OFFICE OF THE INSPECTOR GENERAL
MASSACHUSETTS

JEFFREY S. SHAPIRO
Inspector General

Compensating Balance Account Report

Pursuant to M.G.L. Chapter 44, Section 53F

City, Town or District

If you had a Compensating Balance Account between July 1, 2025 and June 30, 2026 (FY2026), please complete this report and provide it to the Office of the Inspector General (OIG) by October 31, 2026. Complete one report for each Compensating Balance Account. You may sign the document with a **/s/** and a typed name on the signature line.

NOTE: Cities, towns and districts must follow M.G.L. c. 30B, *The Uniform Procurement Act*, to enter into a compensating balance agreement with a bank (or to obtain other banking services). *See* M.G.L. c. 44, § 53F.

Bank Name

Account No.

Definitions:

Excess or (Deficit) **Earnings Credits** are the earnings on a Compensating Balance Account that may be used to pay for account service charges. These excess or deficit credits are usually reported on the customer analysis report from your bank.

Excess or (Deficit) **Balance** is the average collected balance maintained on deposit either above or below the balance required to generate enough earnings credits to pay for account service charges. You may have to compute this balance according to the instruction below.

Instructions:

- Obtain the monthly excess or deficit earnings credit figures from the customer analysis report from your bank. Add all the credits from July 1, 2025 to June 30, 2026, and enter the sum in the appropriate space below. Be sure to separate any amounts accumulated from previous years and determine if the figures are monthly or cumulative for the year.
- Compute each month's excess or deficit balance by taking the bank's average daily ledger balance and subtracting both any identified deposit float (due to check clearing time) and the balance that would be required to generate enough earnings credits to compensate for banking service charges. Add all the resulting balances from July 1, 2025 to June 30, 2026, divide by the number of months involved, and enter the average in the appropriate space below.
- Contact your bank if you cannot find any of the figures mentioned above on your customer analysis report.
- Contact Kerri-Anne Hollingshead at (617) 722-8871 if you have questions about completing this report.

Total Excess or (Deficit) Earnings Credits for FY2026 (7/1/2025-6/30/2026) $

Average Excess or (Deficit) Balance for FY2026 (7/1/2025-6/30/2026) $

Submitted by:

Submitted for: Treasurer ☐ Collector ☐ Name:

Return by **October 31, 2026** to IGO.municipal@mass.gov Subject line: **53F Report**