

***NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY
GREENSBORO, NORTH CAROLINA***

DEPARTMENTAL ACTIVITY RECONCILIATION PROCEDURES

The following guidelines have been developed to assist campus users in understanding the requirements for monitoring their financial transactions to ensure proper accounting and reporting in the financial system.

Generally, the person performing the review activities should be different from the person(s) initiating, receiving and recording the transactions. In those cases where separation of duties is not possible, the supervisors over the business function should review the procedures performed sufficiently enough to determine that it was performed properly and then sign off on the review log. The completed monthly log or other documentation of the review process should be maintained by the department as evidence of the on-going monitoring effort.

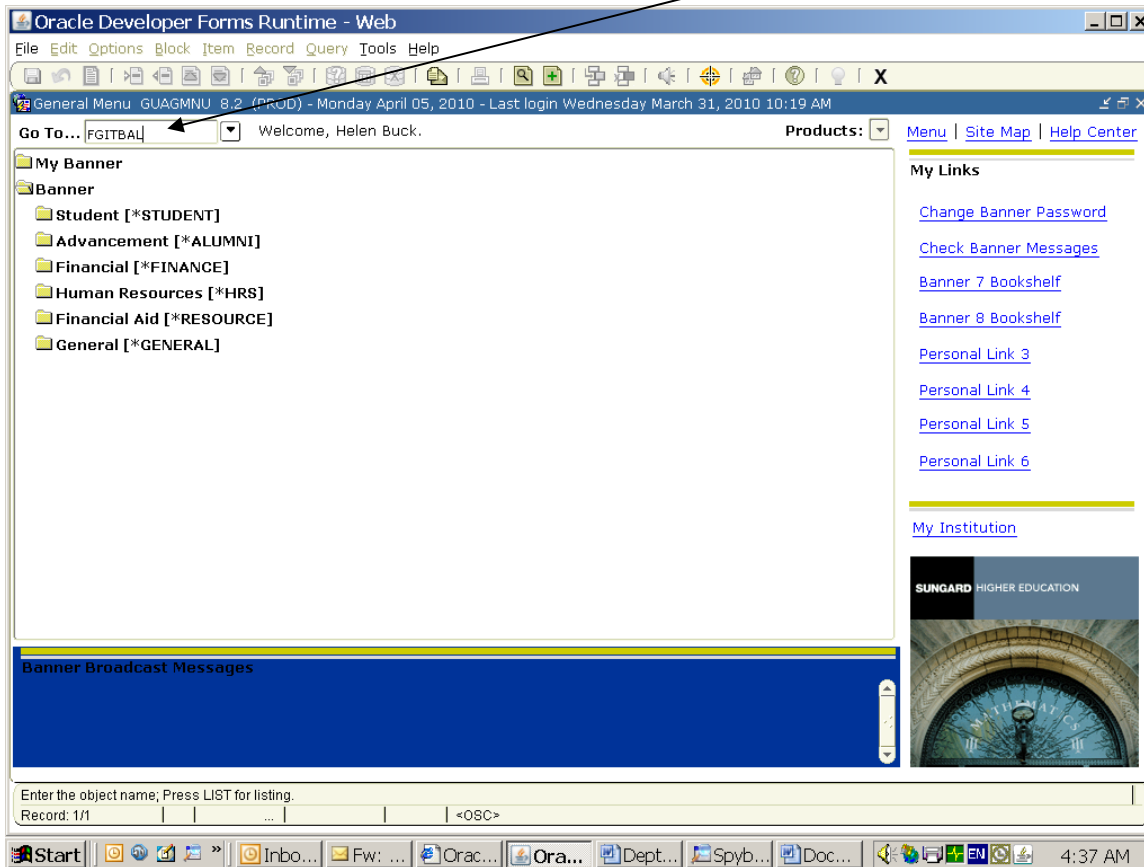
It is important that each department reconcile their transactions monthly. You must reconcile all transactions for all funds and accounts administered by your department by verifying the data in the Banner Accounting System.

If your department does not have a system in place to track receipts and disbursements, you may follow the following steps:

- Create a departmental log for deposits made in the Cashier's Office, requisitions/purchase orders, check requests and other charges to your budget.
- Periodically (maybe weekly), check your departmental log against what has been processed in the accounting system and make comparisons. This will enable you to make sure that there is a match between your log and Banner.

Verifying Monthly Activity

To check all the activity that affected your fund in summary format, you may follow the instructions below: log into the Banner accounting system and type **FGITBAL** in the "Go To" field. Press Enter key.



The following screen will appear:

The “10” fiscal year represents transactions from July 1, 2009 to June 30, 2010.

Enter the **six- digit fund number** for your department.

The screenshot shows the Oracle Developer Forms Runtime interface. At the top, the title bar reads "Oracle Developer Forms Runtime - Web: Open > FGITBAL". Below this is a menu bar with "File", "Edit", "Options", "Block", "Item", "Record", "Query", "Tools", and "Help". A toolbar with various icons is positioned below the menu. The main form area has a dark olive green background. At the top of this area, there are several input fields: "Chart:" with a dropdown menu showing "T", "Fiscal Year:" with a dropdown menu showing "10", "Fund:" with a text box containing "170000", and "Account:" with an empty text box. To the right of these is an "Account Type:" dropdown menu. Below the input fields is a table with the following headers: "Account", "Description", "Beginning Balance", "D/C *", "Current Balance", and "D/C *". The table contains several empty rows for data entry. At the bottom of the table area, there is a "Total:" label followed by several empty text boxes for summarizing the data. Below the table, a note states "* - denotes amount is opposite of Normal Balance". The bottom of the screen shows a status bar with "Record: 1/1" and "<OSC>". The Windows taskbar at the very bottom shows the Start button, several application icons, and the system clock displaying "4:41 AM".

Click **Next Block** which will display the fund's data. This screen appears.

| Account | Description | Beginning Balance | D/C * | Current Balance | D/C * |
|---------------------|-------------------------------|-------------------|-------|-----------------|-------|
| 11100 | Cash Interfund Account | 0.00 | D | 845,566.33 | C * |
| 11600 | Suspense | 0.00 | D | 0.00 | D |
| 22110 | A/P External Vendors | 0.00 | C | 0.00 | C |
| 22527 | Travel Adv Reim Payable | 0.00 | C | 0.00 | C |
| 22532 | Visa Procurement Card | 0.00 | C | 0.00 | C |
| 39200 | Expenditure Control | 0.00 | D | 845,566.33 | D |
| 39220 | Budgeted Expenditure Control | 0.00 | C | 826,608.00 | C |
| 39400 | Encumbrance Control | 658.80 | D | 26,501.21 | D |
| 39420 | Reserve for Encumbrance | 658.80 | C | 26,501.21 | C |
| 39600 | Budgeted Change to Net Assets | 0.00 | D | 826,608.00 | D |
| 43000 | Net Assets - COAS | 0.00 | C | 0.00 | C |
| 43400 | Unrestricted Assets | 0.00 | C | 0.00 | C |
| Total: ALL ACCOUNTS | | 0.00 | | 0.00 | |

* - denotes amount is opposite of Normal Balance

Field Descriptions:

- **Account** – This field shows the Banner account number. Account numbers are displayed in sequential order.
- **Description** – This column show the name of the account as it appears in the Banner accounting system. **The Cash Interfund Account 11100**, will be the first account on the screen.
- **Beginning Balance** – This figure indicates the cash balance at the beginning of the fiscal year (July 1)
- **D/C** – This column indicates whether the Beginning Balance is a D (Debit) balance or a Credit balance. A “D” means the fund has actual cash in the account. A “C” means the account has a (deficit) balance.
- **Current Balance** - This field shows the current cash balance in the account. (For departmental

transactions, cash received in the Cashier's Office will be reflected in Banner the next business day.)

- **D/C** – This column indicates whether the Current Balance is a D (Debit) balance or a Credit balance. A “D” means the fund has cash in the account. A “C” means the account has a deficit) balance for the amount shown.

IMPORTANT – CASH DEFICITS FOR NON-STATE FUNDS

(Note: Any non-state fund with a deficit (credit) balance in the “Cash Interfund Account” line must be restored to debit status by making a deposit to the fund for the amount of the deficit. Please check the fund to ensure all deposits have posted to the appropriate account and that there are no erroneous or duplicate expenditures charged to the fund.)

To see a history of all cash transactions for a fund, scroll to Acct. #11100, Cash Interfund Account. Click **Options** at top of screen, then click **“Query General Ledger Activity Info [FGIGLAC]”**.

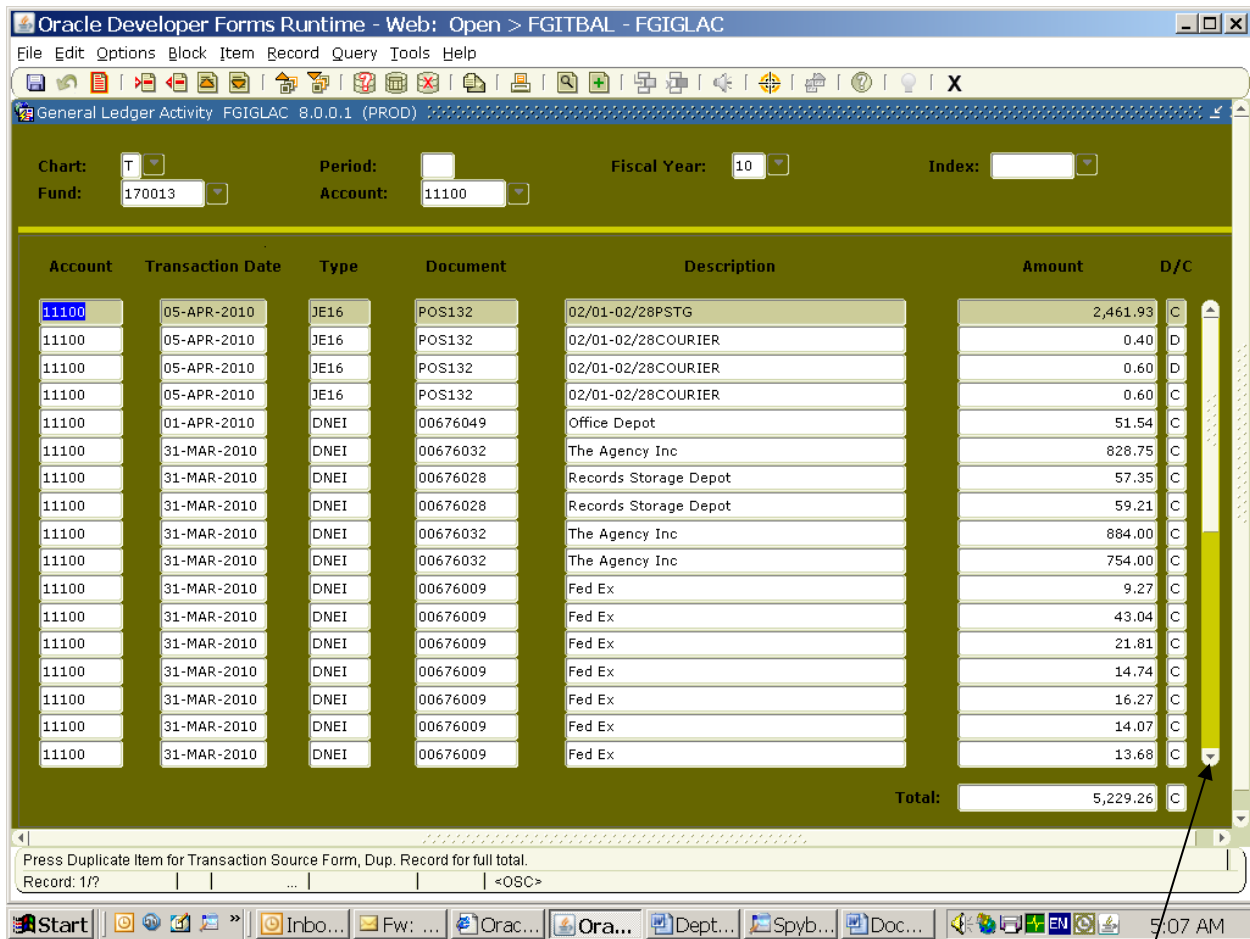
The screenshot shows the Oracle Developer Forms Runtime interface. The title bar reads "Oracle Developer Forms Runtime - Web: Open > FGITBAL". The menu bar includes "File Edit Options Block Item Record Query Tools Help". The "Options" menu is open, showing "Query General Ledger Activity Info [FGIGLAC]" as the selected option. Below the menu, there are input fields for "Chart" (T), "Fund" (170013), "Accounting Office", "Account Type", "Fiscal Year" (10), and "Account".

| Account | Description | Beginning Balance | D/C * | Current Balance | D/C * |
|----------------------------|-------------------------------|-------------------|-------|-----------------|-------|
| 11100 | Cash Interfund Account | 0.00 | D | 845,566.33 | C * |
| 11600 | Suspense | 0.00 | D | 0.00 | D |
| 22110 | A/P External Vendors | 0.00 | C | 0.00 | C |
| 22527 | Travel Adv Reim Payable | 0.00 | C | 0.00 | C |
| 22532 | Visa Procurement Card | 0.00 | C | 0.00 | C |
| 39200 | Expenditure Control | 0.00 | D | 845,566.33 | D |
| 39220 | Budgeted Expenditure Control | 0.00 | C | 826,608.00 | C |
| 39400 | Encumbrance Control | 658.80 | D | 26,501.21 | D |
| 39420 | Reserve for Encumbrance | 658.80 | C | 26,501.21 | C |
| 39600 | Budgeted Change to Net Assets | 0.00 | D | 826,608.00 | D |
| 43000 | Net Assets - COAS | 0.00 | C | 0.00 | C |
| 43400 | Unrestricted Assets | 0.00 | C | 0.00 | C |
| Total: ALL ACCOUNTS | | 0.00 | | 0.00 | |

* - denotes amount is opposite of Normal Balance

Record: 1/12 | <OBC>

The following screen will appear:



Transactions for the fund will appear by date in descending chronological order. *Use the arrow at the far right to scroll through the transactions.* **Transaction Date** is the official date of the entry. An entry may be processed on another date (Activity Date) but the transaction date is the official posting date or the date that was on the transaction when it was processed. **Type** is the identifier for the source of the transactions – some common types are as follows:

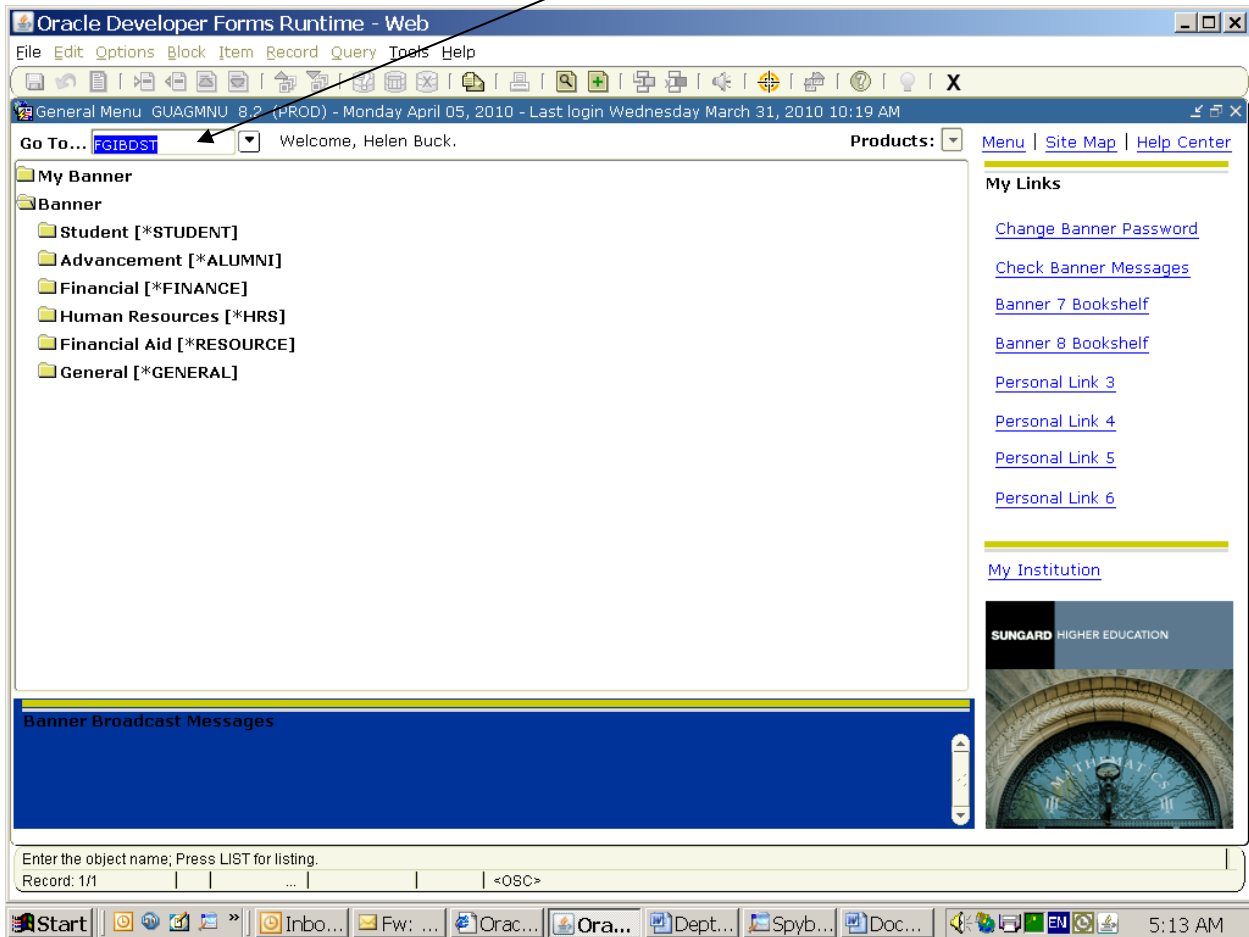
SP8 denotes cash/credit/credit card payments at the Cashier’s Office. **INNI/DNNI** are invoice/check entries. **JE15** and **JE16** are journal entries generally made by accounting staff. **CPF** is for payroll entries.

Document is the accounting batch number that the data was processed from such as a journal entry (J0012345). **Description** is a brief description of the transaction. **Amount** is the dollar amount of the transaction and **D/C** is the debit/credit indicator for the amount column.

Verifying Receipts and Disbursements by Account Code

Receipt and expenditure transactions should be checked to ensure transactions posted to your funds and accounts are correct. To verify receipts and expenditures:

1. Log into Banner accounting system and type **FGIBDST** in the “GO TO” field. Press Enter key.



2. Enter your department's six-digit fund number in the **Fund** field.
3. Click **Next Block** to display the fund's data.

Oracle Developer Forms Runtime - Web: Open > FGIBDST [Q]

File Edit Options Block Item Record Query Tools Help

Organization Budget Status: FGIBDST 8.3 (PROD)

Chart: T
 Fiscal Year: 10
 Index:
 Query Specific Account
 Include Revenue Accounts
 Commit Type: Both

Organization: 42000 Comptroller
 Fund: 170013 Accounting Office
 Program: 170 Institutional Support
 Account:
 Account Type:
 Activity:
 Location:

| Account Type | Title | Adjusted Budget | YTD Activity | Commitments | Available Balance |
|-------------------|------------------------------|-----------------|--------------|-------------|-------------------|
| 61810 | L Social Security | 48,453.00 | 41,013.04 | 0.00 | 7,439.96 |
| 61820 | L State Retirement | 55,618.00 | 40,376.38 | 0.00 | 15,241.62 |
| 61830 | L Medical Insurance | 60,056.00 | 44,640.75 | 0.00 | 15,415.25 |
| 61880 | L Law Officer Retirement | 0.00 | 5.60 | 0.00 | -5.60 |
| 71991 | E Fee-Contracted Ser | 0.00 | 18,470.62 | 17,850.38 | -36,321.00 |
| 72600 | E Office Supplies | 7,000.00 | 0.00 | 0.00 | 7,000.00 |
| 72601 | E Office Supplies | 0.00 | 6,536.30 | 860.11 | -7,396.41 |
| 72900 | E Data Processing Supplies | 504.00 | 0.00 | 0.00 | 504.00 |
| 72901 | E Data Proc Supplies | 0.00 | 1,050.57 | 0.00 | -1,050.57 |
| 72902 | E Other Supplies | 0.00 | 1,564.59 | 0.00 | -1,564.59 |
| 73100 | E Travel & Registration Fees | 825.00 | 0.00 | 0.00 | 825.00 |
| 73112 | E In-State Ground Trans | 0.00 | 132.81 | 0.00 | -132.81 |
| Net Total: | | -826,608.00 | -845,870.82 | 26,501.21 | |

Dup Item for Detail, Count Query for Orgn. Summary, Dup Rec for Encum. List
 Record: 16/34 | ... | <OBC>

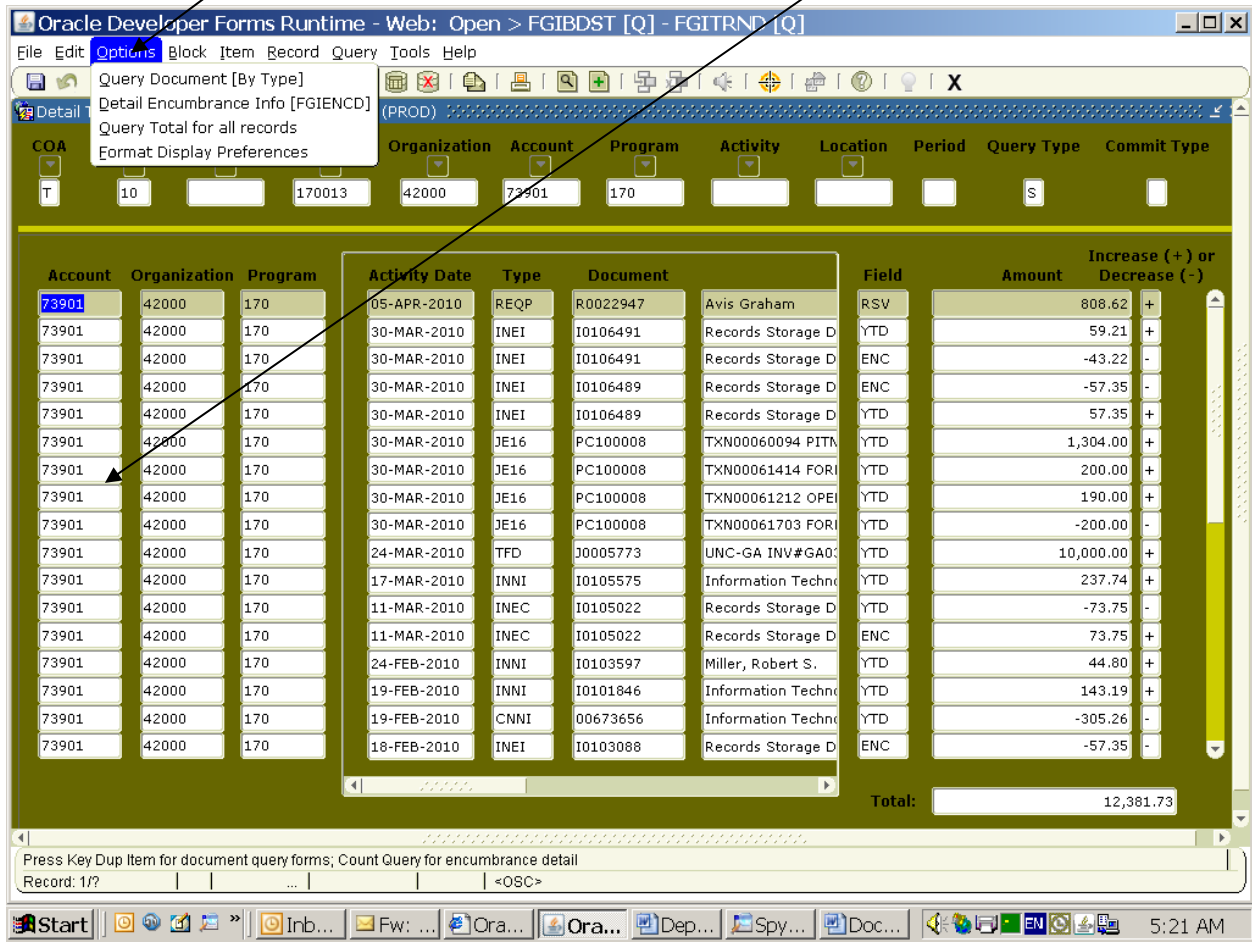
Start | In... | St... | De... | Pa... | 40... | FW... | Or... | Or... | 10:30 PM

4. Field Descriptions:

- **Account** is the five-digit number that identifies the type of expense.
- **Type** identifies the three types of accounts based on **the first digit of the account number**: Revenue (R) = 5, Payroll Expenses (L for Labor) = 6, and All other Expenses (E) = 7
- **Title** is the name of the account as it appears in the Banner accounting system.
- **Adjusted Budget** is the budget for the account based on what has been processed as of the screen date. It represents the original budget and processed budget adjustments as of this date.
- **YTD Activity** represents the actual (total) transactions processed from July 1 to the current date.
- **Commitments** show the requisitions and purchase orders that **have not been paid** and are claims against the fund's cash balance.
- **Available Balance** is the Adjusted Budget minus the Year to Date Activity minus Commitments.

- The **Available Balance** does not include unprocessed transactions (i.e., requisitions submitted to the Purchasing Department that have not been encumbered as of this date, check requests for which checks have not been processed, etc.). **Please be sure to consider any unprocessed transactions in reconciling your available cash.**

5. To see transactions posted to a particular account, scroll to the account number you want to view. Click **Options** at the top of the screen, then click **“Transaction Detail Information [FGITRND]”**. The following screen appears:



6. All transactions for that particular account will be displayed in descending, chronological order by activity date. The transaction detail screen shows the five digit **Account number** you are viewing. **Organization** is the “Org” or organization number assigned to your department. **Program** is the code assigned to a fund to indicate the purpose of that fund. **Activity Date** is the date transactions are processed. **Type** is the type of transaction (i.e. “SP8s” are Cashier’s receipts). **Document** is the accounting document number for that transaction, such as a receipt, journal entry, or check number. The next column is a description of the transaction. **Field** represents the type of activity – whether YTD (year-to-date activity-which translates to actual expenditures), ENC (encumbrance), RSV (requisition). **Amount** is the dollar amount of the transaction. **Increase (+)/Decrease (-) indicates** whether the transaction increased or decreased the account balance.

The month end reconciliation procedures are necessary to ensure that activities/charges recorded to a departmental project are accurate, classified properly and appropriate.

Budget line items should not show over-expenditures. When over-expenditures are identified, appropriate adjustments should be made by the department to correct the over-expended budget condition. In addition, the reason(s) for causing the budget overrun should be evaluated and steps taken to avoid similar overruns in the future.

NOTE

We are using index codes instead of fund codes. An index code is identical to its fund code, but the code is input into the index field. Using the index code automatically populates the program and organization codes for you. This in turn reduces errors. It is important to remember that if you are reviewing your account for periods before the use of index codes, then you should enter the fund code ONLY (without the organization or program codes) and all associated transactions for that fund will be populated. If you use the index code, then it would only produce results for the organization and program associated with the index code and not the others that were keyed in error.

Should you discover **errors** or have questions regarding your department's activity, please contact the following by the 20th of the month to ensure timely adjustments.

| <u>Department</u> | <u>Subject</u> | <u>Person to Contact</u> | <u>Extension</u> |
|--------------------------|-------------------------------|---------------------------------|-------------------------|
| Accounts Payable | Invoices and check payments | Deborah Harris | 334-7684 |
| Budget Office | Budget Entries | Tracey Smith | 334-7631 |
| Cashier's Office | Receipts | Alonzo Hines | 285-4061 |
| Contracts & Grants | Contracts & Grants issues | James Watlington | 334-7685 |
| General Accounting | Internal charges | Anne Boozer | 334-7684 |
| Payroll | Payroll Entries | David Jones | 334-7888 |
| Purchasing | Requisitions, Purchase Orders | Nikki Williams | 334-7555 |