

## SECTION IV--ACCOUNTING RECORDS

### SOURCE DOCUMENTS

The details of financial transactions are usually described on various documents received by or produced within the county system. These documents provide input into the system. The purchase of supplies or materials will produce a purchase order (if used), an invoice and/or statement and a voucher. Each of these documents provide input into various stages of the system either as a control device or authorization of the transaction.

Receipts issued by the county treasurer for payment of taxes and various other resources which provide revenue to the county are source documents. Any document that initiates or controls a financial transaction within the county should be considered a source document, be retained and be recorded in the books of original entry.

#### Receipts

Due to the many different formats a receipt may take, we will not attempt to illustrate a receipt. However, each receipt should contain all the elements of control, as follows:

1. name of the county
2. name of the payer
3. date the receipt is issued
4. number of the receipt (**Receipts should be prenumbered by the printer with sequential numbers**)
5. amount received
6. description of why the money was received
7. signature of the person issuing the receipt
8. fund(s) and account(s) to which the money will be credited

All receipts should be prenumbered by the printer and be issued in duplicate. The original receipt goes to the payer and the duplicate is to be recorded in a receipts journal. All copies of voided receipts **must** be retained in the receipt book.

Counties issue several different types of receipts (e.g., tax receipts, miscellaneous receipts, mobile home tax receipts, etc.). All receipts issued by the county from which the proceeds must be apportioned according to each taxing entity's prorata share of the consolidated tax levy, should be recorded in the tax receipts journal (e.g., property tax receipts and mobile home receipts).

All receipts issued that are apportioned by other means (e.g., personal property tax replacement) or receipts that do not have to be apportioned to other districts should be spread upon the cash receipts journal under the appropriate fund columns.

If various other agencies or governments require a specific receipt format to be issued (e.g., deferred payments and lease payment receipts), the county may "batch" like receipts and then issue a county miscellaneous receipt for the "batch" to keep the series of the county receipt process intact.

**Money received should be deposited intact on a current basis. Depositing intact means the deposit should equal the total receipts issued since the last deposit.**

#### Warrants (SDCL 7-22)

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All claims against a county which have been properly prepared, supported and verified by the claimant, audited by the auditor and approved for payment by the board of county commissioners shall be paid upon the warrant of the county auditor. (SDCL 7-22-1, 7-22-2)

No public money shall be disbursed by the county commissioners or any of them, but the same shall be disbursed by the county treasurer upon the warrant of the county auditor .... (7-22-3)

Every warrant for the payment of money issued by any county, which is not registered because of lack of funds with which to pay such warrant, shall be countersigned by the county treasurer .... (7-22-7)

Warrants issued by the county should contain:

1. name of official depository
2. date issued
3. name of payee
4. amount
5. name of the county
6. fund(s) and account(s) charged
7. signature of auditor
8. signature of treasurer

### **Registered Warrants**

Whenever any warrants shall be presented to the treasurer for payment and there shall be no funds in the treasury appropriated for that purpose, the treasurer shall enter such warrant in his warrant register for payment in the order of presentation; and, upon such warrant so registered, he shall endorse the registry number, date of registration, and the words "Not paid for want of funds" and sign such endorsement .... (7-22-9)

All registered warrants shall draw interest at a rate to be determined by the county commissioners until paid from the date upon which they are presented to the county treasurer and endorsed "Not paid for want of funds." (7-22-10)

As soon as there is sufficient money for the payment of registered warrants to the credit of the particular fund upon which the warrant was drawn, the treasurer should immediately notify by mail the persons in whose names the same are drawn. The treasurer shall pay and cancel such warrants upon presentation thereof.

Registered warrants may be called for payment of interest after they have been registered for one year. (7-22-12)

All registered warrants, when called for redemption or payment of interest, shall be called for in the order in which they were registered.

### **Vouchers**

Before any account, claim, or demand against any county for any obligation, property, or services for which such county shall be liable shall be allowed, the person having such account, claim, or demand, either by himself or agent, shall: (1) reduce the same to writing, and shall verify the same to the effect that such account is just and true, that the money therein charged

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was actually paid for the purposes therein stated; that the property therein charged for was actually delivered or used for the purposes therein stated, and was of the value therein charged; and that the services therein charged for were actually rendered and of the value as charged, or in case such services were official, for which fees are prescribed by law, that the fees and amounts charged therefor are such as are allowed by law; and that no part of such account, claim or demand has been paid.... (SDCL 7-22-1)

All county expenditures should be supported by a claim voucher. The information on the voucher should include the vendor's invoice(s), a purchase order (if used) or other documents verifying the transaction. The vouchers should be signed by the creditor or his authorized agent. Upon receipt by the county auditor the voucher should be coded, on the reverse side, to the appropriate fund(s) and expenditure classification(s). These codings are then transferred to the warrant and are recorded in the check register upon payment of the claim. **A sample voucher is shown as illustration no. 1.**

NOTE: Also see the Voucher Register for "OPTIONAL" procedures.