

UAN Support has begun to receive an increasing number of calls with questions on bank reconciliations. This UAN User Notes is devoted specifically to that of bank reconciliations. The content is divided into three sections. The first section is 'The Bank Reconciliation Frequently Asked Question (FAQ)' is a compilation of frequently asked questions received by the UAN Support Line. The second section is 'Considerations for a Bank Reconciliation Out of Balance' is a quickguide to some of the things that can be reviewed to help remedy the out of balance issue. The third section is 'How to Add and Post/Print a Bank Reconciliation' is a step by step instructions on how to complete your bank reconciliation. The 'How to Add and Post/Print a Bank Reconciliation' can also be found within the UAN Accounting & General Manual.

BANK RECONCILIATION FREQUENTLY ASKED QUESTIONS (FAQ)

1. What kind of control do I have over dates in my system that affect my bank reconciliation?

You can date January standard, memo, or investment interest receipts and unexpected bank fees or electronic payments to the date it appears on the Bank/Investment Statement. You can back date receipts and electronic payments to the date of your last bank reconciliation e.g. the last posted bank reconciliation was dated December 31, 2012, so you can back date receipts and electric payments to January 1, 2013.

Reminder: Electric payment was referred to as Charges in the old Accounting application and Vouchers in the old Payroll application.

Reminder: You cannot back date printed warrants.

2. How do I change what is shown in Deposits in Transit (DIT)?

There is no field to manual enter your Deposit In Transit (receipts posted in the software but have not posted at the bank). The Deposit In Transit field will automatically be reduced after you clear outstanding receipts from the Receipts tab.

3. Where do interest receipts appear?

Interest receipts that are deposited to the primary checking account appear under the Receipts Tab. Reinvested interest receipts (the interest went back into the investment) appear on the Secondary/Investment tab.

4. I made an adjustment to expenditure or receipt but it is still showing for the original amount. What is wrong?

Receipts and Expenditures will always reflect the original amount recorded in UAN under the corresponding tab. Adjustments to Receipts or Expenditures as well as adjustments to Cash through a Fund Balance Adjustment (FBA) will be reflected on the Primary

Adjustment tab and should be selected within the same month the corresponding action occurred against the bank statement.

5. **Why won't the Edit/Post button not automatically post/print the bank reconciliation?**

To post/print the bank reconciliation, you must select the post/print button from the Reconciliation & Post tab AND have the green checkmark which indicates reconciliation is complete and differences are accounted for and/or noted.

6. **What amounts should I enter on the Bank Statement Tab?**

Enter the bank statement ending balance as reflected on the statement itself for the corresponding date indicated. Enter investment balances as reflected as of that same corresponding date.

Reminder: Reconciling date should be as of the last day of the month regardless of the bank statement date. Items that are recorded in UAN but not reflected on the statement will go into the next Bank Rec. as Outstanding items or Deposits in Transit.

7. **Part of my receipt didn't post at the bank. What do I do?**

Any Part of a receipt lumped with other receipts portion of the receipt that did not post at the bank will be an Other Adjusting Factor (OAF) that increases the bank's balance. Once the outstanding portion of the lump sum receipt is posted at the bank, the OAF will not be necessary for future bank reconciliations.

CONSIDERATIONS FOR A BANK RECONCILIATION OUT OF BALANCE

1. Suggested reports to review if you are unable to reconcile:

- The **Bank Reconciliation Worksheet** can be used to help reconcile for a bank reconciliation that is in process (recorded and saved, but not posted). Steps to Access: Accounting → Reports & Statements → Bank Reconciliation Reports. Select Bank Reconciliation Report from the drop-down menu. This area will list both posted and batch bank reconciliations.
- The **Cash Journal** displays all transactions that have increased and decreased the total cash balance including the revenue and expenditure transactions. This report can be used during the bank reconciliation process to compare the transactions posted on the bank statement to the transactions posted in the system for the month that is being reconciled. Steps to Access: Accounting → Reports & Statements → Cash Reports. Click the drop-down menu to select.

- The **Cash Activity** report is similar to the cash journal except it is a more concise cash report. Steps to Access: Accounting → Reports & Statements → Cash Reports. Click the drop-down menu to select.
 - The **Investment Activity** report contains all the detailed activity for each individual investment for a specified time period. Steps to Access: Accounting → Reports & Statements → Investment Reports. Click the drop-down menu to select.
2. Use the **Balance Comparisons tab** to locate discrepancies when you are unable to reconcile. Click the plus sign (+) to the left of each account to view all transactions for that account. *Please Note:* Due to the transition from the old to new software, the first reconciliation will not include the Prior Bank Balance and Calculated Bank Balance totals, but it will display the details of the calculated balance. Click on the plus sign (+) to the left of each account type.
 3. The date of the bank reconciliation needs to be the last day of the month.
 4. Prior month items need to be verified as cleared/posted:
 - Other adjusting factors (e.g. bank service charges and/or interest)
 - Deposits in transit
 - Outstanding payments
 5. Print current month cash journal and compare line by line with a copy of the bank statement:
 - Compare bank statement deposits listed to the cash journal deposits. Locate all differences.
 - Compare bank statement to the Payment Listing and the outstanding checks on the bank reconciliation for the prior month. Locate all differences.
 - If bank service charges, fees for deposits slips, non-sufficient funds (NSF) fees are not posted in the system, enter the transaction making sure to back-date the transaction to the day it posted at the bank. Under certain circumstances, a short-term alternative solution is to enter an other adjusting factor (payments not in UAN) on the bank reconciliation.
 - If interest is not posted in the system, enter the interest receipt making sure to back-date the transaction to the day it posted at the bank. A short term alternative is to enter as an other adjusting factor (receipts not in UAN) on the bank reconciliation.
 - Look for any adjustments that may have been posted in the system or corrections posted by the bank that appear on the bank statement.
 6. Posting Errors:
 - Receipts posted in error

- Payments voided in error

7. Investments:

- Verify investment accounts are set up in the system.
- Check for any investment interest receipt that may have been reinvested by mistake. If so, post a transfer from investment to primary, or void the original interest receipt and post a new interest receipt but do not select the 'Reinvest' radio button.
- Check for any investment interest receipt was not reinvested and should have been. If so, post a transfer from primary to investment or void the original interest receipt and post a new interest receipt and select the 'Reinvest' radio button.

HOW TO ADD AND POST/PRINT BANK RECONCILIATION

Step 1: Click on the **Add** button.

Step 2: The system will display a reminder message stating that after posting a bank reconciliation, new cash transactions must be dated after the 'As of' date of the posted bank reconciliation. Click on the **OK** button to proceed.

Step 3: Select the **As of Date** for the bank reconciliation that is to be added.

Step 4: Click on the **OK** button. (*Selecting **Cancel** will return to the Bank Reconciliation screen.*)

Step 5: The system automatically defaults to the **Bank Statements** tab. Under the Bank Balance column, enter the **ending balances** for each of the listed checking and investment accounts. The ending balance for each account should come from corresponding bank statement for the selected 'As of' bank reconciliation date. (*The ending balance for each account can be entered by clicking on the bank balance field and typing in the amount. The 'Enter' key can also be utilized to proceed down the list of accounts once the first amount is entered.*)

At the bottom of the Bank Statements screen, the total **current bank balance will be displayed.**

Step 6: Click on the **Primary – Receipts** tab and follow the sub-steps below:

Step 6a: Select the receipts to be **cleared** on the bank reconciliation by looking at the receipts that are listed on the primary checking account bank statement for the selected 'As of' bank reconciliation date. To clear a receipt in the system, click on the receipt's checkbox located to the left of the receipt type. Checkmarks will appear in the checkboxes that have been selected

to be cleared in the system. *(To unselect a checkbox, simply click on the box to remove the checkmark.)*

A **'select all' checkbox** is available at the very top of the checkbox column. To select all of the receipts, click on the **'select all' checkbox**. Checkmarks will appear in all of the receipt checkboxes. *(To unselect all of the receipt checkboxes, simply click on the 'select all' box to remove the checkmark.)*

At the bottom of the Primary – Receipts screen, the total **number of cleared receipts**, the total **amount of cleared receipts** and the total **amount of deposits in transit** will be displayed. *(Please note: If a current year receipt was voided after the current bank reconciliation 'As of' date, the receipt amount will automatically be pulled into the amount of deposits in transit.)*

Step 6b: If fund balance adjustments have been posted for prior year receipts in the Fund Balance Adjustment Utility, the prior year receipts can be marked **'Void'** by clicking on the checkbox under the Void column located to the right of the receipt amount. A checkmark will appear in the void checkbox for the receipt.

Step 7: Click on the **Primary – Payments** tab and follow the sub-steps below:

Step 7a: Select the payments to be **cleared** on the bank reconciliation by looking at the payments that are listed on the primary checking account bank statement for the selected 'As of' bank reconciliation date. To clear a payment in the system, click on the payment's checkbox located to the left of the payment type. Checkmarks will appear in the checkboxes that have been selected to be cleared in the system. *(To unselect a checkbox, simply click on the box to remove the checkmark.)*

A **'select all' checkbox** is available at the very top of the checkbox column. To select all of the payments, click on the **'select all' checkbox**. Checkmarks will appear in all of the payment checkboxes. *(To unselect all of the payment checkboxes, simply click on the 'select all' box to remove the checkmark.)*

At the bottom of the Primary – Payments screen, the total **number of cleared payments**, the total **amount of cleared payments** and the total **amount of outstanding payments** will be displayed. *(Please note: If a current year payment was voided after the current bank reconciliation 'As*

of date, the payment amount will automatically be pulled into the amount of outstanding payments.)

- Step 7b:** If fund balance adjustments have been posted for prior year payments in the Fund Balance Adjustment Utility, the prior year payments can be marked '**Void**' by clicking on the checkbox under the Void column located to the right of the payment amount. A checkmark will appear in the void checkbox for the payment.
- Step 8:** Click on the **Primary – Adjustment** tab. Select the adjustments to be **cleared** on the bank reconciliation. To clear an adjustment in the system, click on the adjustment's checkbox located to the left of the adjustment type. Checkmarks will appear in the checkboxes that have been selected to be cleared in the system. *(To unselect a checkbox, simply click on the box to remove the checkmark.)*
- A '**select all**' checkbox is available at the very top of the checkbox column. To select all of the adjustments, click on the '**select all**' checkbox. Checkmarks will appear in all of the adjustment checkboxes. *(To unselect all of the adjustment checkboxes, simply click on the 'select all' box to remove the checkmark.)*
- At the bottom of the **Primary – Adjustment**, the total **number of cleared adjustment** items, the total **amount of cleared adjustment** items and the total **amount of outstanding adjustment** items will be displayed.

- Step 9:** Click on the **Secondaries & Investments** tab and follow the sub-steps below:

Step 9a: Select the transactions to be **cleared** on the bank reconciliation by looking at the transactions that are listed on the secondary and investment account bank statements for the selected 'As of' bank reconciliation date. To clear a transaction in the system, click on the transaction's checkbox located to the left of the transaction type. Checkmarks will appear in the checkboxes that have been selected to be cleared in the system. *(To unselect a checkbox, simply click on the box to remove the checkmark.)*

A '**select all**' checkbox is available at the very top of the checkbox column. To select all of the transactions, click on the '**select all**' checkbox. Checkmarks will appear in all of the transaction checkboxes. *(To unselect all of the transaction checkboxes, simply click on the 'select all' box to remove the checkmark.)*

At the bottom of the **Secondaries & Investments** screen, the total **amount of deposits in transit**, the total **amount of outstanding payments** and the total **amount of outstanding adjustment** items will be displayed.

(Please note: If a current year transaction was voided after the current bank reconciliation 'As of' date, the transaction amount will automatically be pulled into the amount of deposits in transit and/or the amount of outstanding payments depending on the transaction type.)

- Step 9b:** If fund balance adjustments have been posted for prior year transactions in the Fund Balance Adjustment Utility, the prior year transactions can be marked '**Void**' by clicking on the checkbox under the Void column located to the right of the transaction amount. A checkmark will appear in the void checkbox for the transaction.
- Step 10:** Click on the **Balance Comparisons** tab. Compare the UAN calculated account balances to the actual account balances from all of the bank account statements. Determine if there are any discrepancies. Please note: Individual account balances may not reconcile if there are Other Adjusting Factors (OAF's) that pertain to the account.
- Step 11:** Click on the **Other Adjusting Factors** tab and follow the sub-steps below:
- Step 11a:** If there are any receipts that cleared the bank and appear on the bank statement but were not posted in the system by the 'As of' bank reconciliation date, enter the total amount of the receipts in the **Receipts not in UAN** field under the UAN Balance Adjustments data entry area. Use the **Notes** field to the right of the amount to document the supporting details of the other adjusting factor.
- Step 11b:** If there are any payments that cleared the bank and appear on the bank statement but were not posted in the system by the 'As of' bank reconciliation date, enter the total amount of the payments in the **Payments not in UAN** field under the UAN Balance Adjustments data entry area. Use the **Notes** field to the right of the amount to document the supporting details of the other adjusting factor.
- Step 11c:** If there are bank errors that occurred by the bank posting receipts for too little (under-posting) or posting payments for too much (over-posting), enter the total amount of the bank errors in the **Deflating bank errors** field under the Bank Balance Adjustments data entry area. Use the **Notes** field to the right of the amount to document the supporting details of the other adjusting factor.
- Step 11d:** If there are bank errors that occurred by the bank posting receipts for too much (over-posting) or posting payments for too little (under-posting), enter the total amount of the bank errors in the **Inflating bank errors** field

under the Bank Balance Adjustments data entry area. Use the **Notes** field to the right of the amount to document the supporting details of the other adjusting factor.

- Step 11e:** If there are outstanding payments issued prior to converting to the UAN system, enter the total amount of the payments in the **Pre-conversion payments** field under the Bank Balance Adjustments data entry area. Use the **Notes** field to the right of the amount to document the supporting details of the other adjusting factor.
- Step 12:** Click on the **Reconciliation** tab. The system pulls all of the key data from the other bank reconciliation tabs into the Reconciliation & Post tab to reconcile the **Bank Balance** and the **UAN Balance**. See the sub-steps below to determine if the balances are reconciled or not reconciled:
- Step 12a:** If the balances are reconciled, a green circle icon with a checkmark inside will appear along with the message '**Balances are reconciled**'. The Post/Print button will also be enabled so that the bank reconciliation can be posted in the system.
- Step 12b:** If the balances are not reconciled, a red circle icon with an 'X' inside will appear along with the message '**Balances are NOT reconciled**'. The Post/Print button will be disabled and unavailable until the balances are reconciled.
- Step 13:** Click on the **Save** button to save the bank reconciliation. The bank reconciliation can be saved even if the balances are not reconciled. *(Selecting **Close** on this step will prompt the system to display a message 'Save Changes?'. Selecting **Yes** will still save the bank reconciliation. Selecting **No** will exit without saving. Selecting **Cancel** will return to the Add Bank Reconciliation form.)*
- Step 14:** If the balances are not reconciled and/or the bank reconciliation has to be completed at a later time, click on the **Close** button to exit the Add Bank Reconciliation form after the bank reconciliation has been saved. *(The system displays a message in the bottom left corner of the Add Bank Reconciliation form to confirm the bank reconciliation has been saved.)*
- Reminder:** *The Bank Reconciliation Worksheet option is where a worksheet can be printed for a bank reconciliation that is in process (recorded and saved, but not posted). This worksheet can be used to help reconcile the checking account. The worksheet is located under Accounting → Reports & Statements → Bank Reconciliation Reports.*

Step 15: If the balances are reconciled and the bank reconciliation is ready to be posted and printed, click on the **Reconciliation** tab and follow the sub-steps below:

Step 15a: Click on the **Post/Print** button.

Step 15b: The system displays a Print box. Click on the **OK** button to print the bank reconciliation. (*Selecting **Cancel** will return to the Bank Reconciliation screen without printing the bank reconciliation report. Please note: The bank reconciliation will still be posted.*)

Reminder: *The 'As of' date for the bank reconciliation cannot be changed after the complete Add Bank Reconciliation form opens.*

Reminder: *It does not matter what order the bank reconciliation tabs are completed when adding a bank reconciliation.*

Reminder: *The Save button on the Add Bank Reconciliation form does not have to be selected until all changes have been made to each of the chosen areas of the Add Bank Reconciliation form (i.e. Changes can be made on the Bank Statements tab as well as the Primary – Payments tab before the Save button would need selected to save the changes in both areas.)*

Reminder: *Other adjusting factors that require corrections and/or adjustments to be posted in the system should have those corrections and/or adjustments posted prior to the next month's bank reconciliation. These items must be posted as transactions in the system. Simply entering them as other adjusting factors on the bank reconciliation does not automatically post the corrections and/or adjustments in the system.*