

Steps for a Bank Reconciliation

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Here are the steps we recommend that you use in a typical bank reconciliation.

Steps to follow for a bank reconciliation:

Assume that we finished the April 2019 bank reconciliation

- And you now wish to start with the Month of May.

At the top menu go to Month End then Bank Reconciliation.

At the top left, select your Bank Account and switch the filter for the GL Mo/YR to the GL month you wish to reconcile, i.e. 05/2019 May.

- Click display to see the results based on the filter for the bank rec that you have set.
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Import Cleared Items

- There are 3 imports we recommend. If you can get an electronic file from your bank or ACH processor or Credit Card processor of the payments and when they cleared then an import definition can be created to import that information into the bank reconciliation.
 - A/P Checks and cleared date.
 - If you are using SGA Pulse you can import the ACH payments file which will import the cleared dates of each payment received from Members.
 - If you are using SGA Pulse you can import the Credit Card payments file which will import the cleared dates of each payment received from Members.
- To do the import:
 - First go to the top Menu, Settings > Accounts Payable > Checkbooks
 - To do an import notice the drop down to the lower right.
 - Select the drop down of your next import. i.e. Cleared Checks.
- Then select the button in the Bank Rec for the Imports
 - If you also use SGA Pulse and are doing an import of credit cards change the drop down here to the import of cleared credit cards.
- Then select the button in the Bank Rec view for the Imports
 - If you also use SGA Pulse and are doing an import of ACH payments change the drop down here to the import of cleared ACH payments.
- Then select the button in the Bank Rec view for the Imports

“Mark Cleared as Final” button

- We recommend after you do the imports, or even after you have done a lot of manually clearing of rows to click the “Mark Cleared as Final” located at the top right.

Final Reconciliation Warning

This finalization will mark as finalized all cleared transactions for this GL Month (7/2020) and prior GL/Months that are cleared with a Reconcile date <= the Current Reconcile Date (07/23/2020). Do you wish to finalize?

- This will mark the cleared rows as final. See the column called Final Reconciliation.
- What this does is warns you in the future if you “unclear” a row that was finalized.

Final Reconciliation Warning

This row is marked as a Final Reconciliation. If you proceed it will change the Bank Reconciliation for the Month Year of 7/2020. Do you wish to proceed?

- So, you can unclear a finalized item at any time, this warning just alerts to you the fact that you are doing it.
- We recommend that you use the “Mark Cleared as Final” button often.

Manually clear any remaining rows that did not get cleared from your import files

To manually clear a row:

- On the Bank Rec Filters and assuming you are in the correct “GL Mo/YR” set the Clear Date and then click the column for “Cleared” on the detail row that you wish to clear. If you cleared the wrong row, just click the cleared box again and it will un-clear.

AP System:

- Manual EFT entries entered in the AP system probably have to be cleared manually in the Bank Rec.

Journal Entry system:

- Any source type that was imported in the journal entry system will need to be manually cleared.

SGA Pulse System:

- Checks/Cash combined into deposits will display for each deposit. Manually clear these.
- Other entries in SGA Pulse that did not get included in the ACH/Credit Card import files.

Other tools to help you with the Bank Reconciliation

System Source Filter:

- To help you “focus” on different system sources for example you can set the filter to System Source AP and only AP entries will display in the detail. The same for JE (all of the JE source types) and for SL which is the SGA Pulse software. PR = This system source is the SGA PR software and is not at many clients and the software is being phased out of production.

Column sorts and filters:

- **Sorts**

- Each detail column can be sorted by clicking on the arrow in the header.
- Notice that you can do multiple sorts. Try by sorting a second or third column. Notice the small numbers that appear in the header of each column. These tell you the order of the sorts.

- **Filters**

- Each column has a filter box
- For example, type “bank” in the name filter and it will return all rows with the word “bank” anywhere in that field. This should make it easy to find check numbers or other information.
 - Try combining the System Source Filter and a column filter. For example, do the System Source = AP and type “manual” for the column filter on Payment Type to see all Manual Checks or Manual EFT in the AP system.

“Separate Checks and Deposits” button:

- Located above the “Reconcile Date”, this sorts the view with all Checks first, then Deposits second.

Notice the link for “Cleared Checks and Credits” or “Cleared Deposits and Debits.”

- These are located in the third column at the top of the bank rec. Click and review as needed.

Use the “Status” dropdown of “Outstanding and Cleared in GL Mo/YR.”

- This shows you both the rows that are outstanding but also displays the rows that were cleared this month, too.

Does a row on the bank rec item contain more than one detail record?

- Right click and review the detail.
- For an AP source it is usually just the Browse Reference
- For an JE source use the “Drilldown to Detail”
- - If one or more of the items needs a different cleared date, you can change it there. Set the cleared date at the top of the view, then uncheck the item(s) to unclear it and then check it to set the new cleared date.
- For an SL source use the “Drilldown to Sales”
- - If one or more of the items needs a different cleared date, you can make that change

here. Set the cleared date at the top of the view, then uncheck the item(s) to unclear it and then check it to set the new cleared date.

Button to “Mark Cleared as Final.”

- Cleared rows marked as “Finalized” will display a warning if an attempt is made to unclear it.
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Review AP outstanding or do a manual Clear of AP items.

Switch the source button to just AP

- Hit display.

Set your clear date field at the top of the view found in the first column.

Clear the AP items as needed to match the O/S as of May.

- Do this by clicking on the check box to the left of the row with the AP item you are clearing.
- The cleared date to be used is a field at the top of the screen.
- - The “Reconcile Date” is fine to use today.
- Reconcile Date is the day that you worked on the bank reconciliation.
 - Leave the reconcile date on today if you are reconciling a month that is physically over (in the past.) For example if you are working on May ...but today is in June or more recent, don’t change the reconcile date.
 - If you do daily reconciliations during the current month, you might want to change the reconcile date. For example, today is the 10th of the current month and you are going to reconcile the bank from the 1st to the 5th. Change the reconcile date to the 5th and the GL balance at the top will be thru the 5th.
 - **NOTE:** *entries made in the GL dated the 6th thru the 10th will not display on the bank rec view nor will they be included in the GL balance. When you are ready to reconcile the 6th change the reconcile date again.*
- If you set up the “Bank Reconciliation Report” for the report drop down, also run it in a new tab. This report will give you the detail transactions that are in the bank gl account and the running cumulative gl balance.

Sometimes you might find it helpful to sort the rows by the column called “Checks and Other Credits”

- Click on the heading of that column. This will sort by check number, which might help in the reconciliation from the bank statement.

Column Filter. Notice that you can filter columns

- So, to find a check quickly type the number of the check in the column filter.
- This filter is a “contains” filter so you just need to type in part of the search. For example,

“bank” in the Name column returns every row with bank in that field.

If you cleared an item by mistake

Top left there is a drop down for Status

- Select the bottom one, “Outstanding and Cleared in GL Mo/YR.”
 - That will show you the cleared items too. Then you can un-check the check box for cleared. This will make the row outstanding. Then check that row again to clear it with a different clear date.
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Advanced Clear

You do not have to use this feature, but if you do the steps are:

- **NOTE:** *On the main screen, it is best to make sure System Source is on one item.*
- Click the top left button for Display. This makes sure that the rows are for one source.

Next, in the section Advanced Clear

- Fill in the "Row Nbr Between **X_** and **XX_**
- You have 2 options in the buttons on the next row.
- - Click outstanding and it will remove the Clear Date and Reconcile Date
 - Or click on the button for Cleared and it will fill in a clear date.

Global Clear (This is for A/P checks only)

- Fill in the From/To Check# range.
- Click either the button for Cleared or for Outstanding after you have set the check number range.

Enter Adjustments

Click the adj button and add or edit adjustments.

- If you had a lot of adjustments last month that might not have resolved by this month you might want to “Copy adjustments from another Snapshot.” Then delete the rows that are no longer needed.
 - Click the button and select the GL Mo/YR and select the Snapshot that has those adjustments. This will copy those adjustments forward to this month. Delete any rows that you do not need for this month and save.

The adjustments are from the perspective of what you need to do to the book balance (GL Balance) to get it to match the bank.

- In-transit deposits... for example, these are deposits recorded in the GL and not yet received by your bank. This would be a negative number
- Any other JE's that you have in transit.
- Anything that has hit your bank statement that you have not yet entered in the books.

Save on the adj screen.

Save the Snapshot.

- This ensures that the adjustments are in the Snapshot.

Finish Bank Rec

When you have gotten this Snapshot as close as you can to reconciled ...

- Use the report Drop down and run "Create Bank Rec Reports"
 - This will mark all cleared items as Final, create two excel reports and attach each to a Snapshot that you will be asked to name and save.
 - Status filter set to "Outstanding." This is basically a summary bank rec report and only includes the outstanding checks in the detail rows of the report.
 - Status filter set to "Outstanding and Cleared in GL Mo/YR." This is a detail bank rec report and includes both the outstanding and the cleared checks in the detail rows of the report.
 - The naming convention is "The name of the CheckbookID" "The Yr/Mo" " The Status" "Bank Reconciliation".xlsx
 - This process will finish with the save snapshot.

Also, you might attach the pdf of the Bank Statement to this Snapshot.

- Click Save Snapshot to update the Snapshot with this attachment.

Repeat for each month.

FYI about Cash/Checks

- In Sales they are added together.
- The bank Rec will sum by the
 - Transaction date
 - Or the Deposit date if that is input.
 - And by the Deposit Ref #

Best Practice for Cash/Checks is to input both;

- a deposit date of when you took the deposit to the bank.
- And in the Deposit Ref#
 - to input the branch number

- and have a distinct ref number for the actual deposit.

FYI about EFT transactions

- In Sales these are totaled by
 - ACH and then type of Credit Card
 - And transaction Date
 - And then by Clear Date
 - And by sign
- There is an import from the Credit Card and ACH provider to mark each payment with a cleared date (just like the import for AP checks).

Over and Short entries in Sales

- These entries stay with the batch
 - Example of a shortage. The staff person recorded \$100 in Cash during their shift. At the end of the shift they only had \$80. So the deposit will only be \$80.00. Recording a shortage of 20.00 will make the computer total match the deposit total.
 - - Date for Over/Short entry will default to the date of the Batch. It is recommended to keep that date.
 - An Overage is the opposite. The staff person recorded \$80 and at the end of the day they had \$100 and \$100 is the deposit to the bank. A 20 overage makes the computer total match the deposit to the bank.
 - The account numbers used for Over/Shorts are in the Branch table file for each MOP.
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