



**Financial
Fundamentals
March 2019**

Financial Fundamentals

Spring Short Course 2019

1. Finances are simple. All parts relate together. You cannot do just one thing and have the information flow correctly.
2. In a cash-based system there are only two choices when recording funds.
 - a.
 - b.
3. As Township officers, the finances we handle are _____.
4. All Township Revenues require that a _____ be created. You must know into what _____ the money should be deposited.
5. All Township Expenses will flow through the _____ process. You must know what _____ will be used for payment of the claim if it is approved.
6. Any money that comes into the Township. 3 or 4 things should occur
 - a.
 - b.
 - c.
 - d.
7. Procedures can be found in the Accounting Manual for Small Cities and Towns on the State Auditors website.
8. Distribution of the triplicate receipts
 - a.
 - b.
 - c.

Receipt forms should be in triplicate and pre-numbered by the printer. A _____ receipt should be used for all money received, including amounts received by mail or _____
9. Who sent the money/Where is our money coming from!!!! Common senders and account numbers. It is important to use the right section no matter if using CTAS or manual reporting.
 - a. State _____
 - b. Federal _____
 - c. County _____
 - d. Township Residents _____
 - e. Reimbursements _____
 - f. Miscellaneous _____
 - g. Interest _____

10. Where to get help
 - a. Minnesota Management and Budget
 - b. Your county auditor
11. All this correct coding and procedures have a direct impact on producing correct financial reports
12. What type of accounting do townships use?
 - a.
 - b.
13. What types of funds are there?
 - a. Governmental – the most used type of fund!
 - b. Proprietary
14. A bit on investments
 - a. Investment module – easy to use
 - b. Why two entries for interest?
15. What about bank accounts? Can townships use more than one?
16. Communication is essential
 - a. Who needs to know what and why?
 - i.
 - ii.
 - iii.
 - iv.
17. There are 3 primary methods of money leaving the township
 - a.
 - b.
 - c.
18. What is the difference between Claims and Disbursements?
 - a. Claims –
 - b. Disbursements –
 - c. Need to edit after posting?
19. Claims and Disbursements
 - a.
 - b.
 - c.
 - d.
20. Payroll – use caution when handling private data
 - a.
 - b.
 - c.
21. Payroll vs. Reimbursements

22. Investments

23. Fitting it all together – Communication

24. Financial cycle

25. Reports

- a.
- b.
- c.
- d.
- e.
- f.
- g.
- h.
- i.

26. Balancing is imperative

- a.
- b.
- c.
- d.

27. Communicating via the budget to determine the levy – these separate items work together. The levy is not the budget, and the budget is not the levy. The budget helps determine the levy, just like the approved levy helps determine the budget.

28. Levy communicates expected receipts

- a.
- b.
- c.
- d.

29. Receipts communicate to disbursements

- a.
- b.
- c.
- d.

30. It is a cycle. Treasurer works with Clerk. Clerk works with Treasurer. Both Clerk and Treasurer work with Supervisors. Supervisors work with both Clerk and Treasurer. All officers work for the Township Electors.