

SECTION IV--ACCOUNTING RECORDS

SUGGESTED FORMAT FOR RECORDING AND PUBLICATION OF MINUTES OF GOVERNING BODY PROCEEDINGS:

Heading:

MINUTES OF (GOVERNING BODY) PROCEEDINGS

Members present, date of meeting and location:

The first paragraph should state the names of the members of the governing body who are present or absent, the date of the meeting and the location where such meeting was held.

Approval of Minutes:

The second paragraph should contain the approval of the minutes of the previous meeting.

Bids:

This section of the minutes should be headed up as it is here. Each bid item considered should be shown as a subtopic, such as, Police Car:, Pickup for Highway Department:, Road Construction Project:, etc.

Under each subtopic the name and amount bid by each bidder should be shown. If any bids are rejected, detailed reasons for the rejection should be stated. The action of the governing body should be shown (contract awarded, tabled or all bids rejected) and if the contract is awarded to other than the lowest bidder the reasons should be clearly stated.

Items on which bids were opened and listed at a previous meeting need only show the action taken by the governing body under the respective subtopic headings.

Claims Approved:

This section of the minutes should be headed as it is here. With the exception of salary claims, each claim approved should be listed showing the date of the claim, the claimant, the goods or services provided and the amount.

Salary claims should be grouped together and shown by total by department.

Claims Rejected:

This section of the minutes should be headed as it is here. All claims rejected should be shown as above followed by the reasons for rejection.

Salaries of Officers and Employees:

This section of the minutes should be headed as it is here. This section would appear only in the minutes of the first meeting in January. All employees must be listed individually showing their rate of pay. (SDCL 6-1-10)

SECTION IV--ACCOUNTING RECORDS

Added or Increased Salaries:

This section of the minutes should be headed as it is here. Salaries of new employees and increases for old employees should be shown only in the month in which such additions or increases were approved. (SDCL 6-1-10)

Resolutions and Ordinances:

This section of the minutes should be headed as it is here. A subtopic heading briefly stating the subject of each resolution or ordinance should appear prior to the description of the action taken.

Other matters Discussed and Action Taken:

A topic heading such as Sheriff, Snow Removal, Fire Protection, etc., should precede the description of each matter discussed by the governing body which has not been specifically provided for in the preceding paragraphs.

Claims Approved for Payment by Other County Boards:

This section of the minutes should be headed as it is here. A sub-topic stating the name of the board should precede the listing of claims approved by that board.

Adjournment:

The last paragraph of the minutes should include the approval for and time of adjournment.

SECTION IV--ACCOUNTING RECORDS

SAMPLE MINUTES:

COUNTY COMMISSION MEETING

Anywhere, South Dakota

The Board of County Commissioners met in regular session at 7:30 p.m. on March 21, 20xx at the county courthouse. Members present were: Mssrs. Green, White, Black, Brown and Mayor Blue.

Commissioner Green moved and Commissioner Black seconded that the minutes of the meeting of March 14 be approved. All members voted aye.

BIDS:

Poles (carried over from March 14):

Commissioner White moved and Commissioner Brown seconded that the Alternate No. 2 bid of ABC Paper Company for \$4,092.80 be accepted. Commissioners Brown, White and Mayor Blue voted aye; Commissioners Green and Black voted nay. Motion carried.

County Fair Construction

The following bids were opened:

Electric Company No. 1: Base bid, \$15,879.00; Alternate No. 1 \$18,644.00.

Electric Company No. 2: Base bid, \$15,392.90; Alternate No. 1, \$17,319.30; Alternate No. 2, \$26,292.10.

Electric Company No. 3: Base bid, \$16,481.30; Alternate No. 1, \$19,230.30; Alternate No. 2, \$27,466.80.

Electric Company No. 4: Base bid, \$15,450.00; Alternate No. 1, \$18,143.20; Alternate No. 2, \$26,238.00.

Electric Company No. 5: Base bid, \$15,450.00; Alternate No. 1, \$18,143.20; Alternate No. 2, \$26,213.80.

Electric Company No. 6: Base bid, \$15,494.80; Alternate No. 1, \$18,250.20; Alternate No. 2, \$26,509.70.

Commissioner Green moved and Commissioner Brown seconded that the bids be held over for one week for study. All members voted aye.

Lease of Hay:

Commissioner Brown moved and Commissioner Black seconded that the county advertise for bids for lease of hay land at the county farm. All members voted aye.

CLAIMS APPROVED:

Commissioner White moved and Commissioner Black seconded that all claims be paid. All members voted aye.

(04/02)

SECTION IV--ACCOUNTING RECORDS

Telephone Company--service, \$12.32; Electric Service Company--rewind motor, \$5.10; Oil Company--oil, \$15.87; Lumber Company--supplies, \$13.21; Equipment Company--hoist and box, \$122.00; Insurance Company--liability insurance, \$345.00; Radio Company--city's share of installation, \$199.25; Office Supply Company--file folders, \$5.43; Gas Station--gas, \$16.40.

As required by SDCL 6-1-10, the March payroll paid by department was as follows: Commissioners \$2,000; Auditor \$2,500; Treasurer \$2,400; Register of Deeds \$2,000; Director of Equalization \$2,600; Civil Defense \$1,200; Highway Department \$6,200.

RESOLUTIONS AND ORDINANCES:

Garbage and Refuse:

A proposed ordinance pertaining to garbage and refuse was introduced by Commissioner Green and it received its first reading. Commissioner Black moved and Commissioner Brown seconded to advertise a hearing on the ordinance, to be held April 4, 20XX. All members voted aye.

OTHER MATTERS DISCUSSED:

Use of Courthouse Community Room:

The auditor informed the commissioners that Mrs. John Doe had requested the use of the courthouse community room for a meeting of citizens and teachers. Commissioner White moved and Commissioner Black seconded that the use of the courthouse community room be granted free of charge on March 22 for a community meeting.

Road Blading:

John Doe appeared to request the county to blade the county road in front of where he lives. Referred to the highway superintendent.

Armory Project:

The auditor discussed the proposed Armory Project and read a suggested agreement. A discussion followed and questions arose. It was decided to have the questions cleared before authorizing the signing of the agreement.

Commissioner Black moved and Commissioner Green seconded that the Board of County Commissioners adjourn. All members voted aye.

John Smith
County Auditor

Internal Controls of Accounting System

The management of each county is responsible for establishing and maintaining an internal control structure to provide management and the tax payers with reasonable assurance that assets are 1) safeguarded against loss from unauthorized use or disposition, 2) that transactions are executed in accordance with management's authorization, 3) are recorded properly to permit the preparation of the financial statements in accordance with generally accepted accounting principles, and 4) assets are safeguarded in accordance with statute.

Examples of internal control procedures which should be performed by the county are as follows:

(04/02)

SECTION IV--ACCOUNTING RECORDS

- a. The cash held by the treasurer should be counted monthly by the auditor and the amount compared with the treasurer's daily balance record and the auditor's general ledger. (**See Illustration No. 18**, SDCL 7-10-3)
- b. The treasurer's bank ledger should be reconciled to the bank account monthly.
- c. The treasurer's bank ledger should be reconciled to the treasurer's daily balance record monthly.
- d. The treasurer's daily balance record should be reconciled in total to the auditor's cash receipt journals monthly.
- e. The treasurer's daily balance record should be reconciled in total to the auditor's cash disbursement journals monthly.
- f. The auditor should reconcile the general ledger cash assets by fund monthly to the treasurer's daily balance record and to the depository. (SDCL 7-10-3)
- g. The auditor should reconcile the revenue and expenditure budget records to the general ledger control for revenue and expenditures monthly.
- h. The auditor should reconcile the **capital asset** subsidiary records to the general ledger control at least yearly.
- i. The auditor should reconcile the taxes receivable of the tax account record to the general ledger control monthly for the applicable funds.
- j. At least every six months, the county auditor should reconcile the tax account record to the tax list for the past six years of taxes outstanding. (SDCL 10-17-9)
- k. Each year prior to publication, the auditor should reconcile the published list of delinquent taxes in December to the tax list. (SDCL 10-23-2)
- l. Manual as well as computer records should be physically safeguarded against theft or destruction by causes such as fires.
- m. A log of computer file maintenance should be maintained. This log will provide a record of direct changes made to various accounts.
- n. Computer files should be backed up frequently and the backup should be stored off-site if possible to guard against any disaster.
- o. The general ledger accounts of each fund should be balanced on a monthly basis.
- p. A verification process should be in place to ascertain the accuracy of receipts, expenditures and payroll rates as they are initially entered into a computer system.
- q. The amount of cash turned in to the treasurer by the register of deeds should be compared by the auditor to the fee statement turned in to the auditor monthly by the register of deeds.

SECTION IV--ACCOUNTING RECORDS

As the steps are completed to provide for the preceding controls, it is very important to DOCUMENT these steps. Documentation may simply be as easy as retaining an adding machine tape, initial and dating a record or it may necessitate the creation of a form or checklist.