Bank Reconciliation Training

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UAN Version 2005

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F1 - Help

A UAN Help application is accessible in the Accounting, Payroll, Cemetery and Inventory software. It is accessible by pressing the F1 key anywhere in the software. It is a context sensitive Help application that incorporates the software manuals. By pressing the F1 key in an area of the software, the section of the manual that applies to that specific area will be displayed on the screen.

Some of the following options (as shown in Example A) are available on each page of the manual section that is accessed through the UAN Help application:

> **Back** - Goes back to the previous document opened in the Help menus.
> **Forward** - Goes forward one document. It is used in conjunction with the Back button.
> **Print** - Prints the Help document.
> **Contents tab -** Used to quickly access other manual sections.

Example A

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F11 and F12

These additional keys at the top of the keyboard are used to make multiple selections from a grid. The F11 will select all choices **up** from the marked item. The F12 will select all choices **down** from the marked item. These grids also have the option to Select All or Clear All.

Background Utilities

The UAN program allows different background options to be chosen to change the software background as well as the background for the main screen. Select Utilities from the main menu or the drop down menu (if the drop down menu is utilized, all open windows will have background colors updated the next time they are opened). Next, select Background Selection to view the selections. After a choice is made, select Apply. See Example B.

Example B

The following is the Background Color Selection Screen:

Spell Check

Spell check is available from the Windows option on the drop down menu at the top of the screen. Only characters and memo fields may be spell checked. Spell check cannot check fields that are read only. See Example C.

Example C

The following is an example of an area that utilizes spell check:

Hot Keys

Hot keys allow the use of the keyboard to select menu items without using the mouse. The hot key letter designation can be identified as the letter in the button which is underlined. For example, if the menu item is Process, the 'P' would be the hot key. Hot keys are utilized by pressing the 'Alt' key and the underlined letter of the function button that is to be accessed. (Exception: The hot key to access 'Spell Check' in the system is accessed by pressing the 'Ctrl' key and the letter 'S' instead of using the 'Alt' key.)

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Example D

This is an example of a screen with designated hot keys.
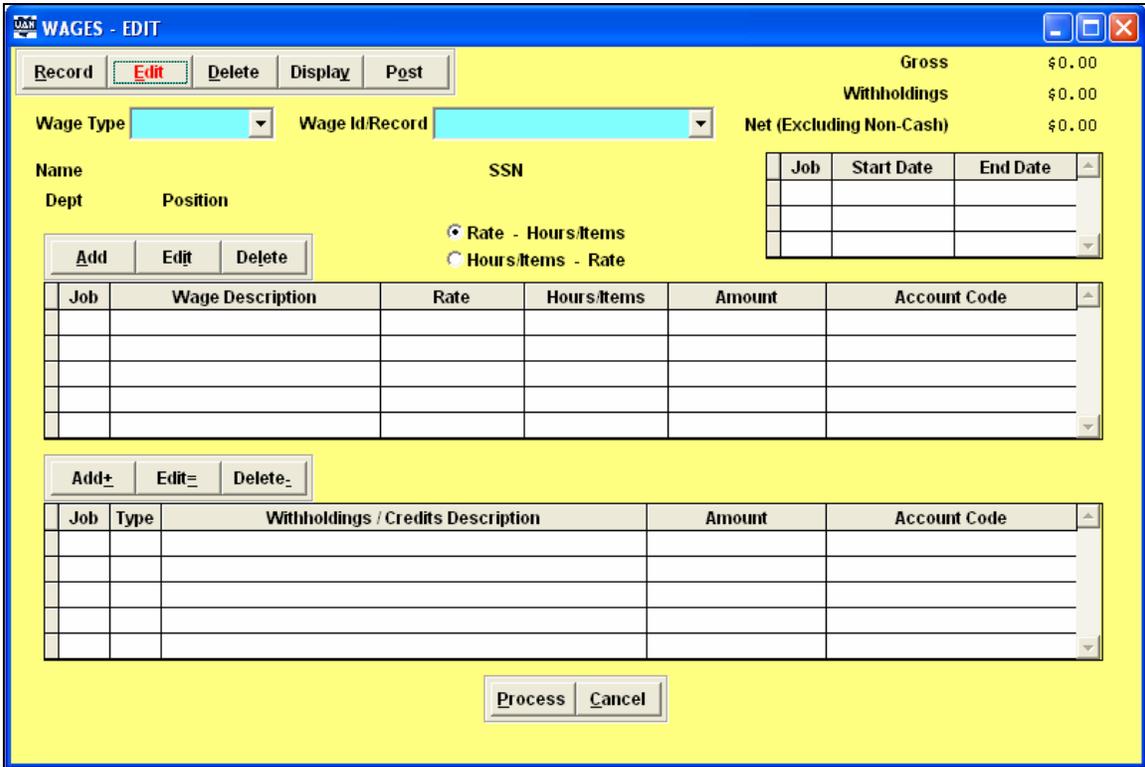
In this example the following items are listed with their corresponding hot key:

Function Buttons
Record – 'R'
Edit – 'E'
Delete – 'D'
Display – 'Y'
Post – 'O'

Middle Grid Buttons
Add – 'A'
Edit – 'I'
Delete – 'L'

Bottom Grid Buttons
Add – '+'
Edit – '='
Delete – '-'

Cash Management
Primary Bank Reconciliation

Overview

The Record Primary Bank Reconciliation application provides the ability to reconcile the primary checking account balance in the system with the monthly bank account statement. It allows the statement information to be recorded and warrants to be marked as cleared. This application also provides entries for deposits in transit (DIT) and other adjusting factors (OAF).

The bank reconciliation date should be the last day of the month. If your normal bank statement date is not the last day of the month, request an interim bank statement each month that ends on the last day of the month.

Be certain all batch warrants are printed before doing the monthly bank reconciliation and the final bank reconciliation for the year.

Cash Management
Primary Bank Reconciliation

Hints

(The Seven C's)

1)   Compile documents for review (copies of bank statement, investments, prior month bank reconciliation, cash journal, payments/charges register, receipt register)

2)   Compare the cash journal with the bank reconciliation from the prior month to locate and verify OAF's from prior month.

3)   Compare the payment/charge registers to the cash journal. Locate all differences.

4)   Compare deposits on bank statement with receipt register.

5)   Compare the bank statement to the payment/charge registers. Verify amounts and warrant numbers.

6)   Check for interest postings, bank charges, investment information and adjustments.

7)   Call UAN.

Bank Reconciliation Quick Tips

Brief Overview

The following are suggested procedures to use when your bank reconciliation does not balance.

1.   Make sure that the reconciliation date is the same date being used on the bank statement (which should be the last day of the month).

2.   Print out the prior month's bank reconciliation report and compare it to the current bank statement. Verify that any prior deposits in transit are posted at the bank; that any prior outstanding warrants cleared the bank; and that any prior adjustments or corrections were posted in the system or at the bank.

3.   Print out the current month's cash journal and make a copy of the bank statement. Do not use check stubs or deposit tickets to reconcile. Only the bank statement and the cash journal will be needed unless a posting error was made by the clerk or the bank.

Cash Management
Primary Bank Reconciliation

4.   Make sure that the bank interest has been posted as an interest receipt in the system during the month being reconciled. Verify that the interest receipt was reinvested. If not, the interest is a negative other adjusting factor (deposits not recorded in the system).

5.   Make sure that all fees or withdraws are posted as charges in the system during the month being reconciled. If not, carry the amount as a positive other adjusting factor (charges not recorded in the system). Fees or withdraws may include service charges, fees for deposit services, NSF charges or EFT's.

6.   Make sure that any posting errors not caught before the month was advanced in the system are carried as other adjusting factors.

7.   Investment accounts should be set up in the system. If the investment is not setup and/or the balances are not correct, the bank reconciliation will not balance. Until the issue is resolved, use an other adjusting factor (system investment less/greater than bank investments).

Checklist for Bank Reconciliation

- Reconciliation Date – Make sure it is the same date used on the bank statement (which should be the last day of the month).

- Prior month - Verify the following to be cleared or posted:
    1. Other adjusting factors (e.g. interest)
    2. Deposits in transit
    3. Outstanding warrants
    4. Other adjusting factors from prior month

- Cash Journal – Print the current month and compare line by line with a copy of the bank statement:
    1. Deposits
    2. Warrants
    3. Bank service charges for fees for deposit slips, NSF fees, or EFT's
    4. Interest postings
    5. Adjustments and corrections

- System postings – Verify all entries for:
    1. Interest, if not posting, use as other adjusting factor (deposits not recorded in the system)
    2. Bank fees are posted as charges

- Posting errors – Receipts posted in error entered in the current month.

- Investments – Verify investment accounts setup in the system and check to see if investment interest receipts are reinvested or not (Investment Activity report).

Other Adjusting Factors

- Negative Other Adjusting Factors:
  1. Deposits not recorded in the system
  2. System investments greater than bank investments
  3. Outstanding warrants not listed in system
  4. Posting error (check under posted, receipt over posted) at bank

- Positive Other Adjusting Factors:
  1. Charges not recorded in the system
  2. System investments less than bank investments
  3. Posting error (check over posted, receipt under posted) at bank

Note: After posting a bank reconciliation, the Printing Utilities box will appear twice. The first box is for the reconciliation and the second is for the outstanding checks. Print both documents.

Cash Management
Primary Bank Reconciliation

Bank Reconciliation

Statement
    a)   Enter the ending date of the period.
    b)   Enter the bank checking balance as of the ending date of the period.
    c)   Select the Warrants tab.

Warrants
    d)   Place a '☑' next to each check that cleared on the bank statement.
    e)   The void option is only for prior year warrants.
    f)   Select the Reconciliation tab.

Reconciliation
    g)   Check the bottom left corner of the screen to find out if the bank reconciliation is balanced.
        i)   If the bank reconciliation is balanced, click **'Process'** and then click the **'Post'** function button.
        ii)   If the bank reconciliation does not balance then compare the bank statement to the cash journal as a preliminary check for the difference.
                Note: The amount shown at the bottom right of the bank reconciliation screen displays the amount that the system differs from the bank statement balance. This amount reflects what the system has to do to the bank's balance to bring the bank to the UAN balance. For example: An amount of - $50.00 would indicate that the bank has $50 more than the UAN system and an adjustment of - $50.00 to the bank's balance would make the system and the bank balance.
        iii)   Use the DIT (Deposits in Transit) and the OAF (Other Adjusting Factors) tabs as places to denote why the bank reconciliation is off for that month.

Steps to Access

Select **Accounting**.
Select **Transactions**.
Select **Cash Management**.
Select **Primary Bank Reconciliation**.

Load Training Exercise <u>1. Bank Rec</u>

Cash Management
Primary Bank Reconciliation

Exercise #1

First Bank of Ohio

UAN Township	January 31, 2005
Pat M. Clark	Account # 123456
24 Center Street	Page 1 of 1
Anytown, OH 43210-4444	

Summary of Accounts:

Account	Account Number	Interest Year to Date
Checking	123456	$ 873.13

Last Statement Issue: December 31, 2004

Balance on January 1, 2005	$132,341.85
Plus Deposits and Other Credits	13,997.20
Minus Checks and Other Debits	885.00
Balance on January 31, 2005	$145,454.05

Transaction Detail	Date	Description	Amount
Deposit Summary	01/07/05	Deposit #1	$121.00
	01/07/05	Deposit #2	$ 700.00
	01/07/05	Deposit #3	$75.00
	01/07/05	Interest	$873.13
	01/07/05	Deposit #4	$11,703.21
	01/31/05	Interest	$524.86

Check Summary	01/20/05	1001	$ 125.00
	01/21/05	1002	$ 85.00
	01/21/05	1004	$ 650.00
Charges	01/07/05	Deposit Tickets	$25.00

** Load Training Exercise 2. Bank Rec**

Cash Management
Primary Bank Reconciliation

Exercise #2

First Bank of Ohio

UAN Township   January 31, 2005
Pat M. Clark   Account # 123456
24 Center Street   Page 1 of 1
Anytown, OH 43210-4444

Summary of Accounts:

Account	Account Number	Interest Year to Date
Checking	123456	$ 873.13

Last Statement Issue: December 31, 2004

Balance on January 1, 2005 $132,341.85
Plus Deposits and Other Credits   14,227.20
Minus Checks and Other Debits   885.00
Balance on January 31, 2005 $145,684.05

Transaction Detail	Date	Description	Amount
Deposit Summary	01/07/05	Deposit #1	$121.00
	01/07/05	Deposit #2	$ 700.00
	01/07/05	Deposit #3	$75.00
	01/07/05	Interest	$873.13
	01/07/05	Deposit #5	$11,703.21
	01/27/05	Deposit #6	$230.00
	01/31/05	Interest	$524.86

Check Summary	Date	Description	Amount
Check Summary	01/20/05	1001	$ 125.00
	01/21/05	1002	$ 85.00
	01/21/05	1004	$ 650.00
Charges	01/07/05	Deposit Tickets	$25.00

Load Training Exercise 3. Bank Rec

Cash Management
Primary Bank Reconciliation

Exercise #3

First Bank of Ohio

UAN Township   February 28, 2005
Pat M. Clark   Account # 123456
24 Center Street   Page 1 of 1
Anytown, OH 43210-4444

Summary of Accounts:

Account	Account Number	Interest Year to Date
Checking	123456	$ 1,532.99

Last Statement Issue: January 31, 2005

Balance on February 1, 2005 $137,680.05
Plus Deposits and Other Credits   19,064.59
Minus Checks and Other Debits   1,238.14
Balance on February 28, 2005 $155,506.50

Transaction Detail	Date	Description	Amount
Deposit Summary	02/10/2005	Deposit #1	$54.72
	02/15/2005	Interest	$135.00
	02/15/2005	Deposit #2	$337.00
	02/15/2005	Deposit #3	$57.00
	02/15/2005	Investment Transfer	$15,000.00
	02/15/2005	Deposit #4	$2,361.64
	02/20/2005	Deposit #5	$1,119.23

Check Summary		1003	$136.92
		1005	$500.00
		1006	$98.22
		1007	$125.00
		1009	$250.00
		1010	$15.00
		1012	$27.00
		1013	$50.00
Charges	2/20/2005	Deposit Tickets	$36.00

Cash Management
Primary Bank Reconciliation

Exercise #3-Investments

Star Ohio

UAN Township   February 28, 2005
Pat M. Clark   Account # 343466
24 Center Street   Page 1 of 1
Anytown, OH 43210-4444

Summary of Accounts:

Account	Account Number	Interest Year to Date
Public Funds	343466	$ (Quarterly)

Last Statement Issue: January 31, 2005

Balance on February 1, 2005 $15,000.00
Plus Deposits and Other Credits   8,000.00
Minus Checks and Other Debits   15,000.00
Balance on February 28, 2005 $ 8,000.00

Transaction Detail	Date	Description	Amount
Deposit Summary	02/10/2005	Deposit #1	$8,000.00
Withdrawals	02/15/2005		$15,000.00

First Bank of Ohio
(Certificate of Deposit)

Summary of Accounts:

Account	Account Number	Amount
Certificate of Deposit	24999	$ 0.00

Account	Account Number	Amount
Certificate of Deposit	25000	$ 5,000.00

Cash Management
Primary Bank Reconciliation

Nearby Bank
(Certificate of Deposit)

Summary of Accounts:

Account	Account Number	Amount
Certificate of Deposit	800101	$ 15,053.85

Transaction Detail	Date	Description	Amount
Deposit Summary	02/15/2005	Interest	$53.85

Reports

Cash Management
Primary Bank Reconciliation

Primary Bank Reconciliation – The Primary Bank Reconciliation report area is where a copy of any posted bank reconciliation can be viewed or printed. The list of outstanding checks for the selected bank reconciliation is included with this report.
(<u>Location</u>: Accounting Reports → Information and Status Reports → Cash Management → Bank Reconciliation)

Cash Journal – The Cash Journal is used to review the total cash balance for all government funds. The user may specify the contents of the report for month to date, current year to date or a selected date period. For reference, the cash journal will display all revenues and expenditures increasing or decreasing the total cash balance. Checking account and investment balances showing activity for the period selected are displayed separately. This report should be used during the bank reconciliation process to verify bank statement transactions against transactions posted to the computer.
(<u>Location</u>: Accounting Reports → General Accounting Reports)

Receipt Register – The Receipt Register lists all selected receipts and includes the receipt number, date, type (standard, interest or memo), source, account code distribution and total receipt amount.
(<u>Location</u>: Accounting Reports → Information and Status Reports → Revenues)

Charge Register – The Charge Register lists all selected charges posted in the system and includes the charge number, date, amount, payee and status. The report can be generated based on a selected date period, charge type, charge status and range of charge numbers.
(<u>Location</u>: Accounting Reports → Information and Status Reports → Payments/Charges)

Warrant: Payment Register – The Payment Register report lists the payments posted in the system and includes the warrant number, type, date, vendor/payee, amount and status. The report can be generated based on a selected date period, type or status.
(<u>Location</u>: Accounting Reports → Information and Status Reports → Payments/Charges)

Memo Charges – The Memo Charge report lists the payroll information which has transferred to the accounting system. The report is useful in determining the source of payroll memo charges posted in the accounting system.
(<u>Location</u>: Payroll Reports → General Payroll Reports)

Investment Activity – The Investment Activity report lists all selected investments and includes the investment, date, fund number, interest receipts, debits, credits and investment balances.
(<u>Location</u>: Accounting Reports → Information and Status Reports → Cash Management)