THE CITY OF NEW YORK

OFFICE OF THE COMPTROLLER

INTERNAL CONTROL AND ACCOUNTABILITY DIRECTIVES

DIRECTIVE #11: CASH ACCOUNTABILITY AND CONTROL

INTRODUCTION

The purpose of this Directive is to govern the basic internal controls and accountability requirements for establishing bank accounts, recording receipts and disbursements, and the reconciliation of all cash or cash equivalents, including currency, checks, money orders, credit cards, and electronic fund transfers. These rules must be adhered to for the proper recordkeeping and maintenance of authorized bank accounts used for The City of New York (City) official business.

This Directive is issued pursuant to the authority of the Office of the Comptroller as provided in Chapter 5, Section 93 of the *New York City Charter*.

All City expenditures must comply with applicable law, including the *New York City Charter*, the *Rules of the Procurement Policy Board*, and the *Comptroller's Internal Control and Accountability Directives*. All agency transactions are subject to audit by the Office of the Comptroller.

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1. GENERAL INFORMATION

1.1 Directive Organization

The Directive is divided into the following primary sections:

1. *General Information*
2. *Establishment of Agency Held Bank Accounts and Special Services*
3. *Segregation of Duties*
4. *Cash Receipts*
5. *Cash Disbursements*
6. *Electronic Fund Transfers*
7. *Bank Reconciliations*
8. *Checks Returned as Uncollectable*
9. *Annual Accountability Reporting*
10. *Appendix A: Suggested Agency NG Checks Log*
11. *Appendix B: Collection Account Reconciliation Template*

1.2 Effective Date

This Directive is effective immediately and supersedes the previous version, issued March 18, 2011.

1.3 Assistance

Questions or comments concerning this Directive should be addressed to: The Office of the Comptroller, Attention: Technical and Professional Standards Unit, Bureau of Accountancy, David N. Dinkins Municipal Building, One Centre Street, Room 200 South, New York, NY 10007, (212) 669-3675, or via *Technical and Professional Standards Unit Email* (directives@comptroller.nyc.gov).

1.4 Comptroller's Internal Control and Accountability Directives

An inventory of existing *Comptroller's Internal Control and Accountability Directives* is available on the *Comptroller's Website*.

2. ESTABLISHMENT OF AGENCY HELD BANK ACCOUNTS AND SPECIAL SERVICES

For the purpose of this Directive, Agency Held Bank Accounts are any bank accounts held in the name of the City or a legal subdivision thereof, using the City's tax ID number and registered with the Department of Finance (DOF). Also included are confidential expenditure bank accounts used by police and other law enforcement agencies in accordance with rules specific to those accounts.

Important Note: Not included in the definition of Agency Held Bank Accounts are: (a) those in the name of, and using the tax ID number of, a not-for-profit organization such as a foundation or Parent-Teacher association or similar affiliated organization; (b) fiduciary funds

("Trust and Agency Accounts") of the City held by the Department of Finance; or (c) legal escrow accounts.

2.1 Agency Held Bank Account Opening

Agency Held Bank Accounts must be opened in accordance with Department of Finance bank account policies and procedures. Agencies must request a DOF City Bank Account Request Form, available online at CityShare under *Forms & Downloads*. After the Comptroller's Bureau of Accountancy review and approval granted by the DOF, the new bank account is registered at the Comptroller's Bureau of Accountancy.

All Agency Held Bank Accounts and special banking services, such as lock box arrangements, Desktop Deposit[1] service, automated reconciliations, electronic fund transfers, and any other special services, must be approved by the DOF Bank Account Unit. Inquiries regarding all fees associated with maintaining a bank account must also be discussed with DOF Bank Account Unit. Agencies must ensure that the name of the account is clear, that the account is for official purposes by incorporating within its reference to the City and/or the Agency name and a description of the account purpose; e.g., New York City Department of Education Custodial Operations Account.

2.2 General Rules for Use of Agency Held Bank Accounts and Non-City-Owned Bank Accounts for City Business

2.2.1 Agency Held Bank Accounts

Agency Held Bank Accounts create opportunities for misappropriation of City funds and there is a need for substantial agency control, monitoring, and supervision.

As part of the *Fiscal Year-End Closing Instructions*, each agency must carefully evaluate the continued need for these types of accounts and the circumstances that have caused them to be created (please refer to *Section 9* for additional annual reporting requirements). Every effort should be made to discontinue the use of such accounts and account for the funds using the City's Financial Management System (FMS).

2.2.2 Procedures for Agency Held Bank Accounts

All agencies must prepare detailed written procedures specifying the agency's policies for monitoring and safeguarding the Agency Held Bank Account funds and the operating procedures governing receipts and disbursements and the reconciliation of account transactions. The procedures, at a minimum, must incorporate the rules provided in this Directive.

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[1]Desktop Deposit allows agencies to deposit checks as scanned images via a special scanner.

In addition, agency policies and procedures must state clearly that under no circumstances may City funds be deposited in a bank account to be used for an employees' personal expenditures or shared with a spouse, family member, or any other person, and that the account must not be used to process non-City transactions of any kind, including deposits, transfers, or disbursements.

Important Note: Agencies must ensure that every employee who has access to an Agency Held Bank Account understands and complies with the relevant written policies and procedures. In the event that an employee with access to an Agency Held Bank Account is no longer employed by that particular agency, DOF must be contacted immediately so that account access can be deauthorized.

2.2.3 Prohibition on Non-City-Owned Bank Accounts

Agencies may not disburse City funds through individuals and/or payment agents using bank accounts belonging to that individual or payment agent. All accounts used to disburse City funds must comply with Section 2.2.1 of this Directive.

Payment agent means any individual or entity that is contractually obligated to make disbursements of City funds on behalf of, or in conjunction with, a City agency.

3. SEGREGATION OF DUTIES

An adequately managed and satisfactory cash receipts and disbursements system demands a distinct segregation of the major administrative duties involved within the various cash handling processes. Specifics on some of the more significant separation of duty requisites are covered in detail in the appropriate sections of this Directive.

4. CASH RECEIPTS

Cash receipts, for the purposes of this Directive, encompass all payments and deposits received in the form of cash or cash equivalents, including currency, coins, checks, money orders, credit card payments, and electronic fund transfers. Since cash is the asset most susceptible to misappropriation and loss, agencies must exercise the utmost of care in handling cash and when accounting for the individual transactions involving cash receipts.

4.1 General Cash Receipt Rules

The acceptance of currency or other types of negotiable or bearer instruments should be avoided wherever practical.

Agencies should insist that all customer or debtor remittances be made by check, money order, credit card payments, or electronic funds transfer, payable to the order of The City of New York or the agency itself. Any checks made out to the order of an individual or other third party must be returned to the payer with instructions for the proper preparation and re-submission.

4.2 Acknowledgment of Cash Receipts

In those exceptional instances where it is necessary for an agency or its personnel to directly accept currency as payment, the transaction must be documented by the issuance of a signed receipt with a copy of the receipt retained for agency use as appropriate.

All receipts must bear the appropriate agency letterhead and be pre-printed and pre-numbered for use in sequential order. The agency must maintain strict control over the inventory of blank receipt forms. Employees issued blank receipt forms must sign for, and be held accountable for, their use.

4.3 Handling of Cash Receipts

Individuals responsible for handling cash receipts should prepare daily listings (tally sheets) of all receipts on a daily basis. Upon review and sign-off by a supervisor, a copy of the tally sheet should be sent to both the agency accounting department and the individual responsible for coordinating the bank deposit.

Before acceptance, the person responsible for coordinating the bank deposit must independently count and validate the cash receipts against both the daily tally sheets and the copies of the customer receipts.

4.4 Deposit of Cash Receipts

Accumulation of in-office cash receipts is not acceptable and all funds received must be deposited in the bank on at least a daily basis, except under extraordinary circumstances.

- All bank deposits must be made into a treasury or agency collection account, unless otherwise authorized in writing by an authorized representative of the New York City Department of Finance (DOF).
- Those agencies for which the DOF has authorized an agency clearing or collection account must transfer daily cleared balances into the treasury collection account. All transfers from these agency accounts must be made by check made payable to the order of The City of New York, or by automatic bank transfer as authorized by the DOF. No other withdrawals are permitted against funds on deposit in these agency clearing or holding accounts.
- All deposit receipts must be re-verified, at least weekly, against the daily cash receipt tally sheets (see *Section 4.3*) and initialed and dated upon completion. An individual other than the person responsible for preparing the bank deposit should be assigned this responsibility.
- Agencies should maintain the deposit tickets and all supporting documentation for audit purposes. Whenever check image retrieval bank service is not available, photocopies of checks and/or money orders should be attached to the deposit tickets and maintained on file to facilitate any actions required in the event of a lost or uncollectible deposit.

4.5 Use of Safes

As a means of safeguarding assets, agencies must store cash and checks in a safe in the following instances:

- Cash and checks received too late to be included in the daily deposit must be stored overnight in an agency safe. Safes should also be used for temporary security of cash receipts awaiting the daily deposit.
- If cash is frequently received after banking hours or received in large amounts, consideration should be given to the use of some type of night depository or armed delivery service acceptable to the banking institution.
- Where mail volume is heavy, consideration should be given to entering into a lockbox arrangement with a local bank. However, such arrangements require the advance approval of the DOF. Agencies should email a request for approval to *Bankaccounts@finance.nyc.gov*.

4.6 Cash Receipts and Disbursement Journal

Agencies must maintain a centralized cash receipts and disbursements control (cash book) in which all cash receipts and disbursements are recorded on a daily basis. Cash receipts may be transposed in summary form, from the various individual daily cash tally sheets (*Section 4.3*), provided all supporting details and documents are adequately maintained. This journal must be reconciled monthly with the appropriate general ledger account balances.

5. CASH DISBURSEMENTS

Cash disbursements are the outflows or payments of money to settle the City's obligations, such as operating expenses, interest payments for loans, refunds, and accounts payable during a particular period.

5.1 General Rules

Following are the rules the agency needs to follow for Cash Disbursements:

- Except for small petty cash payments (made in accordance with procedures outlined in the Comptroller's *Directive # 3 – Procedures for the Administration of Imprest Funds*), disbursements must be made by check, electronic funds transfer, or other approved disbursement mechanism as outlined in the agency's bank account request form that is available online at CityShare under *Forms and Downloads in Bank Account Implementation*, and must be recorded in the cash receipts and disbursements journal (see *Section 4.6*). Agencies should avoid withdrawals using a bank teller, or cash withdrawals of any kind. Checks should not be drawn to "bearer" or "cash" and should never be released blank, without an appropriate entry in the "pay to the order of" section.

In exceptional situations, where currency disbursement cannot be avoided, agencies must have established written procedures, which provide for the adequate documentation and control of these transactions. Such procedures must be reviewed with and have the written approval of both the Chief Fiscal Officer and Agency Head.

- Agencies must ensure that there is a distinct separation of duties between individuals who are responsible for:
  - The approval of invoices for payment.
  - The preparation of checks or electronic fund transfers.
  - The authorization of the check or payment itself.
- Payments should be made only when supported by original invoices bearing the proper signature approvals. Statements of account must not be accepted for payment processing.
- Agencies must control an inventory of pre-numbered blank checks. Usage should be recorded daily as part of the cash receipts and disbursements journal.
- Check stock must be kept physically secure, with access limited to responsible personnel. Missing or stolen check stock must be reported immediately to the bank, the Department of Investigation Inspector General's Office, and other City officials as agency rules dictate.
- Checks should state on their face that they are void after a specified period. This time period should not extend more than 180 days from the date of issue. Agencies whose checks do not indicate that they are void after a specified period should state a specified period on the checks upon the next order of check stock.
- Unused or voided checks must be mutilated or marked "void" and permanently maintained in a separate file, or with the cancelled checks returned from the bank. Employees responsible for the inventory control of blank checks must be held accountable for them and must guard against improper use.
- Checks returned from the Post Office as undeliverable should be cancelled after verifying the mailing address with the original documentation. The cancellation should be noted on the appropriate file documentation with copies sent, for appropriate action, to both the agency accounting department and to the individual responsible for reconciling the Agency Held Bank Accounts.

5.2 Authorized Signatory Procedures

- Agency heads must designate, in writing, both the employees authorized to approve invoices for payment and those other employees authorized to sign checks or approve electronic fund transfers. Specimen signatures must be included with the authorization, dollar limits should be established by individual signatory and two signatories should be the rule, rather than the exception.

The authorized signatory listing should be updated as personnel changes are made, and reviewed at least annually. Notification of changes in check signatories must be made in accordance with DOF policies and procedures.

- Authorized signatures should be affixed manually for payments, except in situations where large volumes of checks are handled. In those instances, mechanically affixed signatures are permissible but only under the following conditions:
  - All signature plates and/or stamps must be under the control of the signatory and kept in a locked secured location, and must be used only in the presence of the signatory or his or her authorized Designee[2]. Blank checks must never be run through signature machines. Plates and stamps must be kept secure and locked.
  - Signatories agree to be held responsible for any misuse of their signature plate and to return it to their superiors upon resignation, transfer, or retirement.

5.3 Imprest Funds

Disbursements from an Imprest Fund are subject to the same controls as any other disbursement. Imprest funds are established for the minimum amounts necessary and payments made primarily by check. The policies and procedures governing the creation and use of imprest funds are contained in the Comptroller's *Directive # 3 – Procedures for the Administration of Imprest Funds*.

6. ELECTRONIC FUND TRANSFERS

Generally, cash receipts or disbursements made by electronic fund transfer are subject to the same basic controls as conventional cash transactions. However, the rapidity with which fund transfers are made, the paperless nature of the transactions, and continued advances in technology, compound the usual problems of control.

6.1 General

Agencies should be aware that, with the accelerated movement of funds characteristic of electronic fund transfers:

- It is essential that all control procedures be initiated promptly. Failure to do so can facilitate the theft or misappropriation of funds and frustrate recoupment efforts.
- The significance of cash flow planning and the demands of float management for the purposes of income generation are magnified.
- Overall control and planning are, in general, much more demanding, as electronic fund transfer payments frequently involve voluminous transactions and large dollar amounts.

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[2] For the purpose of this Directive, a "Designee" refers to a managerial-level employee who reports directly to an Agency Head and to whom the Agency Head has delegated authority to approve one or more actions related to the administration of cash accountability and control.

6.2 Control Procedures

Agencies must establish adequate overall control procedures to ensure the integrity of electronic fund transfers.

- Existing books and registers used to record cash transactions may need to be revised to better account for the electronic transfers. If necessary, new accounting records should be developed.
- Acknowledgements should be obtained promptly for all fund transfers. This is commonly done using:
  - Printed confirmations, summaries, or statements.
  - Tape recordings of telephone transactions (where proper legal arrangements, including advance written agreement, have been made).
  - Other acknowledgements, as dictated by the capabilities of the particular input device being used.
- Reconciliation of both the number of transactions and the dollar amount must be made promptly upon receipt of periodic statement(s) from the financial institution. Where practicable daily bank statements should be requested and reconciled immediately by the agency.
- Conventional input/output data controls and security measures as provided in the Comptroller's *Directive # 18 – Guidelines for the Management, Protection and Control of Agency Information and Information Processing Systems*, are applicable to all electronic fund transfer payments.
  In addition:
  - Password access to online terminals must be strictly controlled, centrally administered and limited to authorized personnel only.
  - Where multi-use terminals exist, agencies should consider the use of encryption devices and financial institution authentications for all electronic fund transfer applications.

6.3 Miscellaneous

- Electronic fund transfer procedures, and the related agreement terms, can vary significantly from bank-to-bank, or even within the same bank for different accounts. Therefore, it is imperative that agencies have a clear understanding of the financial institution's proposed terms and conditions when discussing any arrangements for opening an account or adding fund transfer capabilities to existing accounts.

  Special attention should be given to:
  - The financial institution's liability for unprocessed or improperly processed transactions including any out-of-pocket costs related to delayed or misplaced payments and unauthorized usage.

- A competitive analysis of which includes the costs of both the basic service and any potential for special services requests.
- Agencies must first obtain written approval from all creditors before authorizing electronic fund transfers into their accounts.

7. BANK RECONCILIATIONS

All of the City's accounts must be reconciled on a monthly basis in order to ensure that City's revenues and expenditures are properly accounted for.

7.1 General

- The agency that opens the bank account has the primary responsibility for performing the bank reconciliations. Bank reconciliations must be performed, signed, and dated by the preparer on a monthly basis, and only by persons who do not:
  - Approve invoices or otherwise authorize disbursements.
  - Sign checks or approve electronic fund transfers.
  - Collect cash receipts, make deposits or otherwise perform accounting functions associated with recording in the original books of account (e.g., Cash Receipts and Disbursements Journal, General Ledger, or subsidiary ledgers).
- Many banks, rather than showing voluminous transactions on their monthly statements, will accumulate and batch paid checks and reflect the batch total as a single charge on the statement. For reconciliation purposes, the batched checks should be listed and totaled. The paid checks must be individually reconciled to the official books of account and the total amount matched against the related batched charge on the monthly statement.
- The monthly reconciliations are to be maintained with the original paid checks if provided by the bank, or electronic images, if not, along with the bank statements; and are subject to periodic audit (internal or external).
- Supervisors must review completed bank reconciliations in efforts to promote adequate controls over the bank reconciliation process. Supervisors must initial or sign and date the bank reconciliations not only as evidence to indicate that the reconciliation has been reviewed, but also indicating they have verified the accuracy and completeness of the data presented.
- Agencies with Revenue Collection Accounts, formally known as Citywide Payments and Receivable accounts, must complete and submit monthly reconciliations and requested supporting documentation to the Comptroller's Office Bank Reconciliation Division no later than two weeks after the period close. The reconciliation should be completed using the standardized reconciliation template designed to provide consistency across all Revenue Collection Accounts, and submitted via secured File Transfer Portal (see *Appendix B*).

7.2 Electronic Banking Policy

Banking institutions will normally offer various electronic payment options, which are coupled with the opening of a new Agency Held Bank Account, such as the availability of automatic teller machine (ATM) access, direct debit cards, or electronic payment of invoices.

Agency acceptance and/or use of the electronic payment options referred to in the above paragraph are generally prohibited. However, if an agency believes that it has a valid need for electronic payment capability, the agency should request, in writing, approval for those options from the DOF Bank Account Unit of the Treasury Division, Department of Finance, 66 John Street, 12th Floor, New York, NY 10038, (212) 487-2582, or *via email* (BankAccounts@finance.nyc.gov). The request must substantiate the need for the electronic payment capability and contain the internal control mechanisms that will be put into place to prevent misuse. For example, these controls may include, but are not limited to, ATM card security, limiting PIN number access to the cashier and a senior agency official, and a listing of the permitted circumstances for which electronic payments can be used. The request must be signed by the agency head or authorized Designee.

In addition, due to advances in technology, electronic banking has become a more prevalent way of doing business. As a result, monthly bank reconciliations, as well as, cancelled checks and bank statements, are now provided to City agencies in an electronic format in lieu of paper, which is acceptable evidential matter for audit purposes. Agencies desiring to maintain paper documents must obtain approval from the DOF Bank Account Unit of the Treasury Division via email at *Bankaccounts@finance.nyc.gov*.

With evolutionary changes in electronic banking services offered by many financial institutions, it should be noted that not all electronic services offered may be covered within this Directive; therefore, for internal control and audit purposes, each agency should consult with their internal audit division to review and document additional controls that may be required to ensure the safekeeping of assets. For additional information regarding internal control procedures, please refer to the Comptroller's *Directive # 1 – Principles of Internal Control*.

7.3 Unreconcilable Differences

- Each agency should establish written procedures for adjusting unreconcilable differences indicating the names and titles of persons authorized to approve the adjusting entries and the reasons for those adjustments. The authorization should be granted to a limited number of individuals. In, addition, dollar limits should be established at progressively higher levels of responsibility.

- Unreconciled differences between the bank balance and the book balance must be resolved within 90 days after the date of the bank statement. An aging schedule, with appropriate comments, must be prepared for all open items remaining unresolved for more than 90 days. This aging analysis should be reviewed monthly with an agency official having authority to approve adjustments or write-offs within the account.

7.4 Outstanding Checks

Checks outstanding more than 180 days should be cancelled and stop payment orders issued. The original documentation that authorized the payment should be so noted.

Agencies should consider both the level of bank charges and the administrative costs involved with the processing of stop payment orders on checks for small amounts. Stops should be placed on checks outstanding more than 180 days only when the value of the check is over $50.00. Smaller items would still be cancelled on the City's records by the agency with proper in-house authorization.

8. CHECKS RETURNED AS UNCOLLECTIBLE

8.1 General

Checks returned from the bank as uncollectible represent the potential for lost revenue to the City and, as such, should be monitored closely. The following rules apply to returned checks that have been deposited into treasury collection accounts and agency bank accounts. All instructions related to revenue coding and the cash receipts forms should be ignored when in connection with returned checks deposited into Agency Held Bank Accounts.

- Agencies must designate an individual to receive, track and maintain the record of checks returned as uncollectible. This individual should not be the same individual responsible for depositing checks, or recording cash receipts.
- Prior to initially depositing checks into treasury collection accounts, the document number of the corresponding cash receipt should be written on the back of each check. This enables the agency to determine the original cash receipt form number by examining the check when returned. Because this may not always be practical when checks are deposited through a bank lock box, care should be taken in negotiating lock box arrangements to ensure that an alternative means of linking a payment to the original cash receipt is a part of the bank's procedure.
- Agencies are required to maintain separate records to ensure the adequate control and auditable tracking of each check returned by the bank as uncollectible. These checks should be maintained in an “Agency Not Good (NG) Checks Log” (see sample in *Appendix A*). This log lists each returned check and shows collection attempts and the current status. Separate logs must be maintained for each agency bank account and treasury bank account. The information contained in the “Agency

NG Checks Log" should also be used to move money from the returned check code to the appropriate revenue code unless the appropriate revenue code is used in the original recording of the returned check. Agencies needing assistance should contact the *Bureau of Accountancy – Revenue Monitoring Unit*.

- When a check is returned, the maker must be contacted promptly. If collection is not possible, the check should be written off in conformance with agency written policy which must incorporate the written approval of, at least, the chief fiscal officer or his or her designee prior to making the decision to write-off the revenue. If collection is made, deposit the check with a new cash receipt form using the same revenue code as used for the original deposit. Revenue coding is not necessary for checks drawn on Agency Held Bank Accounts. Additional policy rules for the write-off of uncollectible checks is contained in the Comptroller's *Directive # 21 – Revenue and Receivable Monitoring*.

8.2 Endorsement Stamps

In order to facilitate the collection of returned checks, a descriptive stamp endorsement must be used on all checks deposited by the agencies except the checks that are deposited using the Desktop Deposit Service.

8.2.1 The following format must be used for endorsement stamps:

NAME OF BANK For Deposit Only to the Account of Commissioner of Finance City of New York Name of Agency and Division/Bureau (Treasury Collection or Agency Account Name) (Account Number) (Agency Code Number)

Please Note:

- A separate stamp must be used for each bank account.
- When various bureaus or divisions deposit checks, each must have a separate endorsement.
- Endorsement stamps can be ordered through the DOF – Treasury Division.

8.2.2 The City is enrolled in and utilizing what's known as "Virtual Endorsement". This banking feature electronically overlays a preformatted endorsement image on the back of each check deposited through a bank's Desktop Deposit Service. Agencies must incorporate written procedures to examine check deposits using this type of endorsement to ensure that funds are posted to the correct account.

Virtual Endorsements must include the following information:

PAY TO THE ORDER OF
FOR DEPOSIT ONLY
[ACCOUNT NAME]
[LOCATION NAME] – *If included in deposit.*
[ACCOUNT NUMBER]

9. ANNUAL ACCOUNTABILITY REPORTING

Prior to the end of the City's fiscal year, the Comptroller's Bureau of Accountancy issues its annual *Fiscal Year-End Closing Instructions*. Complete information is available online at http://comptroller.nyc.gov/general-information/fiscal-year-end-closing-instructions/. Included in these year-end instructions are requirements for agencies maintaining Agency Held Bank Accounts.

Some of the requirements are that agencies:

- Verify and confirm active bank accounts.
- Indicate closed bank accounts.
- Submit June 30 bank reconciliations.
- Submit a list of checks outstanding as of June 30.
- Process the Cash Transfer Journal Entry (J2I), for expense demand accounts.

Agencies should review the Comptroller's website for the most recent Fiscal Year-End Closing Instructions, "Department Bank Accounts and Investments" section.

10. APPENDIX A: SUGGESTED AGENCY NOT GOOD (NG) CHECKS LOG

SUGGESTED AGENCY NOT GOOD (NG) CHECKS LOG

TOTAL OF NG:

TOTAL RECOVERED:

NG Bank Date	Name of Maker	Check #	Check Amount	Reason Returned	Depositing Cash Receipt ID	Line #	Revenue Source	Sub-Revenue Source	Reporting Category	Budget Code	Date of Collection Attempt	Date Collected	Date Written Off	Remarks	Write-Off Approved By

11. APPENDIX B: AGENCY'S REVENUE COLLECTION ACCOUNT RECONCILIATION TEMPLATE

Account Name
Bank Name
Account x
Monthly Reconciliation
Month/Year

1	**Beginning Book Balance (Trial Balance - CWA-TRLBSA-001)**		Beginning Book Balance for the month being reconciled. This figure equals the previous month's ending trial balance. Comptroller's Office will send this report to each agency after FMS period close.
2	**Bank Account Transaction Listing-Detail (CWA-DLBANK-001)**		This report provides a list of cash transactions for a given accounting period and FMS bank code. Comptroller's Office will send this report to each agency after FMS period close. other documents.
3 = 1 + 2	**Closing Book Balance (Trial Balance - CWA-TRLBSA-001)**	**0.00**	Ending Book Balance. This figure should equal to the current month's ending trial balance.
4	**Items on Bank Statement / Not on Book (Schedule A)**	**0.00**	Transaction that appear in the bank statement but have not been booked into FMS. Examples are deposits made in the bank that have not been recorded in FMS.
5	**Items on Book / Not on Bank Statement (Schedule B)**	**0.00**	Transactions that appear in FMS CWA-DLBANK report but does not appear in the bank. Examples are CREs that were booked errorneously into the FMS bank code.
6	**Miscellaneous Adjustments (Schedule C)**	**0.00**	Differences between the book and bank postings. Example would be bank crediting account $10 but CRE booked in FMS for $8
7 = 3+4+5+6	**Adjusted Book Balance**	**-**	
8	**Bank Statement Opening Balance**		Beginning Bank Balance for the month being reconciled. This figure equals the previous month's ending bank balance.
9	Add: Total Deposits and Credits		Total amounts deposited in the bank account during month; total credits
10	Less: Total Withdrawals and Debits (sweep)		Total amounts withdrawn from the bank account during the month; total debits
11= 8+9-10	**Bank Statement Closing Balance**	**-**	Ending Bank Balance for the month being reconciled. Should be the same as the bank statement Ending Balance
12	Add: Deposits in Transit		
	a. AMEX		Transactions that have not been credited to the bank account
	b. MERCH BNKCD		Transactions that have not been credited to the bank account
	c. E-CHECKS		Transactions that have not been credited to the bank account
13	Less: Deposits in Transit	**0.00**	
	a. Returns / Negative Items	**0.00**	Transactions that cleared from prior month's reconciliation
14 = 11+12-13	**Adjusted Bank Balance**	**0.00**	
	Difference Between Bank Closing and Adjusted Book Balances	**-**	

Prepared by: **Date:**

Reviewed by: **Date:**

Back to the Beginning of the Directive