

Elementary Schools  
**Schoolbooks**  
Bank Reconciliations

Use these procedures to reconcile your bank statement with your cash account records in SchoolBooks. A reconciliation is to be done for each period for which you receive a statement. This includes the following accounts:

- Checking Account (monthly)
- Savings Account (monthly if there is activity, annually if no activity)
- WCSD Investment Account (quarterly)
- Any other account for which you receive a statement.

You do not need to perform a formal bank reconciliation for Petty Cash accounts or Change Funds, as these are not held outside your school.

Remember that your records and the bank's records should mirror each other – all transactions recorded in one set of records must eventually be recorded in the other set of records. Differences should only be the result of timing, such as a check issuance is recorded in your records in one month, but it does not clear the bank until the next month. The check eventually shows up in both records, but in different months.

The purpose of the bank reconciliation is two-fold: 1) to identify any transactions which still need to be recorded in one of the records, and 2) to identify transactions which need to be followed up on because they have not been recorded in one of the records (deposit on your records not yet reflected on bank statement, check issued which has not yet cleared the bank, etc.).

1. When the Principal gives you the bank statement after his/her review, go through the statement and look for any bank charges or credits which need to be recorded in SchoolBooks. These can include interest income, bank service charges, NSF checks, NSF fees, electronic deposits, etc. You can run an "Account Snapshot" report of the GL account corresponding to the bank accounts (example: GL account # 10-00-0001 for Checking) for the month to see if any of these transactions have already been recorded.
2. If there are transactions to be recorded in SchoolBooks, record them via the Adjustment Entry process – see separate procedures. The date of the Adjustment should be the same as the transaction date on the bank statement. Make sure the associated journal is printed and updated/posted.
3. To perform the Bank Reconciliation, in SchoolBooks click on the "Bank Reconciliation" menu button, or make the selection from the "Period End" drop-down menu and select "Bank Reconciliation".
4. The Bank Reconciliation window opens. Select "Single School" and click on "Next".

Elementary Schools  
**Schoolbooks**  
Bank Reconciliations

5. Select the Bank Code for the account you want to reconcile. The default value is your checking account. The GL Account Number and Description will display. Click on “Next”.
6. The “Beginning Balance” field should display the Beginning Balance from the bank statement. Make sure these numbers are the same. If they are not, call District SAF Support for assistance.
7. Enter the Ending Balance from the bank statement in the “Ending Balance” field.
8. Enter the ending/closing date from the bank statement in the “Statement Date” field. Note: This may not be the same as the month-end date. Use the ending bank statement date. Click on “Next”.
9. The “Bank Reconciliation – Entering Cleared Items from the Bank Statement” screen appears, listing all the transactions recorded in SchoolBooks for the month. The transactions are grouped by type: Adjustments, Checks Issued, and Deposits.
10. Adjustments will be listed in Adjustment # sequence. Mark the Adjustments that have cleared the bank as “Cleared” using the “Clear/Unclear” button at the bottom of the screen or by double-clicking the Adjustment line. Schoolbooks will put a “C” for Cleared next to that Adjustment. If you accidentally mark an item as Cleared which should not be so marked, just double-click on that item and the “C” will go away.

**Note:** If you did an Adjustment because a check cleared the bank for an amount different than what you recorded it for when the check was issued, you will need to clear both the Adjustment and the check. The sum of the Adjustment and the check should equal the amount the check cleared for on the bank statement.

11. Checks will be listed in check # sequence. Mark the checks that have cleared the bank as “Cleared” using the “Clear/Unclear” button at the bottom of the screen or by double-clicking the Check line. Schoolbooks will put a “C” for Cleared next to that check and show the amount in the “Cleared Checks” field at the top of the screen. If you accidentally mark an item as Cleared which should not be so marked, just double-click on that item and the “C” will go away.
12. Note that checks you have voided will already be marked as Cleared. **Both the original check entry and the void check entry must be Cleared.**
13. When you have marked all checks that have been paid by the bank as Cleared, the total on the top of the Bank Reconciliation screen should equal the total checks paid as shown on the bank statement. Note: Some banks include miscellaneous charges WITH the checks paid total, so you may have to add or subtract them to tie out the checks paid total.

Elementary Schools  
**Schoolbooks**  
Bank Reconciliations

14. Deposits will be listed in Deposit # sequence. For each deposit shown on the bank statement, find the deposit on the Bank Reconciliation screen and mark as “Cleared” using the “Clear/Unclear” button at the bottom of the screen or by double-clicking the Deposit line. Schoolbooks will put a “C” for Cleared next to that deposit and show the amount in the “Cleared Deposits” field at the top of the screen. If you accidentally mark an item as Cleared which should not be so marked, just double-click on that item and the “C” will go away.

**Note:** If you did an Adjustment for a deposit correction because a deposit was posted by the bank for an amount different than what you recorded it for when the deposit was made, you will need to clear both the Adjustment and the deposit. The sum of the Adjustment and the deposit should equal the amount of the deposit shown on the bank statement.

15. When you have marked all deposits that have been received by the bank as Cleared, the total on the top of the Bank Reconciliation screen should equal the total deposits as shown on the bank statement. Note: Some banks include miscellaneous credits WITH the deposits, so you may have to add or subtract them to tie out the deposits total.
16. You will know that you have balanced your bank statement successfully when the “Ending Bal.” field at the top of the screen equals the “Calculated Bank Balance” field at the bottom of the left side “box”. These amounts are displayed in red while you are doing the bank reconciliation – when these amounts equal each other, they will both display in green, and the “Diff.” field amount at the top right of the screen will be “.00”. Also, the “Variance” field at the bottom of the right side “box” will be “.00”. See below for troubleshooting tips if your reconciliation does not balance.
17. Once your reconciliation balances, click on “Next”.
18. The “Bank Reconciliation – Print Report” screen will appear. Your school name should appear in the white box in the center. Click on “Proceed”.
19. A screen will appear on which you can type in any notes that you want printed on the face of the Bank Reconciliation Report. These notes can include information about any unusual transactions that you wish to bring to the Principal’s attention. Notes are not required. Each line is limited to 70 characters. When done, click on “Print” to print the Bank Reconciliation Report.

Note that if you are not in balance, you can proceed to this point and print the Bank Reconciliation Report as it is – unbalanced – so that you can work from a paper copy to figure out how to balance. Because it is not balanced, you will get a message indicating that it is not in balance, and the reconciliation will not be finalized until it is in balance. You will then get a screen with some helpful tips on how to balance.

Elementary Schools  
**Schoolbooks**  
Bank Reconciliations

These are repeated below. Click on “Exit” to return to the main SchoolBooks menu. Any work completed so far will be saved.

20. A screen will appear, asking “Did the Bank Reconciliation Report print correctly?” If it did, click “Yes”. If it did not, click “No” and proceed to print the report.
21. After the Bank Reconciliation Report has printed correctly, click on “Finish”. SchoolBooks will complete its processing using the information in the bank reconciliation – transactions which you have marked as Cleared will remain as Cleared. You will not be able to change those transactions.
22. A small window will inform you that the Bank Reconciliation has finished. Click on “OK”.
23. Once the Bank Reconciliation has been properly completed, sign and date where indicated on the first page (you are the Preparer).
24. Complete the above steps for each bank account to be reconciled (If you receive a statement from a financial institution or the District, the account needs to be reconciled).
25. Include all the Bank Reconciliation Reports and related statements in the monthly report packet which goes to the Principal for his/her review. (See separate “Month End Processing” procedure.) When the packet is returned to you, confirm that the Principal has signed and dated all Bank Reconciliation Reports (the Principal is the Reviewer).
26. Include copies of the Bank Reconciliation Reports and related statements in the monthly reporting packet which goes to the District Office. (See separate “Month End Processing” procedure for a specific list of the reports to be included in this packet.)
27. File the original Bank Reconciliation Reports and related statements in your monthly transactions/reports file.

## PROCESS COMPLETE

### **Reconciliation Does Not Balance – Troubleshooting Tips**

If there was a problem with the bank reconciliation that caused the Variance to be other than zero or the reconciliation to be out of balance, you will get an error message when you try to print the reconciliation. You will still be able to print it; this might be helpful in resolving the problem.

Elementary Schools  
**Schoolbooks**  
Bank Reconciliations

Here are likely causes for the variance and the steps to take to resolve the problem:

1. The beginning and/or ending balances may have been incorrectly entered from the bank statement. Verify that the beginning and ending balances match exactly the beginning and ending balances as shown on the printed bank statement. A data entry error in one of these two numbers is the most common cause of a variance. Note: The beginning balance should be the ending balance from last month's bank statement; it should have changed.
2. The items you have cleared might not match the items on the bank statement. Verify each of the items marked "cleared" against the items on the bank statement. These should match exactly with the bank statement, no more and no fewer. Those items not on the bank statement should not be marked "cleared". If a check has been paid by the bank for an amount different from what you entered in SchoolBooks, enter and post and Adjustment Entry for the difference. If the bank paid a check which you previously voided as stale-dated, re-enter the check information via the Manual/Void Check Entry procedure; put an "A" after the check number so that SchoolBooks reads this entry as a different check number.
3. Adjustments for bank charges or interest may not have been entered, or may have been entered incorrectly. All of the adjustments for bank charges and interest must be entered. Verify that all of the adjustments have been entered by running an "Account Analysis Report – Detail" for the account being reconciled and compare the report to the bank statement.

If you are certain that none of the above conditions remains, call District SAF Support for assistance.