

## Fiscal Responsibilities of the Village Clerk-Treasurer

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Division of Local Government and School Accountability



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**THOMAS P. DiNAPOLI**

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## Financial Recordkeeping

- Receive Moneys
- Maintain Accounting Records and Deposit Receipts
- Issue Receipts
- Tax Collection Duties
- Additional Items
- Reporting
- Maintain Debt Register
- Disbursements
- Petty Cash
- Perform Reconciliations
- Process Claims
- Internal Controls
- Safeguard Assets



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## Receive Moneys

- Parking tickets
- Water/sewer rents
- Tax searches
- Recreation fees
- Property tax collection
- Building permits
- Birth certificates
- Many more ...
- Put money received in:
  - Cash register or
  - Cash drawer



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## Maintain Accounting Records and Deposit Receipts

Village Law § 4-408 (a and b)

- Village Treasurer:
  - Has custody of all money belonging to the Village
  - Required to maintain records for all receipts and disbursements
  - Make deposits intact
  - Deposit receipts within 10 days
    - Good business practice is to deposit more frequently

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## Maintain Accounting Records and Deposit Receipts

- Village Clerk:
  - Maintain records for all receipts and disbursements
  - Make deposits intact
  - Deposit receipts as soon as possible or as stated in the Village policy

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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

Real Property Tax Law § 1438

- At the annual meeting the Board by resolution can appoint the Village Clerk to collect taxes instead of the Treasurer. The Clerk will collect taxes until the Board revokes this at a subsequent annual meeting.
  - Remit taxes collected to the Treasurer in 24 hours

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## Tax Collection Duties

- For tax collections and interest:
  - Deposit tax collections in 24 hours
  - Use duplicate deposit slips
  - Duplicate receipts
  - Interest free – March 31, April 30 or June 30 (depends on tax warrant/fiscal year end date)
  - Postmark date

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## Additional Items

- Dishonored Checks – GML Section 85 allows for imposition of service charge up to \$20.

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## Additional Items

### Credit Cards - GML §5b

- By local law, ordinance or resolution, the Board designates and 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

### Registrar's Fees - Public Health Law §4124, §4173

- Salaried:
  - Fees are property of village – A1603
  - Monthly report and fees to CFO (Village Clerk to Treasurer)
- Unsalariated:
  - Fees are property of village – A1603
  - Claim for fees – A4020.4
    - \$.50 for each birth certificate, death certificate, burial, removal or transit permit, report of fetal death
    - \$10 for each birth/death certificate, certified transcript of birth/death, or for a certification of search for birth/death
    - Actual and necessary expenses

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## Additional Items

### Marriage Officer's Fees – Domestic Relations Law §11-c

- Board authorized officer (may or may not be Clerk) to solemnize marriages within limits; term to be set up to four years; may be removed at will by the Board with no cause necessary
- Salaried:
  - Salary set by Board; no other compensation may be received
- Unsalariated:
  - If no salary set, may accept up to \$75 per marriage officiated, paid by or on behalf of the persons married

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## Reporting

### Village Clerk

- To the Treasurer
  - Submit fees by the 10th of the following month.
  - Prepare and submit a detailed report of all fees and charges.
- To others
  - Hunting/fishing license fees – NYSDEC
    - 14<sup>th</sup> - 16<sup>th</sup> of each month depending on County name

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## Reporting

### Village Treasurer

- To the Board
  - Prepare and submit monthly financial reports, bank statements and reconciliations (recommended by OSC).
- To the Village Clerk
  - File within 60 days after the end of the fiscal year or the extension date:
    - Detailed report of all revenues and expenditures
    - Schedule of indebtedness as of the last day of the fiscal year

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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

Village Law §5-526

- Board authorizes by resolution
  - Dollar amount set by Board
  - Exists year to year until abolished by Board
- Reimburse periodically
- Submit claim
  - Materials
  - Supplies
  - Services

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## Petty Cash Fund

Replenish with voucher and supporting receipts.

Description	AC Code	Amount
Petty Cash Count		\$112.25
#2006-001 Rosalee (Receipt for Supplies)	A1325.4	\$48.75
#2006-003 Rosalee (Postage)		<u>\$39.00</u>
<b>Petty Cash Fund</b>	<b>A210</b>	<b>\$200.00</b>

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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
<b>Total Checks:</b>		<b>\$1,626.35</b>
Cash		\$300.52
<b>Total Deposit</b>		<b>\$1,926.87</b>

*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

<b>Balance per bank</b>	<b>\$2,500</b>	
Add: Deposits in transit	\$85	
Less: Checks not cleared	(\$175)	(\$90)
<b>Adjusted bank balance:</b>		<b>\$2,410</b>
<b>Balance per cash book</b>	<b>\$2,468</b>	
Add: Interest earned	\$5	
Less: Dishonored checks	(\$43)	
Plus or minus: Book adjustments	(\$20)	(\$58)
<b>Adjusted book balance:</b>		<b>\$2,410</b>

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## Process Claims

Village Law §4-402

- Village Clerk's Statutory Responsibilities:
  - Consecutively number vouchers (recommended by OSC)
  - 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 and 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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**Abstract of Claims #01/2016**

SUMMARY		
ACCOUNT CODE	AMOUNT	FUND TOTAL
A1210.4	35.57	
A1410.4	208.32	
A8160.2	3,450.00	
A8010.4	31.15	
A5130.2	3,700.00	
TOTALS	7,425.04	A - 7,425.04

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

*Anne Scott, Village Clerk*

Signature

To the Treasurer,

I certify that the vouchers listed above were audited by <Board or Office of Auditor > 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 Village Clerk, Office of Auditor or Mayor>

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### What Are Internal Controls?

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

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

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## Transaction Processing

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

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## A Breakdown in Controls?

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

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## Questions?

Division of Local Government and School Accountability  
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## Survey



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