Bank Reconcilements

A Discussion with Examples

Bank Reconcilements



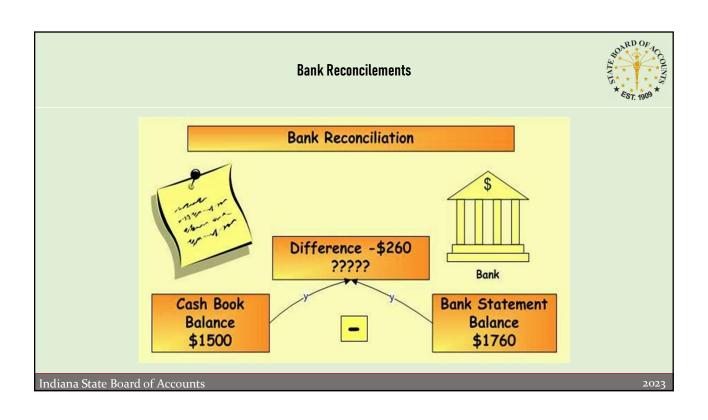
Indiana Code 5-13-6-1(e):

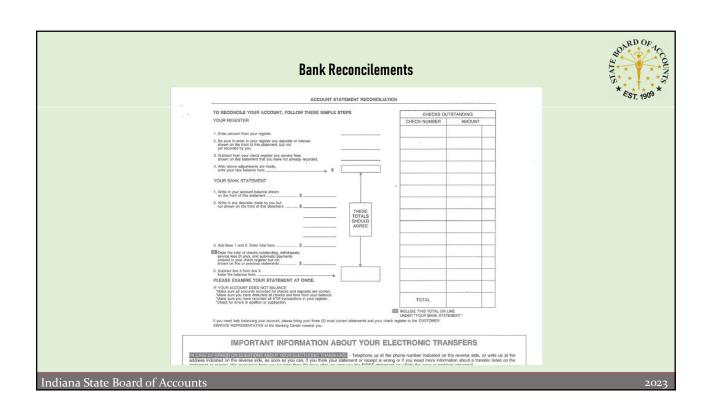
"All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories."



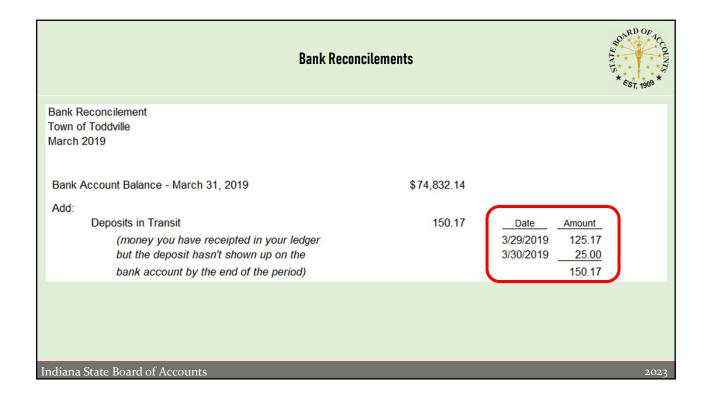
Indiana State Board of Accounts

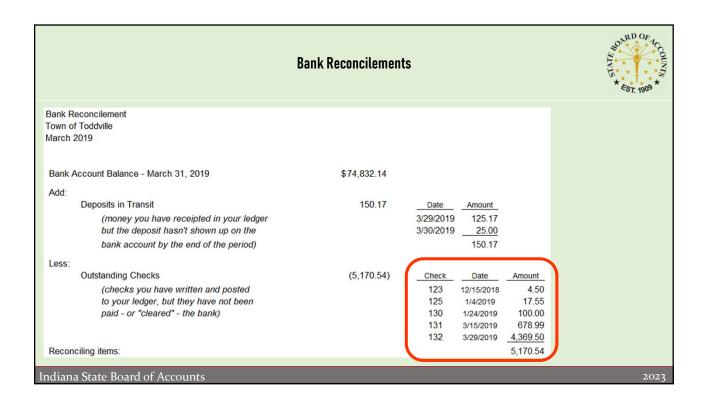
2023

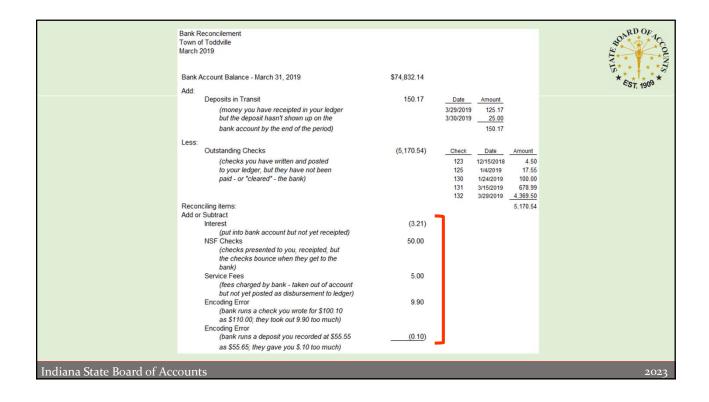




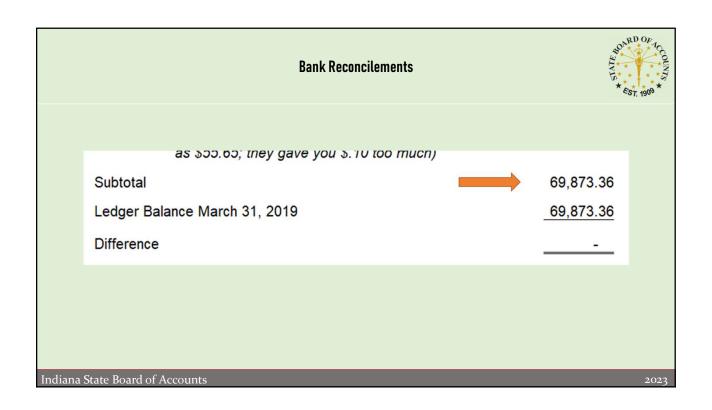
Bank Reconcilement Town of Toddville March 2019 Bank Account Balance - March 31, 2019 \$74,832.14



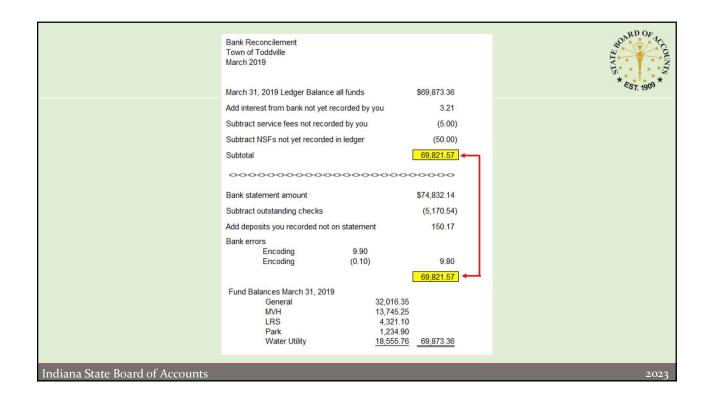




Bank Account Balance - March 31, 2019 Add: Deposits in Transit	\$74,832.14 150.17	Date Amount	South RD OF
(money you have receipted in your ledger but the deposit hasn't shown up on the bank account by the end of the period)		3/29/2019 125.17 3/30/2019 25.00 150.17	*EST. 1909
Less:	(5.470.54)		
Outstanding Checks (checks you have written and posted to your ledger, but they have not been paid - or "cleared" - the bank)	(5,170.54)	123 12/15/2018 125 1/4/2019 130 1/24/2019	mount 4.50 17.55 100.00 678.99 389.50
Reconciling items: Add or Subtract		5,	,170.54
(put into bank account but not yet receipted)	(3.21)		
NSF Checks (checks presented to you, receipted, but the checks bounce when they get to the bank)	50.00		
Service Fees (fees charged by bank - taken out of account but not yet posted as disbursement to ledger)	5.00		
Encoding Error (bank runs a check you wrote for \$100.10 as \$110.00; they took out 9.90 too much) Encoding Error	9.90		
(bank runs a deposit you recorded at \$55.55 as \$55.65; they gave you \$.10 too much)	(0.10)		
Subtotal	69,873.36		
Ledger Balance March 31, 2019	69,873.36		
Difference	<u> </u>		



Bank Reconcilements 69,873.36 Subtotal Ledger Balance March 31, 2019 69,873.36 Difference Fund Balances March 31, 2019 General 32,016.35 **MVH** 13,745.25 LRS 4,321.10 Park 1,234.90 Water Utility 18,555.76 69,873.36 Indiana State Board of Accounts 2023



Bank Reconcilements



Bank Reconcilement Town of Toddville March 2019

 General Account Balance - March 31, 2019
 \$74,832.14

 Water Account Balance - March 31, 2019
 18,555.79

 Sewage Account Balance - March 31, 2019
 \$11,123.45

Add:

Nanneite in Traneit 150 17

Indiana State Board of Accounts

2022

Bank Reconcilements



Subtotal 0,104.07 Ledger Balance March 31, 2019 80,861.04 Difference Fund Balances March 31, 2019 General 32,016.35 MVH 13,745.25 LRS 4,321.10 Park 1,234.90 Water Utility 18,555.79 Sewage Utility 10,987.65 80,861.04

Indiana State Board of Accounts

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Bank Reconcilements



Internal Controls

- Process in writing internal control policy
- Reviewed by someone outside the reconcilement process
- Process in writing internal control policy
- Document review by others

Indiana State Board of Accounts

2022

Questions



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Indiana State Board of Accounts

2023