

Bank Reconciliation Presentation

Gustafson & Rydberg
July 11, 2024





Why Do A Bank Reconciliation: 5 Reasons to Reconcile Monthly

- Catch Errors. Misread receipts, transposed numbers and forgotten entries in the check register are common accounting errors and are easily rectified.
- Avoid Surprises.
- Save Money.
- Verify Cash Flow.
- Prevent Fraud.

Materials Needed

- ❖ Bank Statement
- ❖ Check/EFT Register
- ❖ Cash Receipt List
- ❖ General Ledger Detail Report
- ❖ Spreadsheet Template

Step 1 - Gather the Account Summary from the Bank Stmt

PUBLIC FUNDS SUMMARY

Type: REG Status: Active

Category	Number	Amount
Balance Forward From 05/31/24		37,270.41
Credits	2	12,979.67+
Debits	38	139,401.92
Automatic Withdrawals	39	1,235,894.32
Automatic Deposits	19	1,696,948.27+
Miscellaneous Fees	1	65.00
Interest Added This Statement		247.66+
SERVICE CHARGE		40.00
Ending Balance On 06/28/24		372,044.77



Step 1b - Enter the Bank Totals onto the Bank Rec Spreadsheet

Ref							
		Beginning Balance	Deposits	Checks	Other	Ending Balance	
	Balance per Bank	37,270.41	1,710,175.60	1,375,401.24		372,044.77	

Step 2 - Deposits in Transit

- ❖ Enter any deposits in transit for the prior month and the current month
 - These are fairly unusual nowadays
 - These are deposit that have been booked into the General Ledger at the end of the month but have not been received by the bank
 - Sometimes they are deposits sitting in a safe at the district

Step 3a - Outstanding Checks



- ❖ Check Bank Statement
- ❖ Look for Gaps in Check Number Order

CHECKS AND OTHER DEBITS

* indicates a gap in the check numbers

Date	Check #	Amount	Date	Check #	Amount	Date	Check #	Amount
06/07/24	2962	8,923.20	06/13/24	2986	402.00	06/24/24	3003*	1,334.00
06/05/24	2973*	4,490.50	06/28/24	2987	4,224.75	06/27/24	3004	6,762.00
06/07/24	2974	123.76	06/18/24	2988	1,531.25	06/21/24	3005	2,270.00
06/07/24	2975	351.95	06/11/24	2989	490.00	06/28/24	3006	283.50
06/11/24	2976	461.80	06/24/24	2990	14,323.20	06/24/24	3007	6,961.50
06/12/24	2977	39.00	06/21/24	2991	700.00	06/20/24	3008	5,740.00
06/11/24	2979*	391.25	06/14/24	2992	8,186.96	06/27/24	3012*	992.41
06/07/24	2980	2,270.00	06/11/24	2994*	724.00	06/26/24	11216*	1,000.00
06/18/24	2981	1,334.00	06/13/24	2995	4,894.00	06/27/24	11217	624.00
06/05/24	2982	14,898.00	06/12/24	2996	2,521.00	06/10/24	11218	440.16
06/24/24	2983	21,552.82	06/20/24	2997	702.14	06/17/24	11219	846.21
06/21/24	2984	11,450.00	06/14/24	2999*	4,250.00	06/21/24	11220	162.56
06/10/24	2985	2,250.00	06/14/24	3000	500.00			



Step 3b - List Outstanding Checks on the Bank Rec Spreadsheet

O/S Check Detail	May	June	
2613	24.95	24.95	
1443	854.73	0.00	
2843	226.06	226.06	
2959	24,520.00	0.00	
2961	13,650.00	13,650.00	
2962	8,923.20	0.00	
2964	5,000.00	5,000.00	
2966	94.71	94.71	
2973	4,490.50	0.00	
2974	123.76	0.00	
2975	351.95	0.00	
2976	461.80	0.00	
2977	39.00	0.00	
2979	391.25	0.00	
2980	2,270.00	0.00	
2981	1,334.00	0.00	
2982	14,898.00	0.00	
2983	21,552.82	0.00	
14580	1,411.20	1,411.20	
2993		467.50	
2998		1,648.76	
3001		957.00	
3009		203.38	
3010		450.00	
3013		2,499.00	
3014		100.00	
3015		2,800.00	
3016		989.00	
3017		5,676.35	
3018		400.00	
3019		4,550.85	
3020		3,818.00	
3021		992.99	
3022		2,950.50	
3023		962.02	
14576 Century Link		67.94	
14577 Woodmoore Water & San		1,019.07	
14594 PERA		1,182.36	
Tsfer Transfer to Integrity MM		100,000.00	
	100,617.93	152,141.64	



Step 3C - Make Sure O/S Checks show in the Bank Rec Spreadsheet

		Outstanding Checks						
		- Prior Month	(100,617.93)		(100,617.93)			
		- Current Month			152,141.64		(152,141.64)	
		Other						



Step 3D - Let's look at the Spreadsheet

		Beginning Balance	Deposits	Checks	Other	Ending Balance
	Balance per Bank	37,270.41	1,710,175.60	1,375,401.24		372,044.77
	Deposits in Transit					
	- Prior Month	2,650.00	-2,650.00			
	- Current Month		0.00			0.00
	Outstanding Checks					
	- Prior Month	(100,617.93)		(100,617.93)		
	- Current Month			152,141.64		(152,141.64)
	Other					
	- ACH Return					
	- Adj & Charges					
	- Interfund Transactions		33,976.57	33,976.57		
	Total per Books	(\$60,697.52)	\$1,741,502.17	\$1,460,901.52	\$0.00	\$219,903.13
	Total per GL					
	General Fund	-247,207.09	1,740,255.93	1,415,814.64		77,234.20
	PreSchool Fund	186,509.57	1,246.24	45,086.88		142,668.93
		-60,697.52	1,741,502.17	1,460,901.52	0.00	\$ 219,903.13
	Difference	0.00	0.00	0.00	0.00	0.00



Step 4 - Make Sure Deposits Column Equals Revenues from G/L (Except for Accruals)

Cash Receipt Edit List

Page 2 of 2
Receipt Date: 6/1/2024 to 6/30/2024

Printed: 06/29/2024 2:28:22PM
Monument Academy

Deposit	Check #	Rec. Date	Receipt #	Description	Amount	Type	Batch	Account Number (ASN)	Override	Received From
19829		6/24/24	20151357	Remacle Balance Deposit	50.00		24	26.000.00.0000.7481.000.0000		Cash
				Total	\$50.00					
19830		6/24/24	20151357	Woldie Preschoo Deposit	600.00		24	26.000.00.0000.7481.000.0000		Cash
				Total	\$600.00					
				Total Entry Date 6/24/24	\$4,350.00					
<hr/>										
19831		6/26/24	20151358	Kershaw cheer camp to act	120.00		26	11.000.00.0000.8132.074.0000		Cash
				Total	\$120.00					
19832		6/26/24	20151358	Gheen lost cord	25.00		26	11.919.00.0000.1942.000.0000		Cash
				Total	\$25.00					
				Total Entry Date 6/26/24	\$145.00					
				Total Receipts	\$17,277.94					



Step 4b - Make Sure all Bank Deposits are accounted for

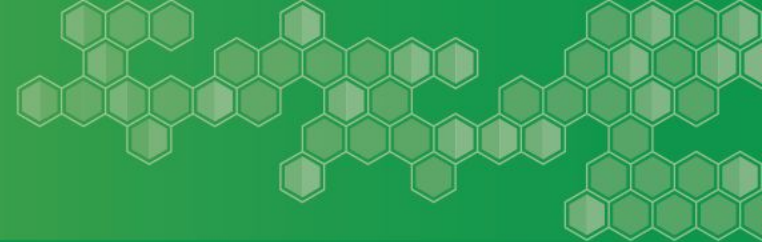
Integrity Bank # XXXXXXXX681					
Description	Misc Ref		Per Bank	Per CR Journal	A/E
Deposit	BANKCARD DEPOSIT CR CD DEP		200.00	200.00	
Deposit	BANKCARD DEPOSIT CR CD DEP		2,650.00		DIT
Deposit	COLOTRUST LGIP		100,000.00		100,000.00
Deposit	BANKCARD DEPOSIT CR CD DEP		400.00	400.00	
Credit Memo; Immediate Cr	COVER CHECKS-INTERNET TRANSFER FROM CHK 5369 TO CHK 1681 4090275		50,000.00		50,000.00
Deposit	BANKCARD DEPOSIT CR CD DEP		1,381.00	1,381.00	
Deposit	BANKCARD DEPOSIT CR CD DEP		600.00	600.00	
Deposit	MERCHANT REMOTE DEPOSIT		9,279.67	9,279.67	
Deposit	BANKCARD DEPOSIT CR CD DEP		420.00	420.00	
Credit Memo; Immediate Cr	INTERNET TRANSFER FROM CHK 5369 TO CHK 1681 3076091		40,000.00		40,000.00
Credit Memo; Immediate Cr	6/10 JPM MS STUCCO WRONG CARD USED-INTERNET TRANSFER FROM CHK 1703 TO CHK 1681 252876		502.27	502.27	
Deposit	COLOTRUST LGIP		400,000.00		400,000.00
Credit Memo; Immediate Cr	INTERNET TRANSFER FROM CHK 5369 TO CHK 1681 6651990		50,000.00		50,000.00
Deposit	COLOTRUST LGIP		300,000.00		300,000.00
Credit Memo; Immediate Cr	INTERNET TRANSFER FROM CHK 5369 TO CHK 1681 3784556		450,000.00		450,000.00
Deposit	BANKCARD DEPOSIT CR CD DEP		50.00	50.00	
Deposit	BANKCARD DEPOSIT CR CD DEP		600.00	600.00	
Deposit	MERCHANT REMOTE DEPOSIT		3,700.00	3,700.00	
Deposit	BANKCARD DEPOSIT CR CD DEP		120.00	120.00	
Deposit	BANKCARD DEPOSIT CR CD DEP		25.00	25.00	
Deposit	INTEREST PAID		247.66		247.66
Deposit	COLOTRUST LGIP		300,000.00		300,000.00
		Subtotal	1,710,175.60	17,277.94	1,690,247.66
		Less: Deposits from Prior Mo	(2,650.00)		
		Plus: Deposits in Transit current Mo			
		Less: Payroll ACH In/Outs			
		Subtotal	1,707,525.60	17,277.94	
		Receipts Ledger		17,277.94	1,707,525.60
		Difference		-	2,650.00 Deposit In Transit



Step 4 - Deposits = Revenues on Bank Rec

	Total per Books	(\$60,697.52)	\$1,741,502.17	\$1,460,901.52	\$0.00	\$219,903.13	
	Total per GL						
	General Fund	-247,207.09	1,740,255.93	1,415,814.64		77,234.20	
	PreSchool Fund	186,509.57	1,246.24	45,086.88		142,668.93	
		-60,697.52	1,741,502.17	1,460,901.52	0.00	\$ 219,903.13	
	Difference	0.00	0.00	0.00	0.00	0.00	

Step 5 - Make Sure Disbursements Column Equals Expenditures from G/L (Except for Accruals)



A/P Check Register

Printed: 06/29/2024 2:29:23PM
Monument Academy
Check Date: 6/1/2024 to 6/30/2024

Vendor #	Vendor Name	Batch #	Check Date	Check #	Checks	Direct Deposit	Total	
					Report Totals	\$109,965.65	\$361,791.05	\$471,756.70



Step 5C - Make Sure your Disbursements = your G/L

	Total per Books	(\$60,697.52)	\$1,741,502.17	\$1,460,901.52	\$0.00	\$219,903.13
	Total per GL					
	General Fund	-247,207.09	1,740,255.93	1,415,814.64		77,234.20
	PreSchool Fund	186,509.57	1,246.24	45,086.88		142,668.93
		-60,697.52	1,741,502.17	1,460,901.52	0.00	\$ 219,903.13
	Difference	0.00	0.00	0.00	0.00	0.00

Step 5D - You May Need to go Item by Item from Bank to G/L

Desc/Ck #	Per Bank	Ck Register	ACH	Prior O/S	AJEs	Category	Notes
CK # 3007		6,961.50	6,961.50				
CK # 3008		5,740.00	5,740.00				
CK # 3012		992.41					
CK # 11216		1,000.00			992.41		Suppl Payroll
CK # 11217		624.00					
CK # 11218		440.16					
CK # 11219		846.21					
CK # 11220		162.56					
900 CHEER 6 LIBRARY MORRIS CRAWFORD-INTERNET TRANSFER FROM CHK 1681 TO CHK 1703 595E		906.00					
ACH ORG FEE		40.00				40.00	
BANKCARD DEPOSIT CCDISCOUNT		401.47				401.47	
BLACK HILLS ENRG UTIL BILL		1,369.92					
BP-NEW HORIZON C BILLPAY		1,391.50					
C KERSHAW CHEER CAMP ACT-INTERNET TRANSFER FROM CHK 1681 TO CHK 1703 2872210		120.00					
CIGNA EDGE TRANS COLLECTION		58,337.04					
CO DEPT REVENUE TAXPAYMENT		15,085.00					
COLORADO PERA CONT 401K		9,331.63					
COLORADO PERA CONT 457		1,411.20					
COLORADO PERA CONT DEPOS		166,713.91					
COLORADO PERA CONT DEPOS		1,391.00					
COLORADO PERA CONT DEPOS		428.00					
COLORADO PERA CONT DEPOS		149.80					
EYEMED EYEMED		634.10					
HSA BANK PLAN FUND		1,350.00					
INTERNET TRANSFER FROM CHK 1681 TO CHK 5369 2303534		40,000.00				40,000.00	
INTERNET TRANSFER FROM CHK 1681 TO CHK 5369 3944892		50,000.00				50,000.00	
INTERNET TRANSFER FROM CHK 1681 TO CHK 5369 4026177		400,000.00				400,000.00	
INTERNET TRANSFER FROM CHK 1681 TO CHK SAF 1703		100,000.00				100,000.00	
IRS USATAXPYMT		35,548.69					
JP MORGAN CHASE COMM CARD		8,134.28					
JUNE 24 JPM GF TRANSACTIONS ON ACT CARDS-INTERNET TRANSFER FROM CHK 1681 TO CHK 1703		446.84					
LEASE DIRECT WEB PAY		5,358.99					
LEVEL 3 COMMUNIC AUTO PAY		1,253.06					
M PETRIE CHEER CAMP N 6/10-INTERNET TRANSFER FROM CHK 1681 TO CHK 1703 4656446		120.00					
MOBILE MODULAR BILLPAY		4,580.00					
MONUMENT ACADEMY AGC980284		1,248.60					
MONUMENT ACADEMY JUNE 24		2,500.00					
MONUMENT ACADEMY JUNE HOURS		5,525.00					
MONUMENT ACADEMY MAY HOURS		8,357.14					
MONUMENT ACADEMY MAY HOURS		6,500.00					
MONUMENT ACADEMY PAYROLL		389,044.10				389,044.10	PR Jrnl #3139
MOUNTAIN VIEW EL ELEC PYMT		6,567.00					370,940.57
MOUNTAIN VIEW EL ELEC PYMT		5,944.94					18,103.53
MOUNTAIN VIEW EL ELEC PYMT		376.00					389,044.10



Step 6 - Make AJEs for each Discrepancy (either not in G/L or not in Bank)

Created By:																					
Entered By: (Operator ID)								Period _____		Entry Date: 12/19/2000											
Approved By:								Fiscal Year _____		Release Date: 06/30/21											
Journal ID	Account Number							DESCRIPTION - CHARTFIELDS & JOURNALS Account/Program/Project	DEBIT	CREDIT											
	Fund	Loc	SRE	Prog	Obj	JobCode	Grant														



Step 7 - Check to make sure G/L = Bank Rec

\$0.00	\$219,903.13
	77,234.20
	142,668.93
0.00	\$ 219,903.13
0.00	0.00
<u>SDS 8101</u>	
Fund 11	77,234.20
Fund 26	142,668.93
Total	219,903.13



What About Pooled Cash?



- ❖ Make sure the total for all funds matches
 - Make sure you are making any needed interfund AJEs

	Total per Books	(\$60,697.52)	\$1,741,502.17	\$1,460,901.52	\$0.00	\$219,903.13
	Total per GL					
	General Fund	-247,207.09	1,740,255.93	1,415,814.64		77,234.20
	PreSchool Fund	186,509.57	1,246.24	45,086.88		142,668.93
		-60,697.52	1,741,502.17	1,460,901.52	0.00	\$ 219,903.13
	Difference	0.00	0.00	0.00	0.00	0.00
	Other					
	- ACH Return					
	- Adj & Charges					
	- Interfund Transactions		33,976.57	33,976.57		

Step 8 - Your Bank Rec is Finished!

Ref						
		Beginning				Ending
		Balance	Deposits	Checks	Other	Balance
	Balance per Bank	37,270.41	1,710,175.60	1,375,401.24		372,044.77
	Deposits in Transit					
	- Prior Month	2,650.00	-2,650.00			
	- Current Month		0.00			0.00
	Outstanding Checks					
	- Prior Month	(100,617.93)		(100,617.93)		
	- Current Month			152,141.64		(152,141.64)
	Other					
	- ACH Return					
	- Adj & Charges					
	- Interfund Transactions		33,976.57	33,976.57		
	Total per Books	(\$60,697.52)	\$1,741,502.17	\$1,460,901.52	\$0.00	\$219,903.13
	Total per GL					
	General Fund	-247,207.09	1,740,255.93	1,415,814.64		77,234.20
	PreSchool Fund	186,509.57	1,246.24	45,086.88		142,668.93
		-60,697.52	1,741,502.17	1,460,901.52	0.00	\$ 219,903.13
	Difference	0.00	0.00	0.00	0.00	0.00



Step 9 - Perform Check Reconciliation Function in your software

And make sure it agrees to the bank rec and the G/L

O/S Check Detail	May	June
2613	24.95	24.95
1443	854.73	0.00
2843	226.06	226.06
2959	24,520.00	0.00
2961	13,650.00	13,650.00
2962	8,923.20	0.00
2964	5,000.00	5,000.00
2966	94.71	94.71
2973	4,490.50	0.00
2974	123.76	0.00
2975	351.95	0.00
2976	461.80	0.00
2977	39.00	0.00
2979	391.25	0.00
2980	2,270.00	0.00
2981	1,334.00	0.00
2982	14,898.00	0.00
2983	21,552.82	0.00
14580	1,411.20	1,411.20
2993		467.50
2998		1,648.76
3001		957.00
3009		203.38
3010		450.00
3013		2,499.00
3014		100.00
3015		2,800.00
3016		989.00
3017		5,676.35
3018		400.00
3019		4,550.85
3020		3,818.00
3021		992.99
3022		2,950.50
3023		962.02
14576 Century Link		67.94
14577 Woodmoore Water & San		1,019.07
14594 PERA		1,182.36
Tsfer Transfer to Integrity MM		100,000.00
	100,617.93	152,141.64



What if I can't get it to balance?



The Bank Rec will always balance:

- ❖ You just have to find the differences between the bank statement and the General Ledger.
- ❖ It's like a puzzle, but it always works out

If nothing else, make sure that EVERY transaction on your bank statement is recorded in your General Ledger (either as a deposit, expenditure or journal entry)

- **TRY to finish your bank rec by NLT the 10th of the month**

Congratulate Yourself!



Questions?

Glenn Gustafson

Gustafson_g@cde.state.co.us

719-650-1960