

Monthly Accounting 101: The Basics of the Month-End Close for Local Governments

September 18, 2025

Group Live: 1 CPE credit



www.ckhgroup.com

Housekeeping

If you have questions, feel free to submit them in the Q&A. If we have time we may address some at the end or follow up with you after the course

To be eligible for CPE (Continued Professional Education) credit you must:

- Have your camera on for at least 50 minutes of the session
- Answer all engagement polls (there are 3)
- Complete the follow-up course assessment form (which is an assessment of the course itself, not your knowledge of the material)

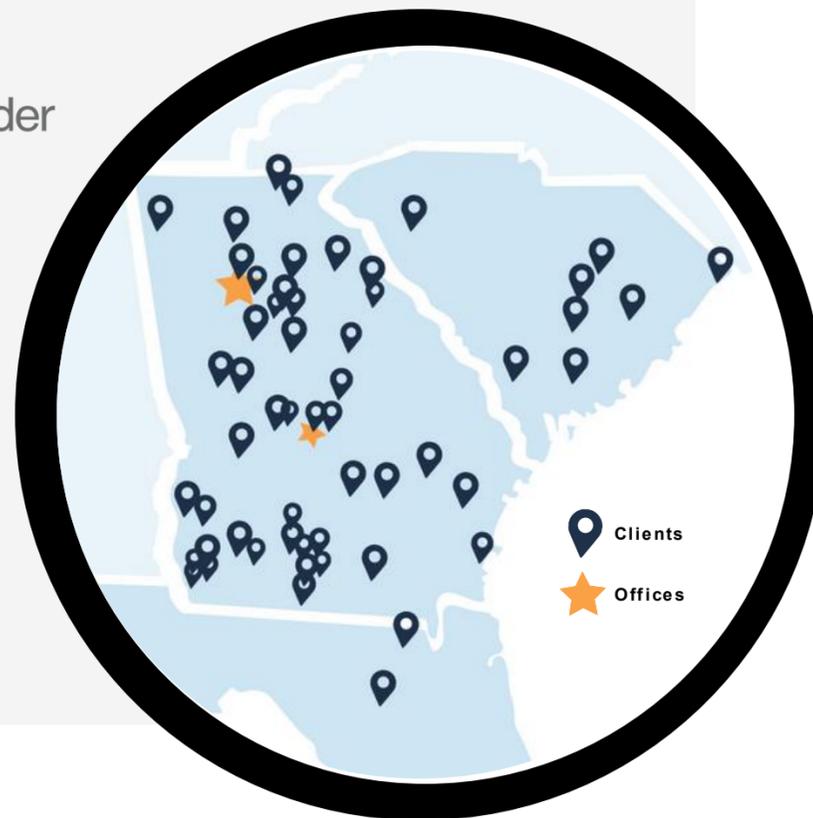
We are a small business CPA firm located in Atlanta, GA and Hawkinsville, GA offering **powerful government contracting solutions in the areas of assurance, tax, accounting, and advisory** to Federal, State, and Local governments.

With over 20 years in the business, we bring a wealth of knowledge to accomplish our mission to provide our communities and financial leaders with quality accounting support, made accessible by our local resources and dedication.



60+
Gov. Client Locations

38k+
Hours of Gov. Accounting



Featured Speakers:



Stephné Kukard

CA, Government Audit
Manager



Kyle Heyl

Government Accounting
Team Lead



Roger Nixon

VP of Business
Development



Eon van Wyk

CPA, Audit Partner

Agenda

1. Introduction

2. Bank Reconciliations Made Simple

- a. The Purpose of Bank Reconciliations
- b. Key Steps in the Reconciliation Process
- c. Common Issues and How to Resolve Them
- d. Best Practices for Documentation & Audit Readiness
- e. Efficiency Tips & Tools

3. Best Practices for Payroll Processing

- a. The Importance of Payroll Reporting
- b. What is Payroll Reporting
- c. Quarterly Payroll Reports and Tax Payments
- d. Breaking down the Quarterly Tax Return

4. Conclusion

Time for a Poll!

**Which monthly/recurring accounting task
do you find most difficult?**

(Please answer the live poll)

BANK RECONCILIATION



What is Bank Reconciliation?

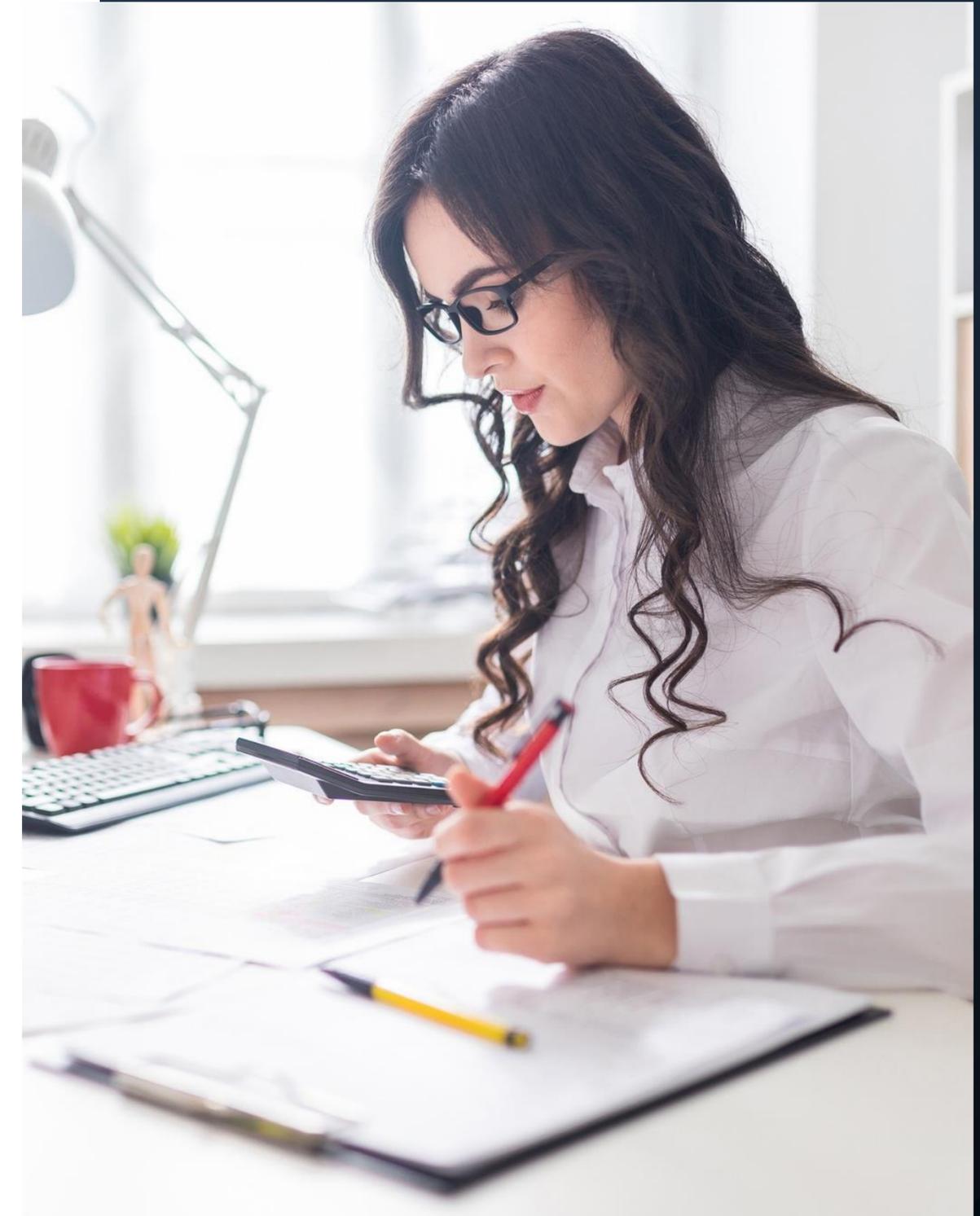
This is a crucial accounting process that involves comparing an entity's internal cash records (e.g., from its accounting software or cash book) with the information provided on its bank statements. The primary goal is to ensure that both records match and accurately reflect the true cash position.

Governments must document a global bank reconciliation that includes reconciliation of both the ending balance of cash as well as cash activity at least monthly.

IMPORTANCE

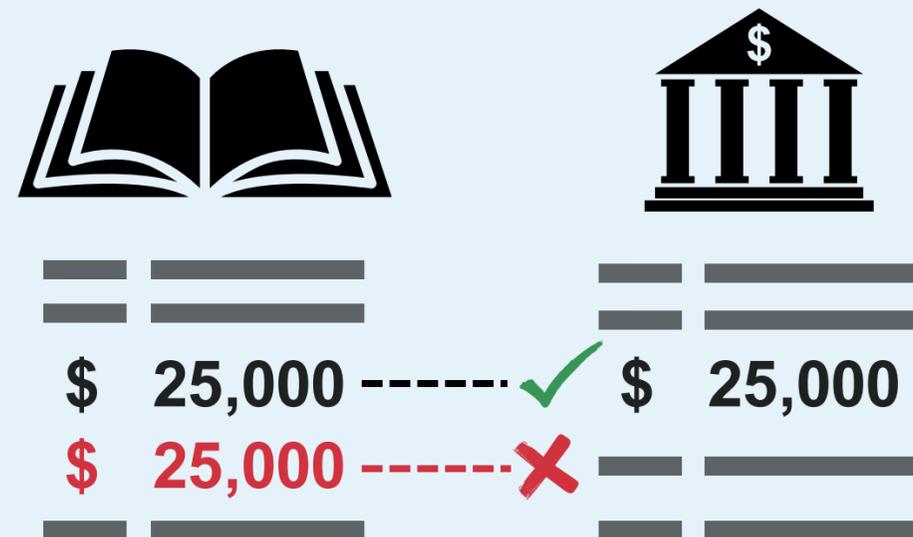
Why Bank Reconciliations Matter for Clerks

- ✓ Protects public funds & builds citizen trust
- ✓ Ensure the correct available cash balance is reported
- ✓ Prevents inaccurate financial reporting and promotes good decision making
- ✓ Detects fraud or misuse early
- ✓ **Required by state law** (OCGA § 36-81 for budget/financial reporting) and audits



For Example:

A City clerk caught that a \$25,000 grant deposit from GEMA was recorded twice in the books but only once in the bank. The reconciliation prevented overstating revenues and misreporting to Council.



WHAT IS BANK RECONCILIATION?

Bank reconciliation is simply the process of comparing your government's accounting records with the bank's statement to make sure they match



★ Best Practice:

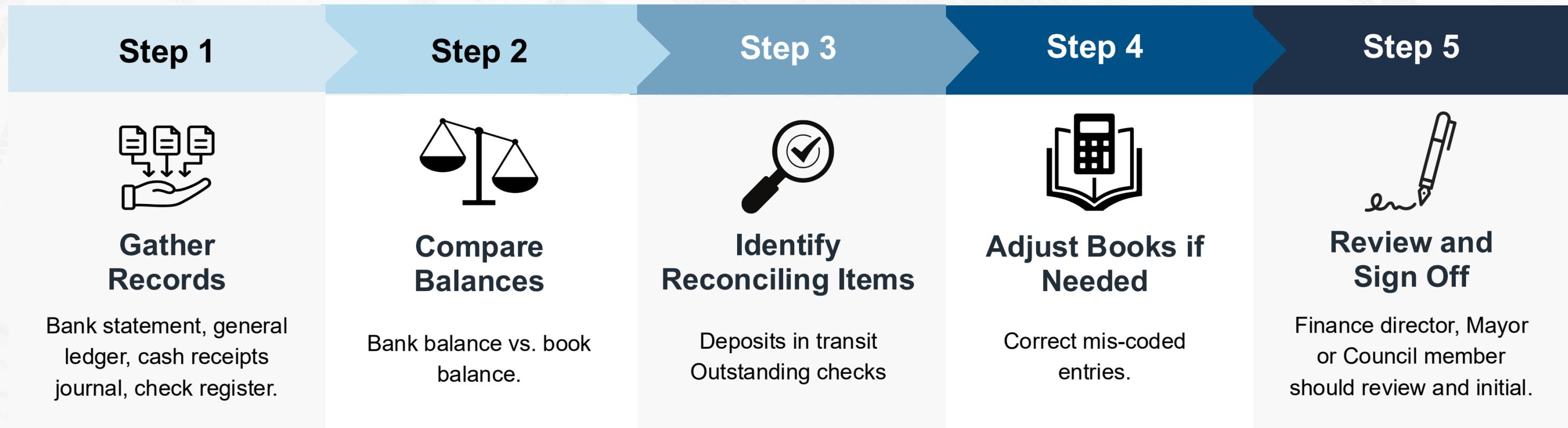
- ✓ Get the full monthly bank statement – that's your independent source.
- ✓ Compare each item to your books – and enter anything that's missing.
- ✓ Keep a checklist of recurring items like payroll drafts or loan payments so they don't get overlooked.
- ✓ Always document adjustments with proper support.



LET'S UNDERSTAND THE RECONCILIATION PROCESS:

Starting point:

1. Ensure opening balance is reconciled
2. Bank account has checks, ACH payments, deposits
3. Accounting software has transactions linked, e.g. checks, deposits captured, payroll entries
4. Potential missing transactions: ACH payments, direct deposits, payroll (if accounting modules are not connected)



BANK RECONCILIATION REPORT

BANK RECONCILIATION

BANK NAME

XYZ BANK

Date:

09/06/2025

ACCOUNT NUMBER

XXXXXX

Approved by:

Mayor Tim

MONTH ENDING

August 31, 2025

Signature:

BALANCE PER BANK STATEMENT

\$ 100 000.00

Deposits in transit:

\$ 25 000.00

28-Aug \$ 25 000.00

Outstanding checks

\$ -27 475.00

Check#1234 \$ 1 250.00

Check#1235 \$ 25.00

Check#1236 \$ 25 700.00

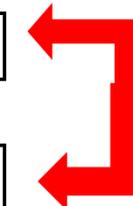
Check#1237 \$ 500.00

ADJUSTED BANK BALANCE

\$ 97 525.00

BALANCE PER GENERAL LEDGER

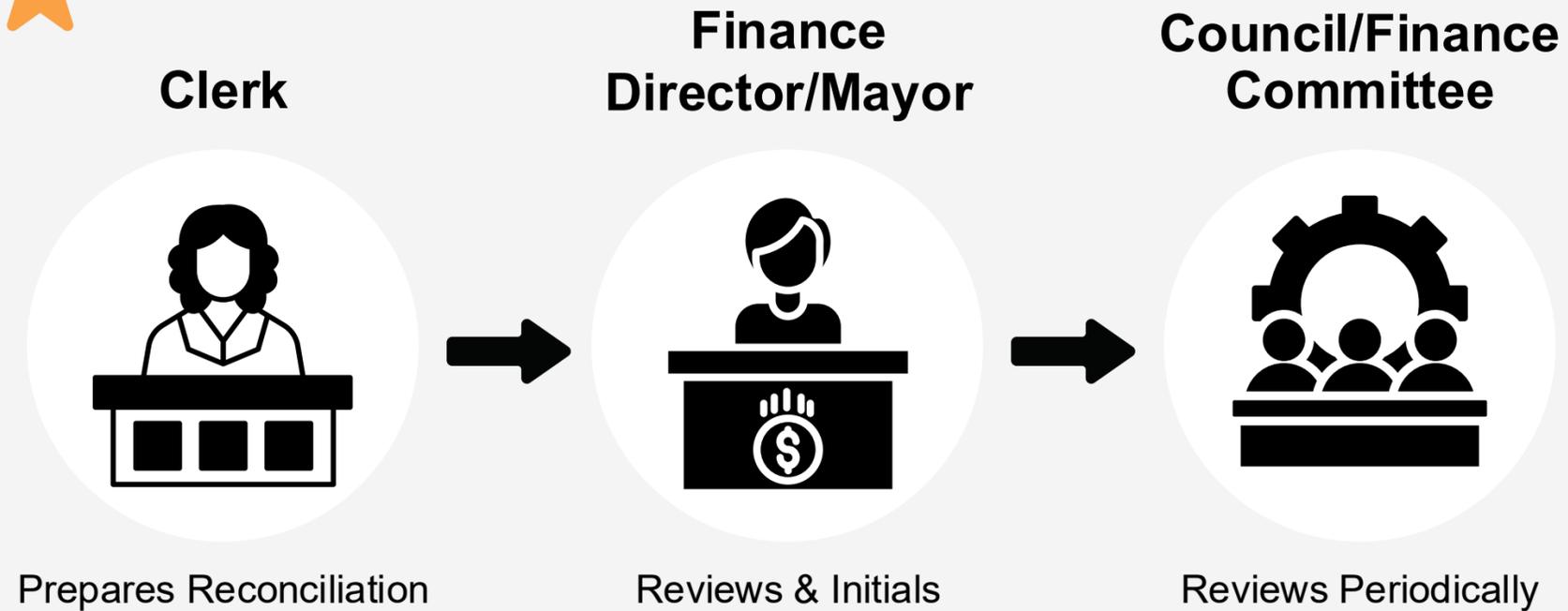
\$ 97 525.00



INTERNAL CONTROLS & SEGREGATION OF DUTIES

! Risk: Clerks often handle both receipts and reconciliations

★ Best Practice:



Tips for Smaller Governments:

1. Governing body review
2. Rotating oversight
3. Independent spot checks



Strong Controls = reduced audit findings & increased council confidence

BANK RECONCILIATION REPORT

BANK RECONCILIATION

BANK NAME XYZ BANK

ACCOUNT NUMBER XXXXXX

MONTH ENDING August 31, 2025

BALANCE PER BANK STATEMENT 1. \$ 100 000.00

Deposits in transit: \$ 25 000.00

2. 28-Aug \$ 25 000.00

Outstanding checks \$ -27 475.00

3.

Check#1234	\$	1 250.00
Check#1235	\$	25.00
Check#1236	\$	25 700.00
Check#1237	\$	500.00

ADJUSTED BANK BALANCE 4. \$ 97 525.00

BALANCE PER GENERAL LEDGER \$ 97 525.00

5. Date: 09/06/2025
 Approved by: Mayor Tim
 Signature:

1. Check that the starting balance matches the balance on the bank statement
2. Review subsequent bank statements to ensure deposits cleared the bank in the next month
3. Review outstanding checks – are any of these stale-dated?
4. Check that these 2 amounts match
5. Add date, name and signature as proof of review

Time for a Poll!

**What is the most common issue you face
in reconciliations?**

(Please answer the live poll)

DOCUMENTATION AND AUDIT READINESS



- ✓ Keep reconciliation worksheets, bank statements, canceled checks, deposit slips
- ✓ Attach support for all adjustments (journal entries, correction memos)
- ✓ Ensure reconciliations are signed and dated monthly

Auditors will request:

Last reconciled bank statement at year-end
Documentation of reconciling items (e.g., outstanding checks list)
Written policies on preparation and review



Efficiency Tips & Tools for Clerks:

1

Ensure that the beginning balance is **reconciled before starting**

2

Use built-in accounting system **reconciliation modules**

3

Check other modules in the accounting system and **ensure the data flows** to the General ledger module

4

Download transactions directly from bank to **reduce data entry**

5

Ensure that you **understand the bank activity** & reasons for variances

6

Reconcile monthly at minimum; larger cities may reconcile bank activity weekly

7

Work with a CPA or software company to make sure that you are **using the accounting system features effectively**

KEY TAKEAWAYS

Reconciliations = safeguard for accuracy, compliance, integrity of finance reports

Document everything for audit readiness

Ensure strong controls are in place for segregation of duties

Clerks are key to protecting taxpayer funds



PAYROLL PROCESSING



What is Payroll Processing?

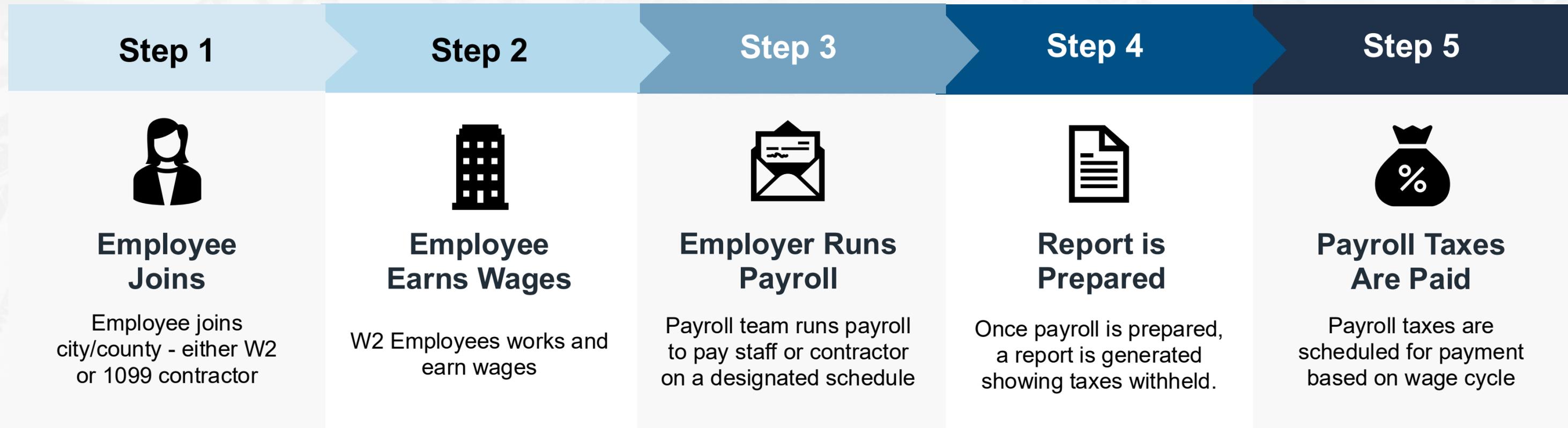
Payroll processing is the administrative task of calculating, managing, and distributing employee compensation. It ensures employees are paid accurately and on time while complying with regulations.

Time for a Poll!

**How confident are you in your current
payroll reporting practices?**

(Please answer the live poll)

LET'S UNDERSTAND THE PAYROLL CYCLE:



However, we are missing a step...

QUARTERLY PAYROLL REPORTING

WHAT IS PAYROLL REPORTING?



Cities and counties have 2 types of employees:



W2 wage employees



1099 Contractors

It is required by law that cities and counties report back to federal and state government each quarter on wages earned by W2 employees.

IMPORTANCE

Why do you need to submit your Quarterly Payroll Reports and Pay your taxes to the IRS and State government?

- Wages earned as a W2 employee are subject to taxes being withheld **which is required to be paid over to the IRS and State Government.** These taxes include Social Security, Medicare, Federal Withholding and State Withholding.
- Because you are **withholding taxes from employees' wages**, it is vitally important to pay these taxes to the IRS and to the State.

Not paying these taxes over on time, as well as not filing the returns required, can result in significant penalties and interest, not only for the city, but for the employer and person responsible for this duty.

Penalties could include:

- Failure to Deposit Penalty
- Trust Fund Recovery Penalty
- Interest on all unpaid taxes & penalties
- Collection actions such as levies or liens
- Willful failure is considered a felony





So, how DO you correctly conduct payroll reporting and tax payments?

There are 3 returns that are required to be submitted at the end of **each Quarter**

INTERNAL
REVENUE
SERVICE

Form

941

Quarterly Federal Tax Return (Federal due to the IRS)

Form

**G7(GA)
WH-1605 (SC)**

State Withholding Tax Return (due to DOR)

Form

**DOL4-n (GA)
UCE-120 (SC)**

State Unemployment Return (due to DOL)

Employer identification number (EIN) -

Name (not your trade name)

Trade name (if any)

Address

Number Street Suite or room number

City State ZIP code

Foreign country name Foreign province/county Foreign postal code

Report for this Quarter of 2025
 (Check one.)

1: January, February, March

2: April, May, June

3: July, August, September

4: October, November, December

Go to www.irs.gov/Form941 for instructions and the latest information.

Read the separate instructions before you complete Form 941. Type or print within the boxes.

Part 1: Answer these questions for this quarter. Employers in American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, and Puerto Rico can skip lines 2 and 3, unless you have employees who are subject to U.S. income tax withholding.

1 Number of employees who received wages, tips, or other compensation for the pay period including: Mar. 12 (Quarter 1), June 12 (Quarter 2), Sept. 12 (Quarter 3), or Dec. 12 (Quarter 4) 1

2 Wages, tips, and other compensation 2

3 Federal income tax withheld from wages, tips, and other compensation 3

4 If no wages, tips, and other compensation are subject to social security or Medicare tax Check here and go to line 6.

	Column 1	Column 2
5a Taxable social security wages	<input type="text"/>	<input type="text"/>
5b Taxable social security tips	<input type="text"/>	<input type="text"/>
5c Taxable Medicare wages & tips	<input type="text"/>	<input type="text"/>
5d Taxable wages & tips subject to Additional Medicare Tax withholding	<input type="text"/>	<input type="text"/>
5e Total social security and Medicare taxes. Add Column 2 from lines 5a, 5b, 5c, and 5d		<input type="text"/>
5f Section 3121(q) Notice and Demand—Tax due on unreported tips (see instructions)		<input type="text"/>
6 Total taxes before adjustments. Add lines 3, 5e, and 5f		<input type="text"/>
7 Current quarter's adjustment for fractions of cents		<input type="text"/>
8 Current quarter's adjustment for sick pay		<input type="text"/>
9 Current quarter's adjustments for tips and group-term life insurance		<input type="text"/>
10 Total taxes after adjustments. Combine lines 6 through 9		<input type="text"/>
11 Qualified small business payroll tax credit for increasing research activities. Attach Form 8974		<input type="text"/>
12 Total taxes after adjustments and nonrefundable credits. Subtract line 11 from line 10		<input type="text"/>
13 Total deposits for this quarter, including overpayment applied from a prior quarter and overpayments applied from Form 941-X, 941-X (PR), or 944-X filed in the current quarter		<input type="text"/>
14 Balance due. If line 12 is more than line 13, enter the difference and see instructions		<input type="text"/>
15 Overpayment. If line 13 is more than line 12, enter the difference <input type="text"/> Check one: <input type="checkbox"/> Apply to next return. <input type="checkbox"/> Send a refund.		

Form 941 Quarterly Federal Tax Return (Federal due to the IRS)

This form reports to the IRS how much federal taxes were withheld for the Quarter.

This is the employer and employee portions of SS and Medicare, as well as the Federal Withholding Taxes deducted from each employees' paycheck.

This report will give you the total that "Should have been paid over to IRS for the Quarter"

You or your accountant (such as CKH Group), would use this report to reconcile to make sure all payments were made. If there is an unpaid balance, a check will need to be mailed with the return, or an additional EFTPS payment would be made online.

FORM 941

1. This will reflect the number of employees you had for the Quarter

2. This will reflect the total of Gross Wages you had for the Quarter (this number will be before any taxes were deducted)

3. This line will reflect the total Federal withholding tax deducted from each employee's paycheck throughout the quarter

5a. This line item will be the total of SS for BOTH employee and employer for the Quarter

5c. This line will be the total of Medicare for BOTH employee and employer for the Quarter

1	Number of employees who received wages, tips, or other compensation for the pay period including: <i>Mar. 12</i> (Quarter 1), <i>June 12</i> (Quarter 2), <i>Sept. 12</i> (Quarter 3), or <i>Dec. 12</i> (Quarter 4)	1	<input type="text"/>
2	Wages, tips, and other compensation	2	<input type="text"/>
3	Federal income tax withheld from wages, tips, and other compensation	3	<input type="text"/>

	Column 1		Column 2
5a	Taxable social security wages	<input type="text"/> × 0.124 =	<input type="text"/>
5b	Taxable social security tips	<input type="text"/> × 0.124 =	<input type="text"/>
5c	Taxable Medicare wages & tips	<input type="text"/> × 0.029 =	<input type="text"/>
5d	Taxable wages & tips subject to Additional Medicare Tax withholding	<input type="text"/> × 0.009 =	<input type="text"/>

FORM 941

12.

This total would reflect the balance due for the Quarter after adjustments

13.

This line, you would total up all the payments that you have made to the IRS during the Quarter, and you would capture the amount in that has already been paid at the time of the report being created.

14.

If your amount paid is less than the amount due, this is the balance you would need to pay

15.

If your payments were more than what was due, this will indicate an overpayment that you could either request the IRS apply to the next Quarter or have refunded.

Pt. 5.

After ensuring that you have completed the 1st page correctly, on page 2, the person preparing and filing the Form 941 will sign and print their name and title, along with date and contact number.

12	Total taxes after adjustments and nonrefundable credits. Subtract line 11 from line 10 . . .	12	<input type="text"/>
13	Total deposits for this quarter, including overpayment applied from a prior quarter and overpayments applied from Form 941-X, 941-X (PR), or 944-X filed in the current quarter	13	<input type="text"/>
14	Balance due. If line 12 is more than line 13, enter the difference and see instructions . . .	14	<input type="text"/>
15	Overpayment. If line 13 is more than line 12, enter the difference <input type="text"/> Check one: <input type="checkbox"/> Apply to next return. <input type="checkbox"/> Send a refund.		

Part 5: Sign here. You MUST complete both pages of Form 941 and SIGN it.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign your name here	<input type="text"/>	Print your name here	<input type="text"/>
		Print your title here	<input type="text"/>
Date	<input type="text" value="/ /"/>	Best daytime phone	<input type="text"/>

MAILING TO THE IRS

Filing Form 941 without Payment

If you're in...

Connecticut, Delaware, District of Columbia, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin

Department of the Treasury
Internal Revenue Service
Kansas City, MO 64999-0005

If you're in...

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming

Department of the Treasury
Internal Revenue Service
Ogden, UT 84201-0005



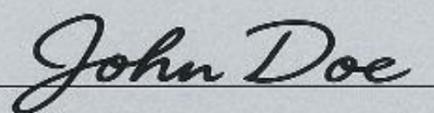
MAILING TO THE IRS

Include payment voucher with payment:

 Detach Here and Mail With Your Payment and Form 941.

Form 941-V Department of the Treasury Internal Revenue Service		Payment Voucher Don't staple this voucher or your payment to Form 941.		OMB No. 1545-0029 2025	
1 Enter your employer identification number (EIN). [] - []		2 Enter the amount of your payment. Make your check or money order payable to "United States Treasury."		Dollars	Cents
3 Tax Period <input type="radio"/> 1st Quarter <input type="radio"/> 3rd Quarter <input type="radio"/> 2nd Quarter <input type="radio"/> 4th Quarter		4 Enter your business name (individual name if sole proprietor). [] Enter your address. [] Enter your city, state, and ZIP code; or your city, foreign country name, foreign province/county, and foreign postal code. []			

Example Check:

EXAMPLE COMPANY, INC. 1234 MAIN STREET ANYTOWN, USA 12345		000123456 July 31, 2025
PAY TO THE ORDER OF Internal Revenue Service		\$ 5,000.00
Five thousand and 00/100		
Form 941 - Q2 2025		
		
⑆ 1 2 3 4 5 6 7 8 9 000123456		

Filing Form 941 with Payment

If you're in...

Connecticut, Delaware, District of Columbia, **Georgia**, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, **South Carolina**, Tennessee, Vermont, Virginia, West Virginia, Wisconsin

Internal Revenue Service
 P.O. Box 806532
 Cincinnati, OH 45280-6532

If you're in...

Alabama, Alaska, Arizona, Arkansas, California, Colorado, **Florida**, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming

Internal Revenue Service
 P.O. Box 932100
 Louisville, KY 40293-2100

KEY TAKEAWAYS

W2 Wage earning employees are subject to Federal and State taxes being withheld from their paychecks that need to be paid over to the IRS.

At the end of each Quarter, its required that quarterly returns be submitted to the IRS and Georgia to report back on the total taxes withheld for the period.

Failing to comply can result in significant penalties and interest being charged and can be classified as a felony.

For more information, feel free to reach out to CKH Group and we can assist you.



NEXT CPE COURSE:

**Accurately Submitting the Report of
Local Government Finance (RLGF)**

January 15, 2026

(details to come!)

NEXT EVENT TO JOIN US AT:

GGFOA Annual Conference

Oct. 12 – 15, 2025



CUSTOM MUNICIPAL DASHBOARDS

Keep your teams and your constituents informed

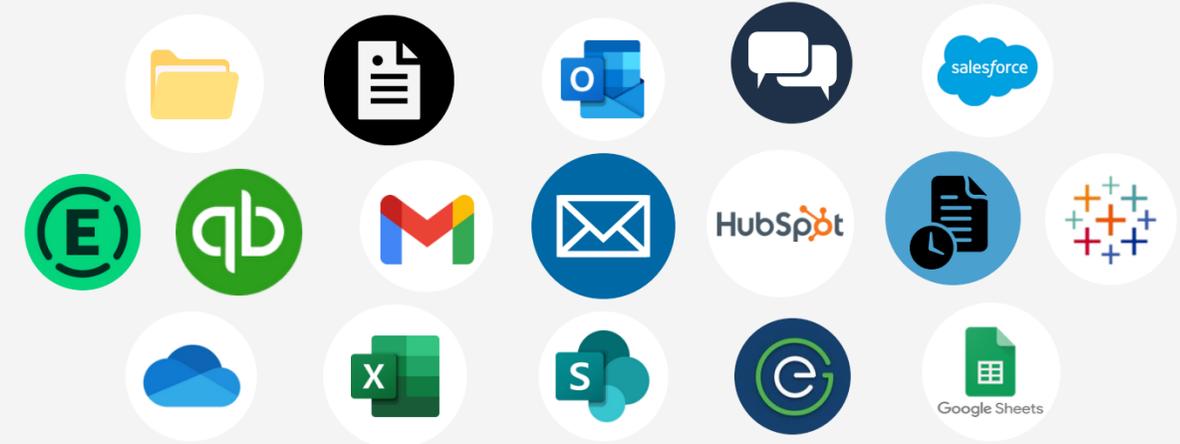
We understand that community projects require community visibility. We create custom public dashboards to deliver project updates directly to your community. We can also create custom internal dashboards designed to help keep your team on track with deadlines, financials, budget, or project tracking- such as month-end accounting tasks.

Flexible Data Integration

Our solution is designed to work **with any type of data your municipality has** - whether it's exported spreadsheets, emails with project notes, meeting summaries, or live API feeds from accounting or CRM systems. Our team will carefully review all available materials and transform them into clean, structured datasets ready for the dashboard - **no cleanup required on your side.**

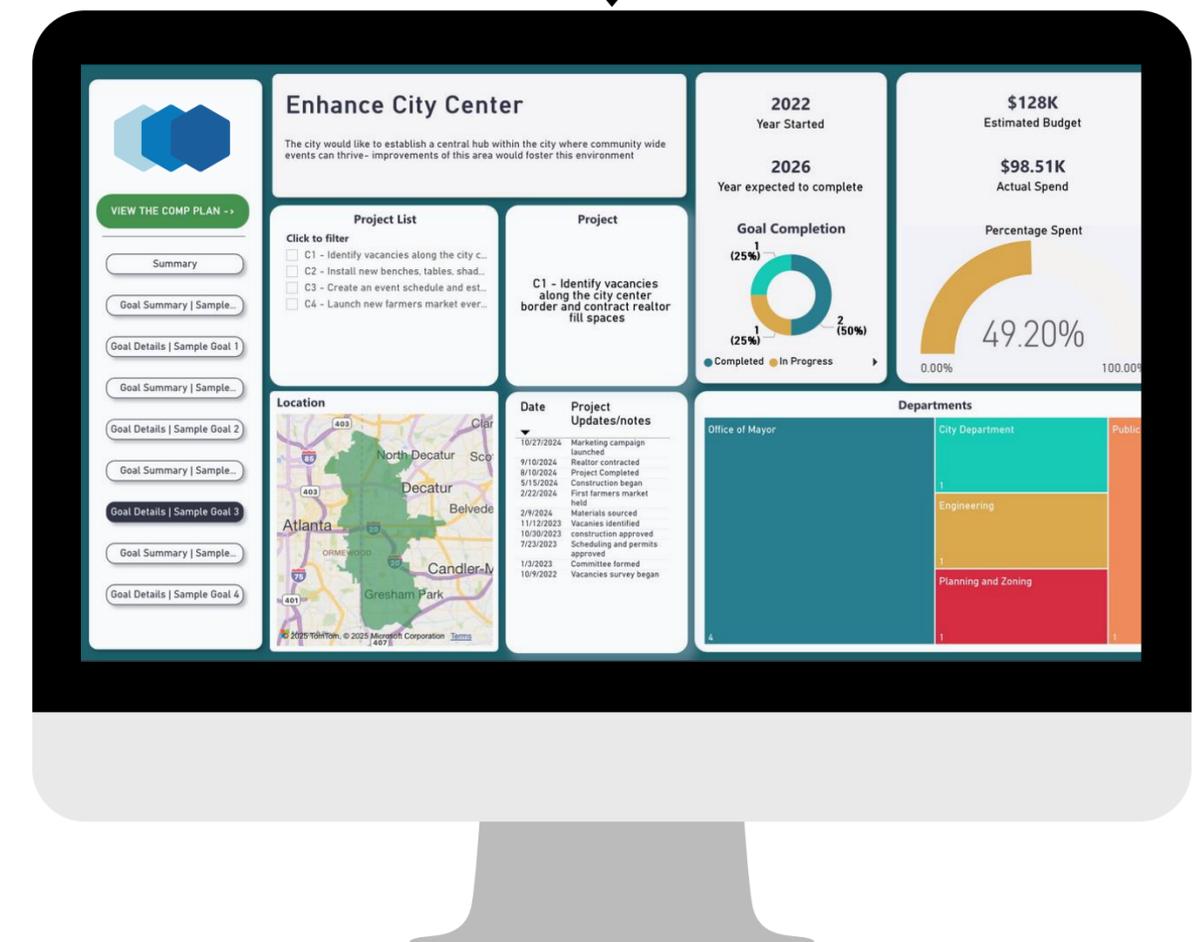
You give us...

Data Sources



We give you...

Structured Datasets





Let's Stay in Touch



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Atlanta, GA 30328



www.ckhgroup.com





Questions?

