by March 15<sup>th</sup>

County Clerk – KRS 64.152

- Fee –Settle by March 15<sup>th</sup>



# How do you ensure 4<sup>th</sup> quarter report is correct?

- Starts with keeping accurate records every day:

- Daily Records

- Pre-numbered Receipt Forms
- Daily Check-Out Sheet
- Daily Receipts Ledger Posting
- Daily Deposit

All Should Agree

- Daily Expenditure Records

- Invoice
- Check
- Daily Disbursement Ledger Posting

All Should Agree



# Ensure records agree to 4<sup>th</sup> quarter report and annual settlement

## Ledgers (Receipts and Disbursements)

- Ledger Categories Should Match the Categories/Accounts per Quarterly Report
- Should be Posted to Daily and Agree to Daily Records
- Should be Totaled Monthly/Quarterly/Yearly
- Should Agree to Quarterly Reports and Final Settlement
- Submit Quarterly Reports to DLG as Required

## Bank Reconciliations

- Completed Monthly and Reconcile to Ledgers



# How do you ensure 4<sup>th</sup> quarter report is correct?

Follow-up to make sure everything is being done.



# Fiscal Court Timelines - Budget



**15 Jan.**

By January 15:

- Approve fee official budgets.
- (KRS 64.345; 68.210)



**1 May**

By May 1:

- Submit complete county budget to fiscal court.
- (KRS 68.240)

By April 1:

- Submit proposed jail fund budget to the fiscal court.
- (KRS 441.215)

**1 April**



# Fiscal Court Timelines - Budget



By June 1:

- First reading of proposed budget ordinance.
- (KRS 68.240, 67.077)

Not less than 7 nor more than 21 days prior to adoption:

- Advertise 2<sup>nd</sup> reading
- Publish summary of proposed budget
- Submit 3 copies to SLFO
- (KRS 67.077, 68.240, 68.250, 68.260, 424.13)



# Fiscal Court Timelines - Budget



## At least 7 days prior to adoption:

- Post a copy of proposed budget near front door.
- (KRS 68.260)

## By July 1:

- 2<sup>nd</sup> reading and adoption of proposed budget.
- (KRS 67.077, 68.260)

## Within 15 days following adoption by FC:

- Submit a copy of adopted budget to SLFO.
- (KRS 68.270)

# Fiscal Court

## 4<sup>th</sup> Quarter Report:

- The final quarterly report filed by a county, with DLG, within fifteen (15) days after the end of the last quarter of the fiscal year, in accordance with KRS 68.360(2), shall be deemed the uniform financial information report for that county for purposes of compliance with KRS 65.900 to 65.925

## Treasurer Settlement:

- At the close of each fiscal year, the county treasurer shall, within thirty (30) days after the close of each fiscal year, make a complete settlement of accounts with the fiscal court (KRS 68.020). After the fiscal court approves the treasurer's annual settlement, records of the settlement are filed in the office of the county clerk (KRS 68.030).



# County Clerk Timelines



## By January 15:

- Budget must be approved by fiscal court

## No later than 30 days after each quarter ends:

- Quarterly reports are due to Department for Local Government

## By March 15:

- Final annual settlement presented to fiscal court.

## For Fee Pooling:

- Follow the direction of the ordinance for monthly submissions to fiscal court

## Document Storage Fees:

- KRS 64.012 -Be accumulated and transferred to the fiscal court or the legislative body of a consolidated local government or an urban county government on a monthly basis within ten (10) days following the end of the month.

# Sheriff Timelines

- By January 15:
  - Budget must be approved by fiscal court.
- By March 15<sup>th</sup> (Fee):
  - Final annual settlement presented to FC. (KRS 134.192)
- No later than 30 days after each quarter ends:
  - Quarterly reports are due to DLG.
- Within 60 days after close of fiscal year:
  - Asset forfeiture report due to Kentucky Justice and Public Safety Cabinet. (KRS 218A.440)
- Tax Account: Monthly Reports – 10<sup>th</sup> day of month, Yearly Settlement – By Sept. 1<sup>st</sup>
- For Fee Pooling, follow the direction of the ordinance for monthly submissions to fiscal court.



# Jailer Timelines

- By April 1:
  - Jail fund budget proposed and submitted to fiscal court.
  - KRS 441.215
- Following each fiscal year-end:
  - Annual financial report for commissary funds due to the county treasurer.
    - KRS 441.135
  - See DLG Budget Manual pages 65-60 for commissary information.



# Other Important Dates

- Single Audit Deadline
  - March 30<sup>th</sup>
- Publication
  - Within 30 days of audit release (KRS 424.220 & 91A.040)
- Continuing Disclosure Requirement
  - Varies

