

# HOUSE . . . . . No. 126

---

---

Accompanying the second recommendation of the Department of Corporations and Taxation (House, No. 124). Municipal Finance. Dec. 6, 1923.

---

---

## The Commonwealth of Massachusetts.

---

In the Year One Thousand Nine Hundred and Twenty-Four.

---

An Act to provide for the Verification of Cash Balances by Town Auditors.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Section fifty of chapter forty-one of  
2 the General Laws is hereby amended by adding at  
3 the end thereof the following:—" and they shall  
4 each year make oath that they have verified the  
5 cash balance by actual count and by a reconcilia-  
6 tion of the bank balances, "—so as to read as fol-  
7 lows:—*Section 50.* The auditors of a town shall  
8 examine the books and accounts of all its officers  
9 and committees intrusted with the receipt, custody  
10 or expenditure of money, and all original bills and  
11 vouchers on which money has been or may be paid  
12 from its treasury. They shall have free access to  
13 such books, accounts, bills and vouchers as often  
14 as once a month for the purpose of examination,  
15 and shall examine the same at least once in each  
16 year, and annually report in writing the result of  
17 their examinations, and they shall each year make

18 oath that they have verified the cash balance by  
19 actual count and by a reconciliation of the bank  
20 balances.

1 SECTION 2. Section fifty-three of said chapter  
2 forty-one is hereby amended by adding at the end  
3 thereof the following:—" and they shall each year  
4 make oath that they have actually verified the  
5 cash balance by actual count and by a reconciliation  
6 of the bank deposits, "—so as to read as follows:—  
7 *Section 53.* Town auditors shall at least once  
8 every year, and so much oftener as they deem neces-  
9 sary, audit the account of the trustees of any prop-  
10 erty the principal or income of which, in whole or  
11 in part, was bequeathed or given in trust for pub-  
12 lic uses for the benefit of the town or any part there-  
13 of, or for the benefit of the inhabitants of the town  
14 or of any part thereof, and examine and estimate  
15 the funds, securities and evidences of property held  
16 by such trustees. Said trustees shall give said  
17 auditors free access to their accounts, funds, secur-  
18 ities and evidences of property; and any such trus-  
19 tee refusing to exhibit the same shall be punished  
20 by a fine of not less than fifty nor more than two  
21 hundred dollars. Town auditors shall include in  
22 their annual reports a report of such auditing and  
23 investigation; and if they discover any fraud or ir-  
24 regularity they shall immediately report the same  
25 to the mayor and city treasurer or to the selectmen  
26 and town treasurer, and they shall each year make  
27 oath that they have actually verified the cash bal-  
28 ance by actual count and by a reconciliation of the  
29 bank deposits.