



County Technical Assistance Service

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Optional Checking Account

Dear Reader:

The following document was created from the CTAS electronic library known as e-Li. This online library is maintained daily by CTAS staff and seeks to represent the most current information regarding issues relative to Tennessee county government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other e-Li material.

Sincerely,

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Optional Checking Account

Reference Number: CTAS-826

A check differs from a warrant in that a check is a direct draft drawn upon a bank (holding county funds) and is payable upon demand whereas a warrant is an order to the county trustee to pay to the payee monies from the county treasury if and when money is available. As a result of legislation enacted in 1992, county trustees have authority to switch from the traditional warrant system to a checking system for disbursing county funds. T.C.A. § 5-8-210. The trustee may adopt the checking system by giving at least thirty days' notice to each official authorized to sign checks. Under this system the county trustee must certify that funds are available to pay checks before they are released, thereby preventing department heads from issuing disbursement warrants when cash is unavailable in the account. Anyone who signs or issues a check without the required certification is subject to removal from office and personal liability for any improperly disbursed funds. T.C.A. § 5-8-210(k).

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