

(Published in the official county newspaper on the 12<sup>TH</sup> day of February, 2014)

**RESOLUTION NO. 5 - 2014**

A RESOLUTION ESTABLISHING CERTAIN FINANCIAL CONTROLS AND MANAGEMENT PROCEDURES.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CHEROKEE COUNTY, KANSAS:

WHEREAS, the County in the form of its duly elected governing body has the authority under K.S.A. § 19-101 to determine its local affairs and government, and;

WHEREAS, the County in the form of its duly elected governing body has the authority under K.S.A. § 19-212 to exercise control over the County's financial matters, and;

WHEREAS, the Board of County Commissioners of Cherokee County, Kansas, meeting in regular session, this 25th day of November, 2013, does hereby resolve as follows:

**Section 1. Reconciliation of Accounts- General.** All county department heads shall assure the reconciliation and balancing, at least monthly, of all bank accounts maintained by such department to the county's cash balance in the accounting system. When posting entries in the accounting system that are identified from the monthly bank statement (automated clearing house/electronic funds transfer/interest earned, etc.) such entries should be posted as of the transaction date of occurrence, rather than the date of posting of such entries and supporting documentation shall be maintained. An online banking system shall be utilized and reviewed daily to post identified transactions that are not posted as a result of regular receipt and payment transactions. In order to perform any bank reconciliation, all activities shall be posted in the accounting system to the month in which they occur. The timely recording of all activity from the bank statement shall occur within three (3) days of the transaction. The accounting system used by the County shall not be closed each month until all transactions are properly posted.

**Section 2. Reconciliation of Accounts- Outstanding Checks.** During the reconciliation process, when it is determined that outstanding checks issued by the County are more than three years old, then such checks shall be voided. The check detail and money shall then be sent to the State of Kansas Unclaimed Property Division based on the guidelines of the State of Kansas.

**Section 3. Reconciliation of Accounts- Outstanding Deposits.** Outstanding deposits shall not be on the bank reconciliation for more than one month as deposits in transit recorded as outstanding at the end of any month should clear within a few days on the subsequent bank statement. If any outstanding deposit is show on the online banking statement for more than 3 working days the treasurer shall conduct an immediate inquiry into the cause of such deposit not posting to the bank account.

**Section 4. Journal Entries.** Each journal entry shall be approved by written notation thereon or on the supporting documentation by a department head other than the person entering it into the system.

**Section 5. Deposits.** Deposits shall be prepared and made daily for the previous day's activity. The deposit slip shall be dated for the day of the activity rather than the date the deposit slip is prepared. A locked bank bag shall be utilized for the deposit of money to the bank with access to the keys being limited to the depository bank and the county treasurer's office. When the deposit slip is returned from the bank, the person who prepared the deposit shall verify the receipt with the detail to verify that the amounts agree.

**Section 6. Detail Receipt Reports.** As a part of the daily closing process, cash, checks and credit card transactions shall be counted and compared to what the detail receipt report shows. Any variances in the composition of a day's cash, check and credit card receipts shall be noted on that day's activity report when the money is counted and confirmed at the end of the day on each drawer count down. The variances should then be verified by the person who reviews all drawers. Any variances to the report should be noted on that day's report, initialed and dated by the clerk as well as the supervisor. When funds are delivered to the county treasurer's office from other funds collection points throughout the county such funds shall be entered into the accounting system by separating cash, checks and credit card transactions on the system report. If this is unable to be done due to system constraints, the county treasurer's office make a note in a memo or transaction detail line of the cash, check and credit card balances.

**Section 7. Accounts Payable.** The Human Resources Department's clerk shall prepare all accounts payable and payroll checks that are not related to the operations of the county lot or any sewer district of the county. This clerk shall then obtain all necessary signatures upon such checks and deliver the same to the secretary of the county commissioners, who shall prepare the envelopes and mail such checks to the appropriate parties. The aforesaid county commissioner's secretary shall prepare all accounts payable and payroll checks that are related to the operations of the county lot or any sewer district of the county. This secretary shall then obtain all necessary signatures upon such checks and deliver the same to the clerk of the Human Resources Department who shall prepare the envelopes and mail such checks to the appropriate parties.

**Section 8. Purchase Orders and Invoices.** Each department head shall not submit invoices or purchase orders for payment until the written initials or signature of such department head is placed thereon. Process into the accounts payable system and payment of such invoices or purchase orders shall not occur absent such approval by the department head. Supporting documentation for such payments shall be kept for a minimum of 7 years.

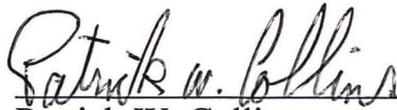
**Section 9. County Commission Prior Approval of Checks.** All checks shall be approved by the County Commission prior to being mailed, except checks for claims which provide a discount for early payment or for the assessment of a penalty for late payment which may be authorized to be paid in advance of approval thereof by the County Commissioners if payment of the amount of such claim is required before the next scheduled regular meeting of the County Commission in order to benefit from the discount provided by early payment or to avoid assessment of the penalty for late payment. Checks shall be posted to the accounting system within two working days after the County Commission approves the same and be posted the same date as the check. The County Commission shall receive a weekly report detailing checks written from all the County's cash accounts.

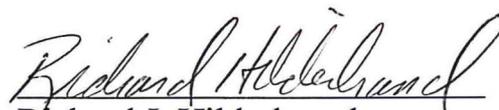
**Section 10. Repeal.** Resolution 32-2013 is hereby repealed.

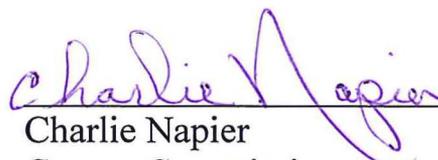
**Section 11. Severability.** If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this resolution, or the application thereof to any circumstances, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this resolution.

**Section 12. Effective Date.** This resolution shall take effect and be in full force from and after its passage and publication once in the official county newspaper.

Adopted this 10th day of February, 2014, by the BOARD OF COMMISSIONERS OF CHEROKEE COUNTY, KANSAS.

  
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Patrick W. Collins  
County Commissioner

  
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Richard J. Hilderbrand  
County Commissioner

  
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Charlie Napier  
County Commissioner

ATTEST:

  
\_\_\_\_\_  
Rodney Edmondson  
County Clerk of Cherokee County,  
Kansas  
Resolution No. 5- 2014

Prepared by:  
Kevin Cure, Attorney