



STATE PARKS & HISTORIC SITES

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Administrative Procedure # A - B - 5

Subject: Bank Account Reconciliation

Effective Date: June 1, 2014

Procedure Statement:

The bank account should be reconciled each month upon receipt of the bank statement. Two reconciliations must be performed. The bank account register should be reconciled to the bank statement; and the bank account statement should be reconciled to the fund total. Additionally, this includes a physical count of any cash on hand used for change banks (funds in cash registers, safe, kiosk, drink machines, laundry machines, etc.). If the account becomes out of balance, the Park Manager should immediately notify the Region Manager/Assistant Region Manager.

If the Park or Historic Site has two bank accounts (an operating bank account and a petty cash bank account) then reconciliation should be done on both.

Definitions:

Operating bank account: Bank account used to purchase resale-only items; used to process revenue deposits and subsequently to wire transfer the revenue funds to DNR Accounting.

Petty cash bank account: Bank account used to purchase operational supplies as a last resort payment method (i.e. the vendor does not accept credit cards). Please note, revenue deposits and wire transfers are typically not made through the petty cash bank account, thus, omit these steps for the petty cash account when using the procedure below.

Procedure:

Reconciliation #1 – Reconciling the Bank Account Register with the Bank Statement:

- This process is much like reconciling a personal banking account. Use A-B-2 attachment 1, Fund Reconciliation – Reconciling ACCOUNT REGISTER with BANK STATEMENT.
 - Enter the Bank Account Register Balance in cell H3. Enter all other site specific information.
- 1) Enter the statement ending balance in cell H8.
 - 2) Enter all revenue deposits and account reimbursement deposits that are recorded in the sites account register but that have NOT cleared the bank statement.

- 3) Enter all checks and wire transfers that are recorded in the account register but have not appeared or cleared the bank statement.
- 4) Do not use.
- 5) Do not use.
- 6) This cell has a formula and will auto-calculate. The total in #6 should be the same total as the bank statement ending balance listed in cell H8.
- 7) This cell has a formula and will auto-calculate and is the variance. Any variance, positive or negative requires investigation by site staff to determine how the variance occurred. A variance indicates the site's account register balance amount is incorrect. This is a list of things that can be checked to find a variance:
 - a. If using a manual checking account register, re-calculate the running balance to ensure the balance is correct.
 - b. If using quicken, verify check and deposit amounts to ensure numbers were not erroneously entered or transposed.
 - c. Check to make sure all reimbursements from Atlanta have been deposited and into the correct account.
 - d. Check previous bank statements for bank fees that may have been charged, but that the site did not request reimbursement for.
- Upon conclusion of the investigation by site staff, if the account is still out of balance, the Site Manager should immediately contact the Region Office.
- If the account is balanced, the site should print a copy of the reconciliation report and place with the bank statement in the site files.

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### **Reconciliation # 2 - Reconciling the Account Bank Statement to the Fund Total:**

Items needed to perform the reconciliation include the bank statement, bank account register, the last voucher for reimbursement and the last weekly collection wire transfer report. Additional vouchers and weekly reports may be needed as well.

Outstanding revenue deposits in this reconciliation are defined as any deposits that have cleared and appear on the bank statement BUT have not been wire transferred. Therefore, the account is "over" the fund total. This usually occurs with the month's last week of deposits. The deposits are present on the bank statement but the wire transfer is not on that banks statement. These deposits would be included in the outstanding deposits.

Outstanding checks in this reconciliation are defined as any checks that have cleared and appear on the bank statement BUT the voucher reimbursement deposit for the check has not appeared on any bank statements. Therefore, the vendor has cashed the sites check, the funds have come out of the account but the site has not received the reimbursement check from Atlanta to bring the account back to the fund amount.

Please note: Hunting and fishing license sales are include in daily revenue deposits, which appear on the bank statement for each day. The parks weekly wire transfer, which appears on the bank statement, does not have the hunting and fishing license revenue included. The hunting and fishing license revenue is a separate, automatic wire transfer and appears separate from the parks wire transfer on the bank statement. The hunting and fishing automatic wire transfer appears as GADNR Agent Sale.

- Use A-B-2 attachment 1, Fund Reconciliation – Reconciling BANK STATEMENT with FUNDING AMOUNT.
  - Enter the Fund Amount assigned to the Account in the cell S3. Managers transferring or promoting into a new site should contact DNR Accounting to obtain the official fund amount. Enter all other site specific information.
- 1) Enter the statement ending balance in S8
  - 2) List all revenue deposits that appear on the bank statement that have not been wire transferred to Atlanta. Again, this usually occurs with the month's last week of deposits. The deposits are present on the bank statement but the wire transfer is not on that bank statement. These deposits would be included in the outstanding deposits section.
  - 3) List all outstanding checks that appear on the bank statement BUT the site has not received the reimbursement voucher and processed the deposit. Therefore, the vendor has cashed the sites check, the funds have come out of the account but the site has not received the reimbursement check from Atlanta to bring the account back to the fund amount.
  - 4) List any bank charges that appear on a bank statement but that have not been reimbursed.
  - 5) List any change bank funds as allotted.
  - 6) This cell has a formula and will auto-calculate. The total in #6 should be the same total as the fund amount.
  - 7) This cell has a formula and will auto-calculate and is the variance. Any variance, positive or negative requires investigation by site staff to determine how the variance occurred. A negative variance means funds are short and a positive means the account is over the fund amount. This is a list of things that can be checked to find a variance:
    - a. Check to make sure all checks were submitted to be reimbursed
    - b. Check to make sure all reimbursements from Atlanta have been deposited and into the correct account
    - c. Check previous bank statements for bank fees that may have been charged, but that the site did not request reimbursement for.
- Upon conclusion of the investigation by site staff, if the account is still out of balance, the Site Manager should immediately contact the Region Office.
  - If the account is balanced, the site should print a copy of the reconciliation report and place with the bank statement in the site files.

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Change Fund Reconciliation:

The total amount of change fund allotted from the banking account should be counted upon the monthly reconciliation of the bank account. Please note this does not eliminate the requirement to count change funds at the start/end of each shift/day by staff.

The monthly audit of the change bank should be conducted by two staff and signed by the Site Manager. Staff should use the Change Fund Reconciliation form which is the 2nd tab of the Operating Fund Reconciliation file. The form should be customized to the number and location of each site's change banks to account for the total change fund allocated to the site. Any variance, positive or negative requires investigation by site staff to determine how the variance occurred. A negative variance means funds are short and a positive means the account is over the allocated amount. Upon conclusion of the investigation by site staff, if the change fund is still out of balance,

the Site Manager should immediately contact the Region Office. If the change fund is balanced, the site should place a copy of the Change Fund Reconciliation report with the bank statement in the site files.

Authority: (if applicable)

Not applicable

Attachments:

Attachment A-B-2: 1st tab, Bank Account Reconciliation Form; 2nd tab, Change Fund Reconciliation