

RECONCILIATIONS:**Bank Reconciliations:**

1. Bank statements are to be downloaded by the Finance Manager through the appropriate banking institution web sites.
2. Finance Manager reconciles all bank statements with accounting software using the following procedures:
 - a. Compare dates and amounts of daily deposits as shown on the bank statements.
 - b. Compare inter-organization bank transfers to be certain that both sides of the transactions have been recorded on the books.
 - c. Investigate items rejected by the bank, i.e., returned checks or deposits.
 - d. Compare wire transfer dates received with dates sent.
 - e. Compare canceled checks with the disbursement journal as to check number, payee and amount.
 - f. Account for the sequence of checks both from month to month and within a month.
 - g. Examine canceled checks for authorized signatures, irregular endorsements, and alterations.
 - h. Review of voided checks and proper mutilation.
 - i. Investigate and write off checks which have been outstanding for more than three months.
3. Copies of bank reconciliations and bank statements are included in the Board packet monthly.

Reconciliations of Other General Ledger Accounts:

1. Assets – These accounts include cash, petty cash, prepaid expenses, and receivables.
 - a. Cash – The balances in cash accounts shall agree with the balances shown on the bank reconciliations for each month.
 - b. Petty Cash – The balance in this account shall equal the petty cash in the locked petty cash box.
 - c. Prepaid Expenses – The amounts in these accounts shall equal advance payments paid to vendors at the end of the accounting period.

- d. Accounts Receivable - Monthly the Finance Manager shall review the accounts receivable to support the ending balance shown on the balance sheet.
2. Liabilities – These accounts are described as accounts payable, payroll tax liabilities, loans, and amounts due to others.
 - a. Accounts Payable – The balance in this account shall equal amounts owed to vendors at the end of the accounting period and the aging report.
 - b. Payroll Tax Liabilities – The amounts in these accounts shall equal amounts withheld from employee paychecks as well as the employer's portion of the expense for the period that has not been remitted to the government authorities.
 - c. Due to Others – These amounts, if any, should be investigated monthly and reconciled to actual.