
Bank Reconciliation WalkThrough

Write-Up CS™

version 2008.x.x



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WalkThrough Exercises

Introduction

This walkthrough introduces you to the process of preparing a bank reconciliation in the Write-Up CS™ program with the Creative Solutions Accounting™ (CSA) software, and it demonstrates how to use the various bank reconciliation features.

This walkthrough also demonstrates how Write-Up CS tracks transactions that affect a cash balance, how to clear items that are listed on a bank statement, and how to make adjustments for discrepancies between book and bank amounts. It also provides a section on how to print reports documenting the bank reconciliation.

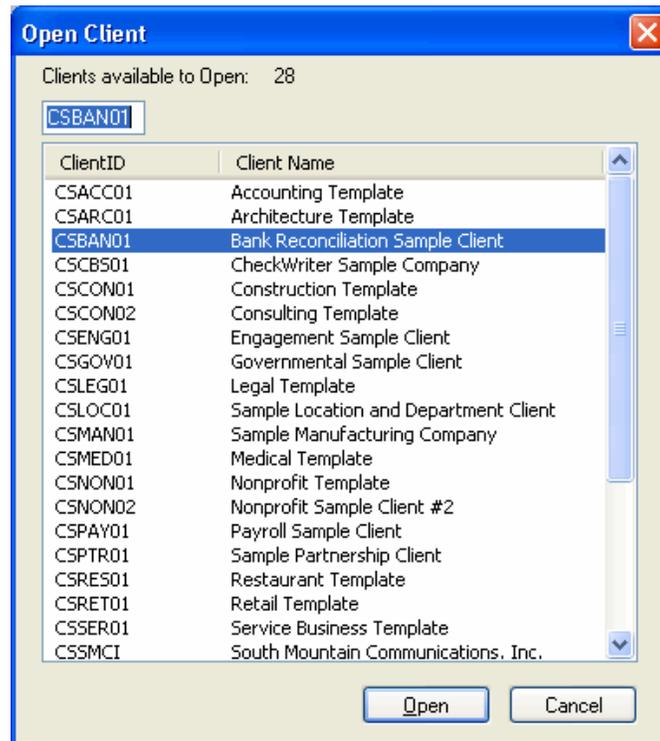
Note: This walkthrough assumes you are familiar with using Write-Up CS or that you have completed the Write-Up CS WalkThrough portion of the *Write-Up CS Getting Started* guide.

Opening the Bank Reconciliation sample client

Write-Up CS includes a Bank Reconciliation Sample Client for which some data applicable to completing a bank reconciliation has already been entered. (Note that for this and other sample clients to be available, you need to select the option to install the sample clients during the installation of the software from the *CS Professional Suite™ Accounting Products CD*.)

1. Choose **File / Open Client**, or click the Open Client  button on the toolbar.

2. In the Open Client dialog, double-click **CSBAN01 - Bank Reconciliation Sample Client** to open that client.



If you don't see the client listed in the Open Client dialog, close the dialog and choose Help / Repair. In the Clients tab of the Repair dialog, click the Rebuild Client List button.

After you've successfully opened the sample client, notice that the CSBAN01 client ID and name are now displayed on the application title bar at the top of the screen.

3. Choose **File / Client Properties**.

The screenshot shows the 'Properties' dialog box with the 'General Information' tab selected. The fields are as follows:

- Client ID: CSBAN01
- EIN: [Empty]
- Client name: Bank Reconciliation Sample Client
- Payroll name: [Empty]
- DBA: [Empty]
- Address line 1: [Empty]
- Address line 2: [Empty]
- City: [Empty]
- State: [Empty]
- Zip: [Empty]
- Telephone #: [Empty]
- Industry code: [Empty]

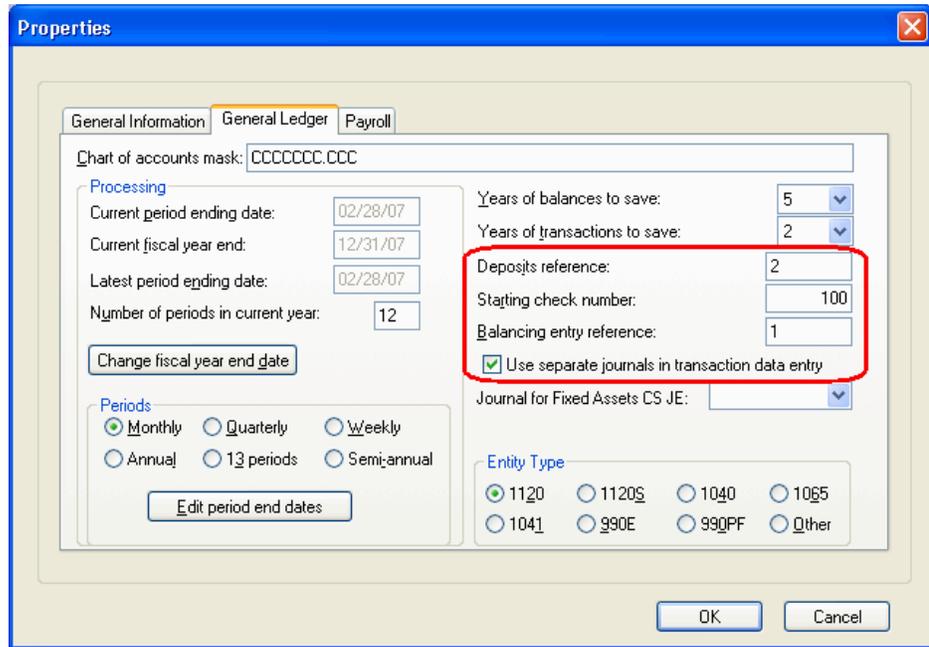
Checkboxes and buttons on the right side:

- Allow leading zeros
- Consolidation Client
 - Account Balances Only
- Enable Vendor Checkwriting
- CBS Client
 - Non-calculating Payroll client

Buttons: Add/Remove Module(s)..., Advanced Properties, OK, Cancel.

Important! Please note that the installation program does **not** overwrite existing sample data when a newer version of CSA is installed. To obtain the most up to date copy of the Bank Reconciliation sample client, delete the current copy in your program and reinstall the most recent version of the *CS Professional Suite Accounting Products* software.

- Click the General Ledger tab and verify that **2** is specified as the Deposits reference for this client and that the **Use separate journals in transaction data entry** checkbox is marked.

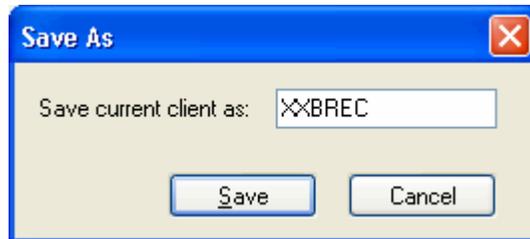


- Click **OK** to close the Properties dialog.

Making a copy of the sample client

Because you will want to leave the data for the Bank Reconciliation Sample Client intact for the benefit of other users in your firm who may wish to take this walkthrough, you should save the client under a unique ID and leave the original client untouched.

- Choose **File / Save As**.
- In the Save As dialog, enter **XXBREC**, where **XXX** represents your initials. Note that you can use up to 11 alphanumeric characters to create a unique client ID.



- Click the **Save** button. The original client closes, the copy becomes the current client, and its client ID and name appear in the title bar of the CSA main window.

Setting up information required for bank reconciliation

Checkbook information

Write-Up CS tracks all transactions that affect cash in order to process a bank reconciliation quickly and efficiently. The program does this by monitoring GL transactions, journal entries, or payroll checks that are entered with amounts going to a checkbook GL account. **Every checkbook that your client uses must have a unique GL account number.**

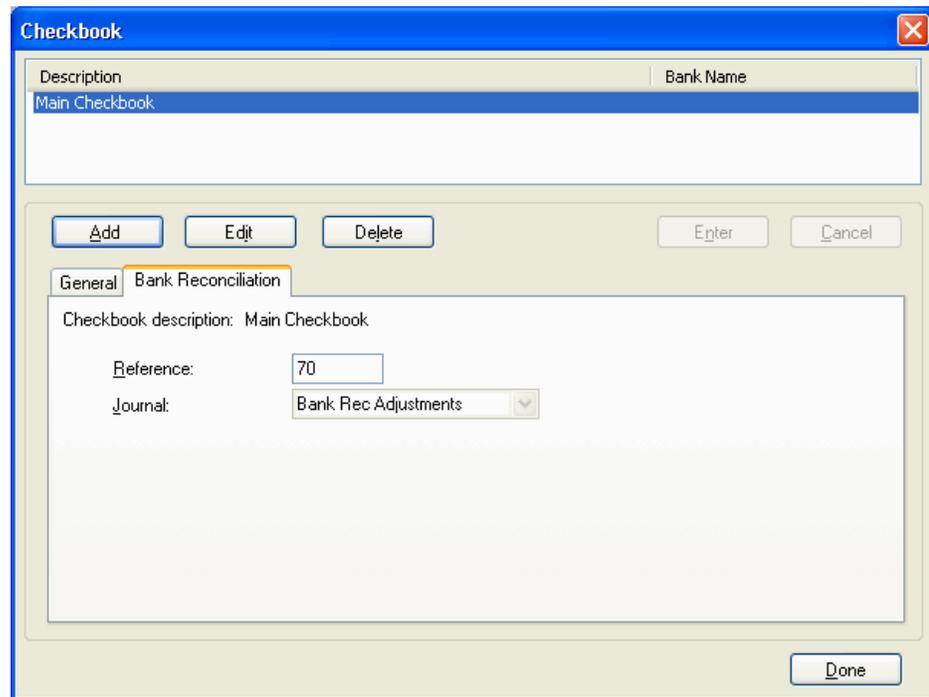
1. To open the Checkbook Setup dialog, choose **Setup / Checkbook**. Write-Up CS bank reconciliation can handle unlimited checkbooks, but the sample client has only one checkbook. Notice that the GL account field for this client contains account number 101. Because this is a checkbook account, any transaction that affects account number 101 is recorded by the program for use in bank reconciliation.

The screenshot shows the 'Checkbook' dialog box. At the top, there is a list with columns 'Description' and 'Bank Name'. The first entry is 'Main Checkbook'. Below the list are buttons for 'Add', 'Edit', 'Delete', 'Enter', and 'Cancel'. The 'General' tab is selected, and the 'Bank Reconciliation' sub-tab is active. The fields are as follows:

Description:	Main Checkbook	Routing number:	
Bank name:		Account number:	12-3456/7890
Address line 1:		GL account #:	101
Address line 2:			
Address line 3:			

A 'Done' button is located at the bottom right of the dialog.

2. In the Checkbook Setup dialog, click the **Bank Reconciliation** tab. The information in this tab determines the **reference** and **journal** to be used when adjusting transactions are created during the bank reconciliation.



3. Click the **Done** button to close the Checkbook dialog.

Important! To perform a bank reconciliation for a checkbook, you must specify a unique GL account for that checkbook, as well as a reference and (if you are using separate journals) a journal. If you attempt to reconcile an account without this information, the program will prompt you to complete that information before proceeding.

Data entry considerations

Deposits

Deposits can be entered either in the Checks and Deposits tab or in the Journal Entries tab of the Tasks / Transaction Entry window. The process for recording deposits in the Checks and Deposits tab is similar to the process for entering checks.

1. From the CSA main window, choose **Tasks / Transaction Entry**.
2. In the Transactions window, note that deposits have been entered individually for the sample client and that each deposit has been denoted by the **deposits reference** (as specified for the client in the General Ledger tab of the File / Client Properties dialog). The following illustration shows deposits that have been recorded in the General journal for the sample client.
3. In this example, a balancing entry has already been created (by pressing **ALT+B**, which is the same method used to enter the balancing entry for checks). To see deposit entries separately during bank reconciliation, you would need to enter each deposit to the checking account as a separate record but only a single balancing entry for the credit amount.

The screenshot shows the 'Transactions' window with the 'Journal' set to 'General'. The main table lists several entries, with the last one selected:

Reference	Date	Account	Amount	Description
422	02/01/07	663	500.00	Ace Hardware
423	02/01/07	605	45.60	Travel and Subsistence
1	02/01/07	101	-545.60	Cash Disbursements
2	02/07/07	101	2,100.54	2/7 Deposit
2	02/14/07	101	1,389.24	2/14 Deposit
2	02/14/07	403	-3,489.78	Deposit

Below the main table are buttons for 'Add', 'Edit', 'Delete', 'Enter', and 'Cancel'. The 'Checks and Deposits' tab is active, showing a detailed view of the selected entry:

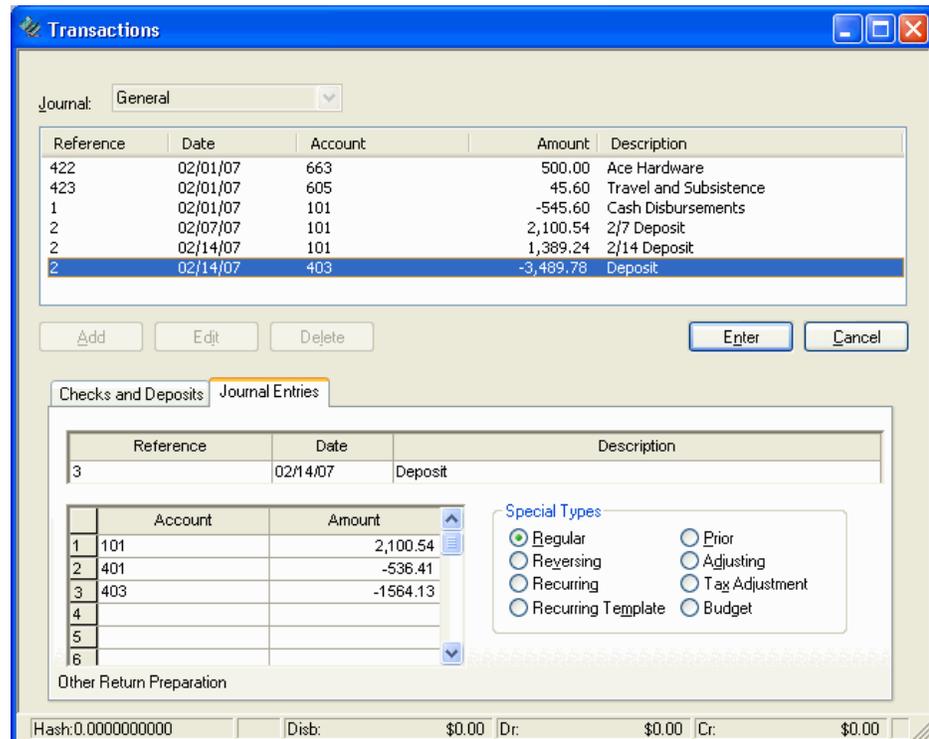
Reference	Date	Account/ Vendor	Amount	Description
2	02/14/07	403	-3,489.78	Deposit

Below this is an 'Additional Distributions' section with a table:

Account	Amount	Description

At the bottom, there is a 'Total' of \$-3,489.78 and a status bar showing 'Hash:0.0000000000', 'Disb: \$0.00', 'Dr: \$0.00', and 'Cr: \$0.00'.

Note that the Journal Entries tab of the Transactions window provides an alternate method for recording deposits. Here you would simply enter each deposit as a journal entry, as shown in the following illustration.



Any deposits that have been recorded as a single journal entry always appear as one lump sum amount in the Bank Reconciliation window. However, if you have entered deposits using this method and you want the detail to appear in the bank reconciliation reports, it is possible to split the deposits manually within the Bank Reconciliation window. We present an exercise on splitting deposits later in this walkthrough.

Checks

When entering checks in the Tasks / Transaction Entry window for multiple checkbooks, you need to enter each check run for each checkbook, and each check run must have its own balancing entry to the appropriate checkbook GL account.

Note: To improve the speed and accuracy of data entry, you can set up a default balance entry account. To do this, choose Setup / Journals and specify a balance account for the appropriate journal(s).

If the Journals command is grayed out on the Setup menu, you can enable it by choosing File / Client Properties, clicking the General Ledger tab, and marking the **Use separate journals in transactions data entry** checkbox.

Transactions between checkbooks

If a check was written from one cash account and deposited in another, you can simply record that check on the Checks and Deposits tab and balance it to the cash account to which the deposit was made.

Important! Before you begin processing a bank reconciliation, verify that the settings in the General Ledger tab of the File / Client Properties dialog specify appropriate values for the Deposit Reference, Starting Check Number, and Balancing Entry Reference fields. Any changes made to these fields after you have begun to process a bank reconciliation may alter the treatment of these transactions in the Bank Reconciliation window.

Bank statement and account information

The period ending date for client XXXBREC is 2/28/07, as shown in the GL Period status pane at the bottom of the CSA main window. Let's assume that you acquired the write-up duties for this client on 1/1/07, processed the month of January, and processed a small portion of February. The client has just given you the January bank statement to reconcile, which includes the following information:

Summary Information

Beginning Date	01/01/06
Ending Date	01/31/06
Beginning Balance	84,653.91
Ending Balance	119,387.13

Deposits and Credit Memos

Deposit Date	Amount
12/31/06	8,751.42
01/06/07	6,542.87
01/10/07	7,485.92
01/21/07	12,564.32
01/28/07	4,512.36
01/30/07	1,000.00
01/31/07	515.24
01/31/07	2,487.51
01/31/07	9,832.54
Interest	24.10
Total Credits	53,716.28

Checks and Debit Memos

Check #	Amount
399	521.06
401	23.53
402	65.00
406	499.54
407	359.46
408	2.30

Check #	Amount
410	89.87
411	14.47
412	65.00
413	21.03
415	36.21
417	1,254.00
418	453.61
419	333.98
Monthly fee	9.00
Automated W/D	15,235.00
Total Debits	18,983.06

Furthermore, you know that the following transactions were open as of your acquisition of this client.

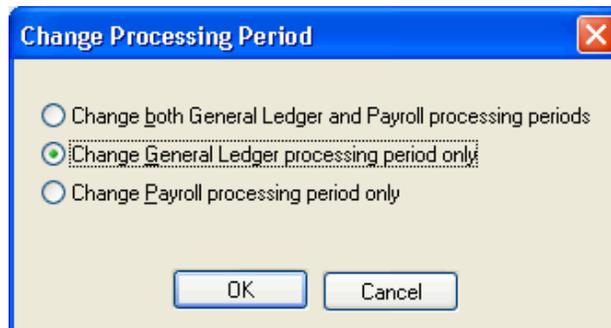
Check #	Amount
399	521.06
401	23.53
402	65.00
Deposit Date	Amount
12/31/06	8,751.42

Initiating the bank reconciliation

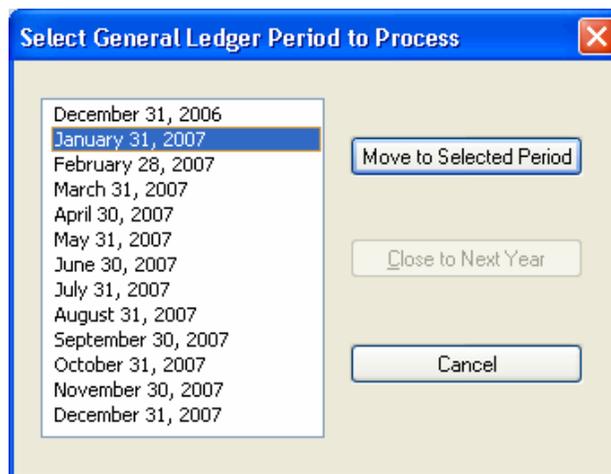
The program enables you to complete a reconciliation for a prior period without having to actually move the GL period back to that prior period, in which case checks and deposits from subsequent periods are treated as open (In Transit) items.

However, to reconcile the sample client's January bank statement for this walkthrough, we will opt to move the GL period temporarily from 02/28/07 back to 01/31/07.

1. Choose **File / Select Period to Process**.
2. Click the **Change General Ledger processing period only** option and click **OK**.



3. In the Select General Ledger Period to Process dialog, highlight January 31, 2007 and click the Move to Selected Period button.



4. Now let's verify that we are in the correct period by examining the current period dates in the lower-right corner of the screen. The current GL period is now 1/31/07.

Stmt Date: 01/31/07 GL Period: 01/31/07* PR Period: 02/28/07

Note: The asterisk next to the date means that the current processing period is not the latest processing period.

- From the CSA main window, choose **Tasks / Bank Reconciliation**, or click the Bank Reconciliation icon on the shortcut bar. For a client with multiple checkbooks, you would also need to select the checkbook to reconcile.

Recurring adjustments

The Recurring Adjustments dialog appears automatically the first time you begin a bank reconciliation for a selected checkbook.

	Description	GL Account	Amount	Type
+				

The Recurring Adjustments dialog provides an easy way to create entries during the bank reconciliation for items that appear regularly on the bank statement. Note that you should not use this dialog for items that have already been entered in the GL. These items will appear automatically with the reference you specified when setting up the checkbook. The Recurring Adjustments dialog is specifically for items that are not recorded until after the bank statement has been received.

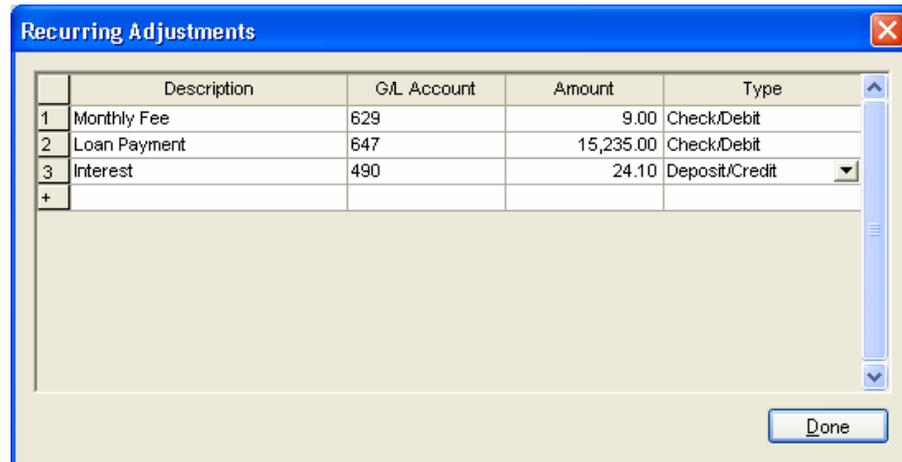
For this walkthrough, assume that no GL record was made of the monthly fee, the automated withdrawal, or the interest entries that appear on the bank statement. In each case, we'll log the entries as recurring adjustments under the assumption that they will appear on each month's statement and will need to be added each time.

Important! Unless you have marked the **Use enter key to move through fields** checkbox in the Setup / User Preferences dialog, use the TAB key to move from field to field. The ENTER key will save the records in the Bank Reconciliation window.

- On the first line of the Recurring Adjustments dialog, enter **Monthly Fee** in the description column.
- Select account **629-Bank Service Charges** from the F4 drop-down list in the GL Account column.
- Enter **9.00** from the bank statement in the amount column.
- Select **Check/Debit** from the drop-down list in the Type column.

5. Record the following information for the other two recurring adjustments.

Description	GL account	Amount	Type
Loan Payment	647	15,235.00	Check/Debit
Interest	490	24.10	Deposit/Credit



You can choose Edit / Recurring Adjustments to re-open this dialog at any time during a bank reconciliation.

6. Click the **Done** button to accept the adjustments and proceed to the Bank Reconciliation window. Write-Up CS records the adjustments as cleared items in the Bank Reconciliation window and will automatically record them in the GL when those adjustments are posted from the Bank Reconciliation window.

The Recurring Adjustments dialog appears automatically after you advance to the next period's bank reconciliation. Write-Up CS saves the information from the previous bank reconciliation and lets you make simple edits to update the items to match the current bank statement.

Non-recurring adjustments

Non-recurring adjustments are one-time adjustments that would not be recorded in normal processing. (From the Bank Reconciliation window, you would choose Edit / Non-recurring Adjustments.)

Although we won't enter any non-recurring adjustments for this walkthrough, note that such adjustments would appear on the Deposits and Other Credits tab or the Checks and Other Debits tab of the Bank Reconciliation window. Each time you advance to the next statement, the bank reconciliation removes all non-recurring adjustments from the Non-Recurring Adjustments dialog.

Note: There are multiple ways to access the commands that are available from the Bank Reconciliation window: from the pull-down Edit menu, from the F3 context menu, or from the right-click context menu. Some commands apply only to a specific tab within the Bank Reconciliation window.

Initial open items

As noted above in this walkthrough, we know the following items were open as of the last bank reconciliation, which was done prior to our engagement by this client. As a result, these items were never entered into the GL, but the amounts were reflected in the opening GL balances.

Check #	Amount
399	521.06
401	23.53
402	65.00
Deposit Date	Amount
12/31/06	8,751.42

We need a way to add these pre-existing items to balance our bank account, but we do not want them to adjust the GL (because unlike the recurring adjustments, they are already included in the GL balances). We will use the Initial Open Items dialog to enter them and thereby make them available for clearing and to figure in the balances for bank reconciliation purposes but not affect the GL.

1. Choose **Edit / Initial Open Items**.
2. Verify that the **Check/Debit** option is marked.
3. In the Reference/Check # field, enter **399**.
4. In the Date field, enter **12/31/06**.
5. In the Amount field, enter **521.06**.
6. In the Description field, enter **Initial Open Check**.
7. Press **ENTER** to save the record.
8. Record the other two checks in the same manner, making sure that the **Check/Debit** option is marked.

Reference / Check #	Date	Amount	Description
401	12/31/06	23.53	Initial Open Check
402	12/31/06	65.00	Initial Open Check

9. Click the Deposit/Credit option and enter the deposit (as listed on the previous page and below).

Reference / Check #	Date	Amount	Description
3	12/31/06	8,751.42	Initial Open Deposit

When you have finished, the dialog should look like the following illustration.

Ref/Chk #	Date	Amount	Type	Description
399	12/31/06	521.06	Check	Initial Open Check
401	12/31/06	23.53	Check	Initial Open Check
402	12/31/06	65.00	Check	Initial Open Check
3	12/31/06	8,751.42	Deposit	Initial Open Deposit

Check/Debit
 Deposit/Credit

Reference/Check#: Date: Amount: Description:

Totals
 Check/Debit: 609.59 Deposit/Credit: 8,751.42

10. Click the **Done** button to return to the Bank Reconciliation window.

Important! Write-Up CS bank reconciliation cannot track transactions that were not entered in CSA, so transactions from a converted client do not appear in the Bank Reconciliation window. If you have recorded transactions in The Write-Up Solution[®] II (WS2, DOS) or in another write-up program that you need to reconcile in CSA, use the Initial Open Items dialog to record those items for the purposes of completing your initial bank reconciliation in Write-Up CS. Subsequent reconciliations will not require any special data entry.

Bank statement summary information

1. On the left side of the Summary tab of the Bank Reconciliation window, enter the bank statement information listed previously (in the section entitled “Bank statement and account information” that begins on page 10). Include the beginning and ending dates from the statement, the beginning balance, the total of all deposits and other credits that are reflected on the statement, and the total of all checks and other debits reflected on the statement.

When you have finished entering the information, the screen should look like the following illustration.

Note that the total for each section of the bank statement is entered separately so that if you're out of balance you can more easily identify the cause.

Note: The Checkbook field at the bottom of the Bank Reconciliation window allows you to switch between checkbooks. Selecting a different checkbook from the drop-down list closes the current checkbook's bank reconciliation before opening the bank reconciliation for the newly selected checkbook. This field is only available if the client has more than one checkbook.

Important! Most bank statements are arranged in sections of debits and credits. The **Other bank items** section should be used only when your bank statement includes something other than debit and credit sections.

The right side of the Summary tab tracks the progress of your reconciliation from the starting point of the bank balance and book balance.

- The **Bank Summary** section starts with the ending balance calculated from the totals you entered from the bank statement, adds in any deposits that have not yet cleared the bank, subtracts out any checks that have not yet cleared the bank, and accounts for any indicated bank errors.
- The **Book Summary** section starts with the GL balance for the cash account associated with this checkbook and accounts for any adjustments you have made in the course of the bank reconciliation. Note that there are already adjustments totaling -15,219.90. That figure corresponds to the sum of the recurring adjustments we just entered:

Interest	24.10
Monthly Fee	(9.00)
Loan Payment	(15,235.00)
Total Adjustment	(15,219.90)

When the amounts in the two sections on the right side of the Summary tab are equal, the bank account is in balance. The **Unreconciled amount** field shows the difference in these two amounts. As we shall see, when the account is in balance, this field will be zero.

2. Click the Deposits and Other Credits tab to move to the next portion of the bank reconciliation.

Clearing entries

There are several ways to clear bank items, and we will use most of these methods during this walkthrough. Please note that using one method does not preclude using another.

- The “interactive” method involves directly clearing each item by clicking the **Clr** checkbox next to the item to mark the checkbox. Variations on this method include choosing **Clear All** from the Edit menu and then unmarking any items that have not cleared, or highlighting a range of items and choosing **Clear** from the Edit menu. To highlight a group of transactions, click the left mouse button in the row number to the left of the first transaction, drag the mouse to include the entire range of items, and then right-click in the highlighted area and select the appropriate action.

The keyboard equivalent of clicking any checkbox is to press the SPACEBAR. Pressing the spacebar places a checkmark in the **Clr** checkbox and automatically moves the cursor down to the next item listed.

Note that if an item cleared the bank for an amount other than what was recorded in the general ledger, you can enter the cleared amount in the **Clear for** column. (We will adjust an amount when we clear checks later in this walkthrough.)

- The **Rapid Clear** command allows “heads down” entry of each item from the bank statement.
- The **Clear Range of Checks** command (available when the Checks and Other Debits tab is selected) allows you to enter a range of check numbers to be cleared.
- You can still choose to unclear a cleared item if you have not yet advanced to the next statement. You can clear an individual item or highlight an entire range and choose unclear or unclear all. You can also click directly on an item already cleared to unclear it.

Deposits and other credits

The grid in the Deposits and Other Credits tab of the Bank Reconciliation window contains all of the open debits to cash account 101 that were entered in the Checks and Deposits tab or in the Journal Entries tab of the Transactions window, along with anything that gets added directly during the bank reconciliation process. For example, we added the Interest item directly (in the Recurring Adjustments dialog), and we added the deposit for 8,751.42 directly (in the Initial Open Items dialog).

The following table lists the deposits that appear on the bank statement.

Deposit Date	Amount
12/31/06	8,751.42
01/06/07	6,542.87
01/10/07	7,485.92
01/21/07	12,564.32
01/28/07	4,512.36
01/30/07	1,000.00
01/31/07	515.24
01/31/07	2,487.51
01/31/07	9,832.54

1. Clear the deposits listed on the bank statement. Remember that you can do this by marking the **Clr** checkbox on the individual deposits, or you can choose **Edit / Clear All** and then unmark the deposit items that are not listed on the bank statement.

Notice that one of the deposits for 01/31/07 is recorded during the bank reconciliation for the total amount of \$1,515.24. We want to split this deposit into 1,000.00 plus 515.24, to match the bank statement.

2. Click row button **8** to highlight the entire row and then right-click and choose **Split Deposit** from the context menu.
3. In the Split Deposit dialog, enter the individual deposit amount **1000.00** and then press TAB to the move to the next row.

- In row 2, enter **515.24** and then press TAB.

Split Deposit

Deposit total: 1,515.24

Individual Deposits:	
1	1,000.00
2	515.24
+	

Amount remaining: 0.00

OK Cancel

- When the individual deposits equal the Deposit Total (or the amount remaining is zero), click **OK** to save the information and return to the Deposits and Other Credits tab.
- The two deposits are now listed individually (\$1000.00 and \$515.24). Clear each of those deposits. When you have finished, the Deposits and Other Credits tab should look like the following illustration.

Bank Reconciliation [Main Checkbook]

Summary Deposits and Other Credits Checks and Other Debits Direct Deposit Items Other Bank Items Checkbook Ad

	Clr	Amount	Date	Clear for	Adjustment	G/L Acct	Description
1	<input checked="" type="checkbox"/>	0.00		24.10	24.10	490	Interest
2	<input checked="" type="checkbox"/>	8,751.42	12/31/06	8,751.42			Initial Open Deposit
3	<input checked="" type="checkbox"/>	6,542.87	01/03/07	6,542.87			
4	<input checked="" type="checkbox"/>	7,485.92	01/10/07	7,485.92			
5	<input checked="" type="checkbox"/>	12,564.32	01/17/07	12,564.32			
6	<input checked="" type="checkbox"/>	4,512.36	01/24/07	4,512.36			
7	<input checked="" type="checkbox"/>	2,487.51	01/31/07	2,487.51			
8	<input checked="" type="checkbox"/>	1,000.00	01/31/07	1,000.00			
9	<input checked="" type="checkbox"/>	515.24	01/31/07	515.24			
10	<input checked="" type="checkbox"/>	9,832.54	01/31/07	9,832.54			
Totals		53,692.18		53,716.28	24.10		

Deposits & other credits: 53,716.28 Unreconciled amount: -3,739.06

<< Back Next >> Did you know... Checkbook: Main Checkbook Post to G/L

Deposit Total Selected: 515.24 GL

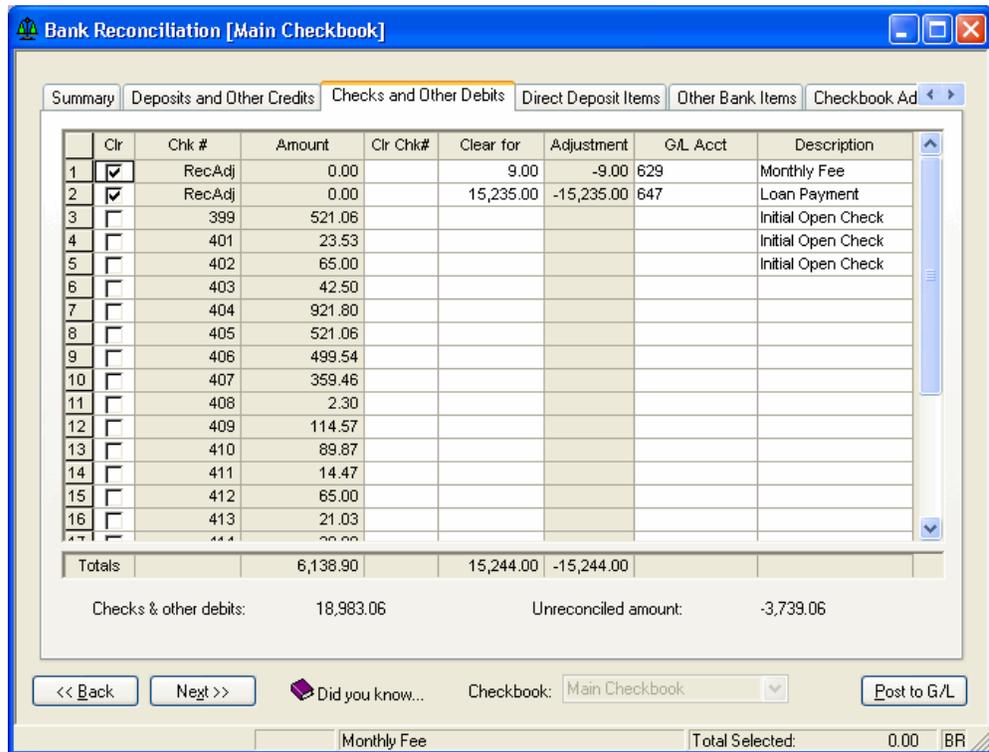
Notice that the total of the **Clear for** column is 53,716.28. That corresponds to the total deposits and other credits we entered from the bank statement.

Also notice the X next to the Deposits and Other Credits total, which indicates that the total of the items we cleared in the Deposits and Other Credits tab equals the amount that the bank statement listed as cleared. Therefore, the Deposits and Other Credits tab is in balance.

7. Click the **Checks and Other Debits** tab to move to the next segment of this bank reconciliation.

Checks and other debits

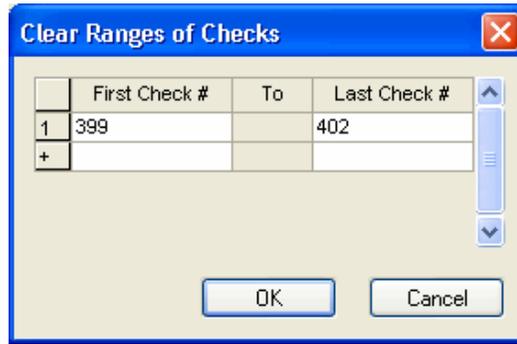
The Checks and Other Debits tab lists all checks entered in the Transaction Entry window (in the Checks and Deposits tab), plus credit amounts entered in the Journal Entries tab, plus any checks or other debits added during this bank reconciliation in the Recurring Adjustments dialog or in the Initial Open Items dialog.



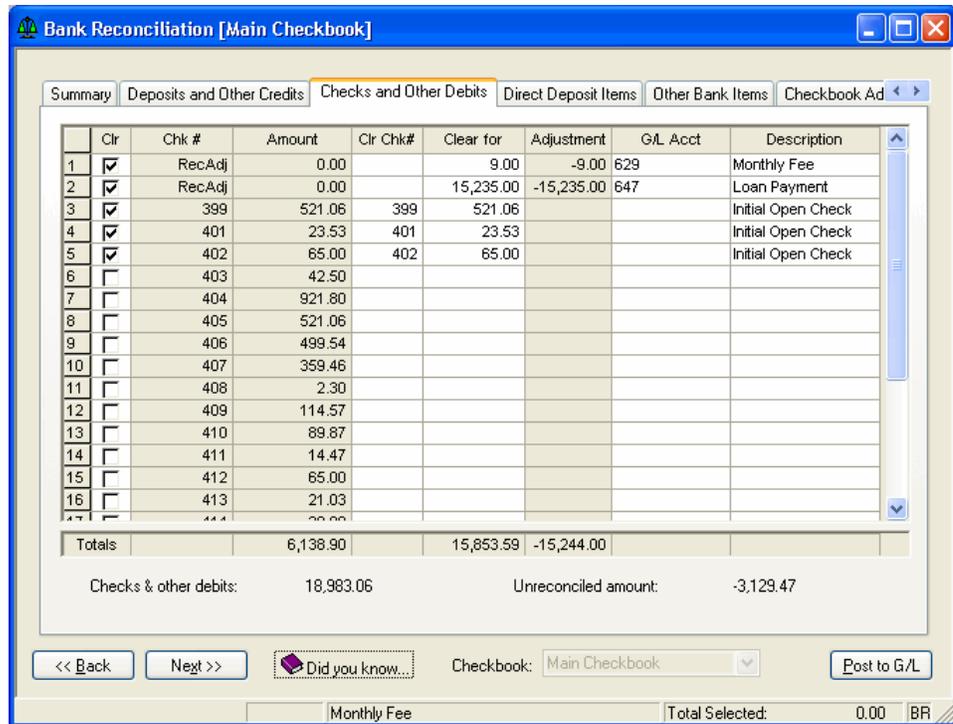
To clear some of the items from this tab, we will first use the Clear Range of Checks command, which allows multiple ranges of checks to be entered and cleared.

1. Choose **Edit / Clear Ranges of Checks**.
2. In the Clear Ranges of Checks dialog, enter **399** for the First Check #, press **TAB**, and then enter **402** in the Last Check # field.

Note: You could continue to press the TAB key here to enter additional ranges of check numbers.

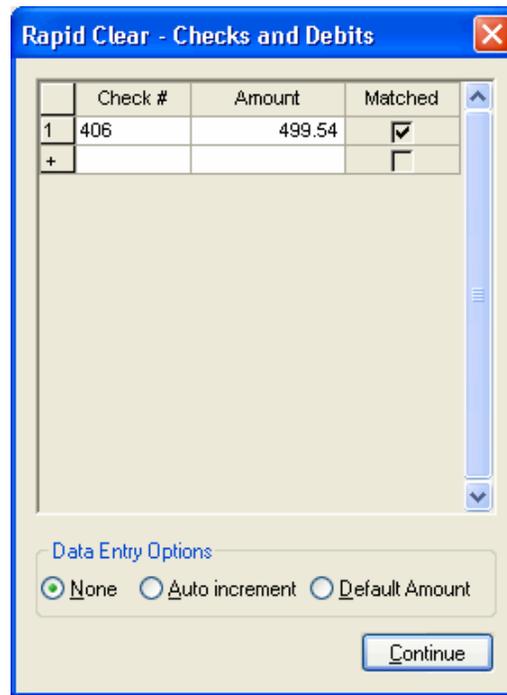


3. Click **OK** to save the information and return to the Checks and Other Debits tab.



4. Choose **Edit / Rapid Clear**. The Rapid Clear dialog enables heads down entry of cleared checks as listed on the bank statement. You simply key in check numbers and amounts, and the program matches that information to existing check records as you go. We will see how this works on the first check from the bank statement.
5. Type **406** in the Check # field and press ENTER. Type **499.54** in the Amount field and press ENTER. Notice that the checkbox in the Matched column is

marked. If the check number and amount match an uncleared check as you type check numbers and amounts, the Matched checkbox is marked by the program automatically.



At the bottom of the Rapid Clear dialog are data entry options that can help you speed up check entry during a bank reconciliation.

- **Auto increment.** After you enter the first check number, Write-Up CS automatically increments each successive check number by one, so you need to enter only the check amounts. You can manually override the automatically generated check number simply by typing the number in the field. This option works best when there are many contiguous check numbers on the bank statement.
- **Default amount.** You need to enter just the check number, and Write-Up CS automatically enters the check amount if a matching check number is found. This option works best when cleared checks nearly always match the amounts previously recorded in the Transaction Entry window.

Because we only have a few checks to clear, we won't need to use either of these two options. The following table lists the checks as they appear on the bank statement:

406	499.54
407	359.46
408	2.30
410	89.87
411	14.47
412	65.00

413	21.03
415	36.21
417	1,254.00
418	453.61
419	333.98

6. Enter the check numbers and amounts for the checks **exactly** as they appear on the bank statement. When you've finished, the Rapid Clear dialog should look like the following illustration.

	Check #	Amount	Matched
1	406	499.54	<input checked="" type="checkbox"/>
2	407	359.46	<input checked="" type="checkbox"/>
3	408	2.30	<input checked="" type="checkbox"/>
4	410	89.87	<input checked="" type="checkbox"/>
5	411	14.47	<input checked="" type="checkbox"/>
6	412	65.00	<input checked="" type="checkbox"/>
7	413	21.03	<input checked="" type="checkbox"/>
8	415	36.21	<input checked="" type="checkbox"/>
9	417	1,254.00	<input type="checkbox"/>
10	418	453.61	<input checked="" type="checkbox"/>
11	419	333.98	<input type="checkbox"/>
+			<input type="checkbox"/>

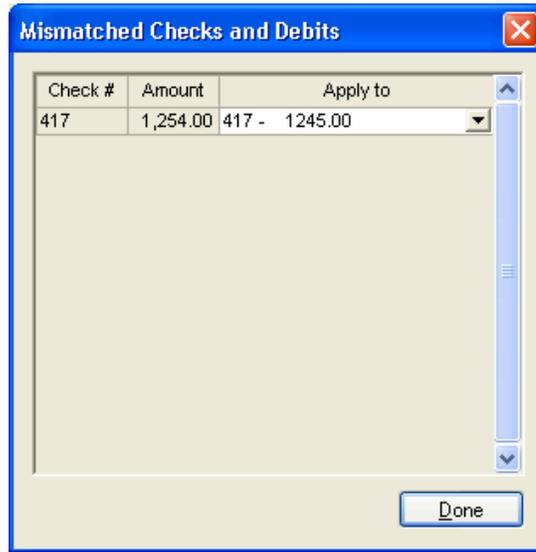
Data Entry Options

None
 Auto increment
 Default Amount

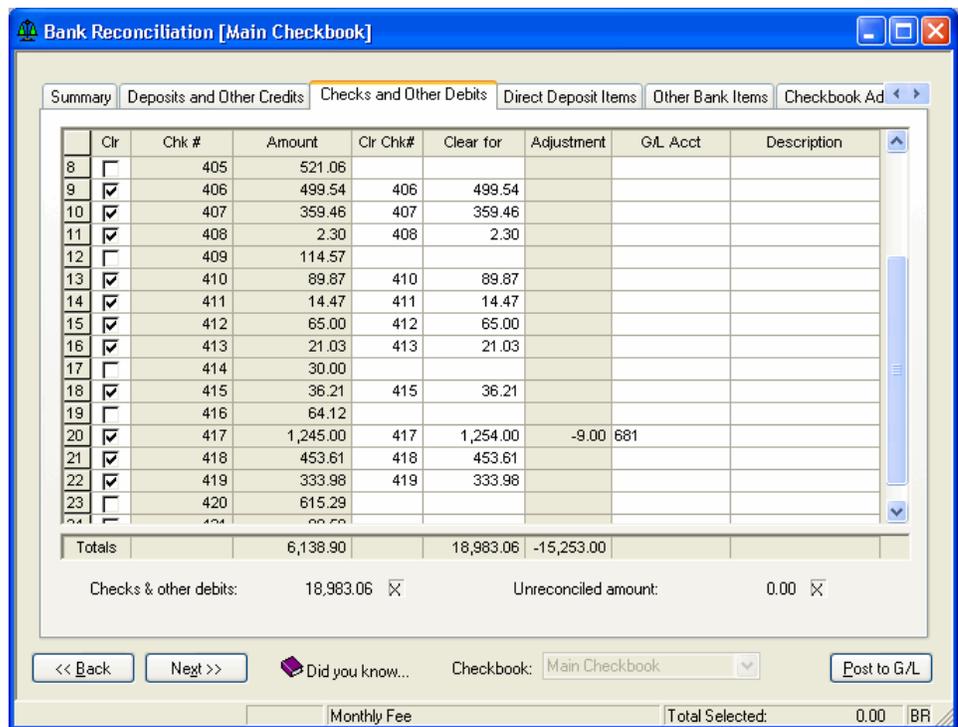
Continue

7. Notice that we had matches for all of our checks except number 417. In the Transaction Entry window, we had recorded check number 417 as 1245.00, but the bank statement showed it as 1254.00. Click the **Continue** button to see how the Rapid Clear command enables us to account for this discrepancy.
8. The Mismatched Checks and Debits dialog opens, displaying each of the entries made in the Rapid Clear dialog that did not correspond to an uncleared check. The drop-down list in the Apply To field includes all the remaining uncleared checks, and you need to select the check that corresponds to the mismatched entry.

- Select check **417 - 1245.00** from the drop-down list in the Apply To field, and then click the **Done** button.



The Checks and Other Debits tab of the Bank Reconciliation dialog should now look like the following illustration.



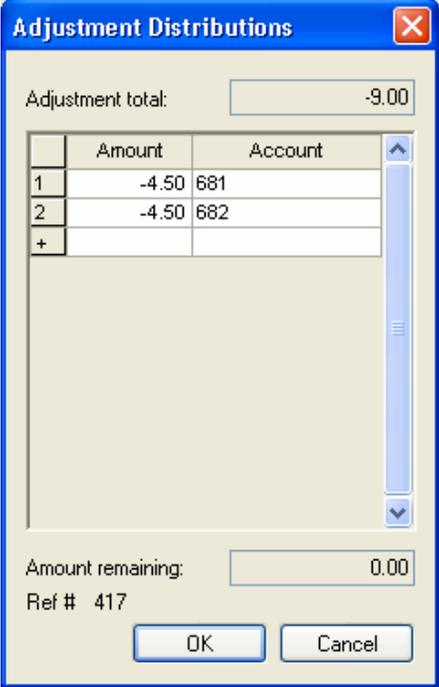
Notice the following:

- The X to the right of the **Checks & other debits** total means the items cleared on this tab match the amount from the bank statement that we entered earlier in the Summary tab of the Bank Reconciliation window.
- The X to the right of the **Unreconciled amount** total means the bank reconciliation is now in balance.
- All of the checks we entered in the Rapid Clear dialog are now marked as cleared, but check #417 has been cleared for 1254.00 (rather than 1245.00), leaving a 9.00 adjustment to account 681.

Adjustment distributions

The Adjustment Distributions command can be used to record additional distributions for adjustments both on the Deposit and Other Credits tab and on the Checks and Other Debits tab. Because the amount of the original check #417 was allocated between two expense accounts (681 and 682), we want to allocate 50% of the adjustment amount to each of those accounts as well.

1. Highlight row **20**.
2. Choose **Edit / Adjustment Distributions**.
3. On the first row in the Adjustment Distributions dialog, enter **-4.50** in the Amount field and then press **TAB** twice to move to the next row.
4. Enter the remaining balance of **-4.50**, press **TAB**, enter **682** in the Account field, and press **TAB** again to complete the row.



Adjustment Distributions

Adjustment total: -9.00

	Amount	Account
1	-4.50	681
2	-4.50	682
+		

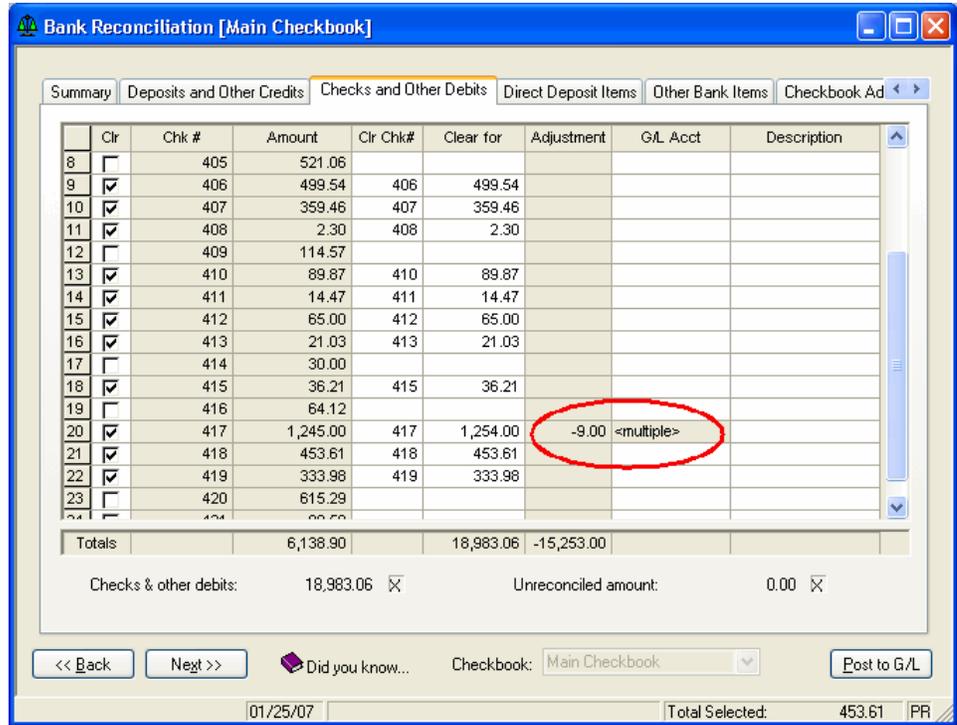
Amount remaining: 0.00

Ref # 417

OK Cancel

- When the individual amounts equal the Adjustment total of -9.00 or the amount remaining equals zero, click **OK** to accept the new adjustments and close the Adjustment Distributions dialog.

The notation **<multiple>** appears in the GL Acct field to alert you that the adjustment includes multiple distributions.



Important! Every adjustment amount must have at least one associated GL account.

- Click the **Summary** tab. Notice that the value in the **Unreconciled amount** field is zero, indicating that the bank statement is fully reconciled. This enables the Advance to Next Statement button, although we don't want to use that button just yet.

Bank Reconciliation [Main Checkbook]

Summary Deposits and Other Credits Checks and Other Debits Direct Deposit Items Other Bank Items Checkbook Ad

Statement Summary

Statement beginning date: 01/01/07
 Statement ending date: 01/31/07
 Beginning balance: 84,653.91
 Deposits & other credits: + 53,716.28
 Checks & other debits: - 18,983.06
 Other bank items: +/- 0.00
 Ending balance: 119,387.13

G/L period to adjust: 1/31/07

Bank Summary

Ending bank balance: 119,387.13
 Open deposits & credits: + 0.00
 Open checks & debits: - 2,408.84
 Bank errors: +/- 0.00
 Bank balance reconciled: 116,978.29

Book Summary

Unadjusted G/L balance: 132,207.19
 Adjustments: +/- -15,228.90
 Adjusted G/L balance: 116,978.29
 Unreconciled amount: 0.00

Advance to Next Statement

<< Back Next >> Did you know... Checkbook: Main Checkbook Post to G/L

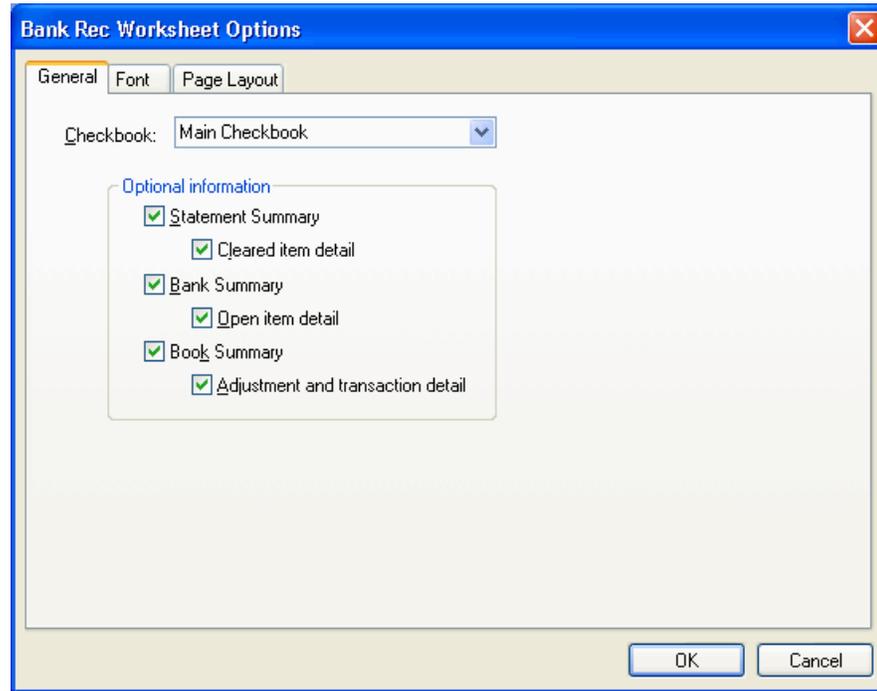
Printing reports

The Bank Reconciliation Worksheet provides a listing of the information in the **current** bank reconciliation and could help you to diagnose out-of-balance situations.

The Bank Reconciliation Transmittal report provides a listing of all the adjustments your client must make to a checkbook balance.

- Click the Print Reports icon  on the shortcut bar, or choose **File / Print Reports**.
- Double-click **Bank Reconciliation Worksheet** in the left pane to move it to the right (Selected) pane.
- Click the **Options** button.

- In the Bank Rec Worksheet Options dialog, **Main Checkbook** is already selected in the Checkbook field. The options in this dialog enable you to select either **summary** information (as displayed in each section of the Summary tab of the Bank Reconciliation window) or **detail** information from each tab of the Bank Reconciliation window. To view the full contents of the report, mark **all** of the checkboxes in the Bank Rec Worksheet Options dialog.
- Click **OK** to return to the Print dialog.



- Click the **Preview** button to see the Bank Reconciliation Worksheet pages 1 and 2.

Bank Reconciliation Sample Client				XXBREC
Bank Reconciliation Worksheet				Page 1
Statement Beginning date: 01/01/07				
Statement Ending date: 01/31/07				
Checkbook Name: Main Checkbook				
Statement Summary				
Beginning Balance				84,653.91
Deposits and Credit Memos				
RecAdj				24.10
3	12/31/06	Initial Open Deposit		8,751.42
2	01/03/07	1/3 Deposit		6,542.87
2	01/10/07	1/10 Deposit		7,485.92
2	01/17/07	1/17 Deposit		12,564.32
2	01/24/07	1/24 Deposit		4,512.36
2	01/31/07	1/31 Deposit		2,487.51
2	01/31/07	Deposit		9,832.54
2	01/31/07	Deposit		1,000.00
2	01/31/07	Deposit		515.24
Total				<u>53,716.28</u>
Checks and Debit Memos				
RecAdj				(9.00)
RecAdj				(15,235.00)
399	12/31/06	Initial Open Check		(521.06)
401	12/31/06	Initial Open Check		(23.53)
402	12/31/06	Initial Open Check		(65.00)
406	01/07/07			(499.54)
407	01/07/07			(359.46)
408	01/10/07			(2.30)
410	01/12/07			(89.87)
411	01/13/07			(14.47)
412	01/13/07			(65.00)
413	01/16/07			(21.03)
415	01/17/07			(36.21)
417	01/20/07	Promotional Expenses		(1,254.00)
418	01/25/07			(453.61)
419	01/25/07			(333.98)
Total				<u>(18,983.06)</u>
Ending Balance				<u>119,387.13</u>
Bank Summary				
Ending Bank Balance				119,387.13
Checks and Debit Memos in transit				
403	01/03/07			42.50
404	01/05/07	Break Room Supplies		921.80
405	01/07/07			521.06
409	01/10/07			114.57
414	01/16/07			30.00
416	01/20/07	Contributions		64.12
420	01/25/07			615.29
421	01/31/07	Data Processing Supplies		99.50
Total				<u>(2,408.84)</u>
Ending Balance				<u>116,978.29</u>
Book Summary				
G/L account: 101				
G/L journal: Bank Rec Adjustments				
G/L period: 01/31/07				
Unadjusted G/L Balance				132,207.19
Transactions				
	490	Interest		24.10
	629	Monthly Fee		(9.00)
	647	Loan Payment		(15,235.00)
01/20/07	417	681	Promotional Expenses	(4.50)
01/20/07	417	682	Promotional Expenses	(4.50)

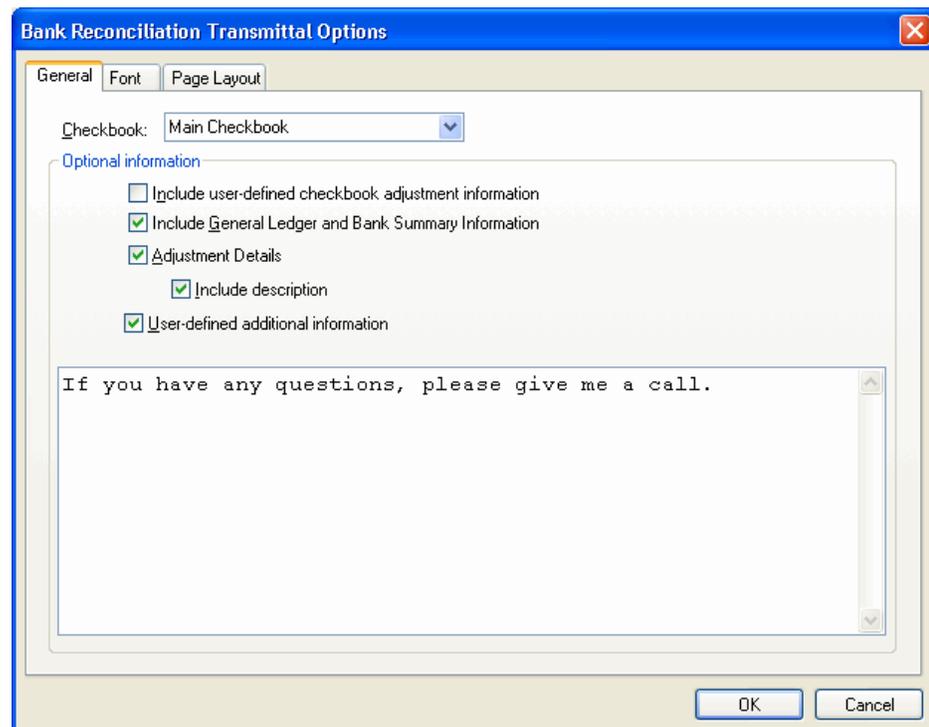
Bank Reconciliation Sample Client				XXBREC
Bank Reconciliation Worksheet				Page 2
Statement Beginning date: 01/01/07				
Statement Ending date: 01/31/07				
Checkbook Name: Main Checkbook				
Total Adjustments:				<u>(15,228.90)</u>
Ending Balance				<u>116,978.29</u>

7. After reviewing the report, click the **Close** button.
8. Click the Print Reports icon  on the shortcut bar, or choose **File / Print Reports**.
9. Double-click **Bank Reconciliation Transmittal** in the left pane to move it to the right (Selected) pane.
10. Click the **Options** button.

In the Bank Reconciliation Transmittal Options dialog, Main Checkbook is already selected in the Checkbook field. The options for this report enable you to include the description of each adjustment and also to add your own text to the report.

11. For this exercise, mark all the options except **Include user-defined checkbook adjustment information**. (We did not enter any information on the Checkbook Adjustments tab of the Bank Reconciliation window.)
12. If the User-defined additional information checkbox is the only checkbox marked, only information that that you type in the text pane will print. This allows you to create a customized transmittal for special purposes.

Type the following text in the textbox pane of this dialog: **If you have any questions, please give me a call.**



13. Click **OK** to return to the Print dialog and then click the **Preview** button to see report pages 1 and 2, as shown in the following illustrations.

Bank Reconciliation Sample Client Bank Reconciliation Transmittal		XXBREC Page 1
Account Number: 12-3456/7890 Statement Ending date: 01/31/07 Checkbook Name: Main Checkbook		
General Ledger		
Balance per General Ledger (Account 101) at 01/01/07	92,795.74	
Activity for the month:		
Total Debits (Deposits and Credit Memos)	44,940.76	
Total Credits (Checks and Debit Memos)	-5,529.31	
Unreconciled General Ledger Balance at 01/31/07	<u>132,207.19</u>	
Adjustments and Other Bank Items	<u>(15,228.90)</u>	
Reconciled General Ledger Balance at 01/31/07	<u>116,978.29</u>	
Bank		
Balance per Bank Statement at 01/31/07	119,387.13	
Total Additions (Deposits and Credit Memos in transit)	0.00	
Total Subtractions (Checks and Debit Memos in transit)	-2,408.84	
Total Bank Errors	<u>0.00</u>	
Bank Balance Adjusted at 01/31/07	<u>116,978.29</u>	

Bank Reconciliation Sample Client Bank Reconciliation Transmittal		XXBREC Page 2
Account Number: 12-3456/7890 Statement Ending date: 01/31/07 Checkbook Name: Main Checkbook		
Detail of General Ledger Adjustments		
Deposit or credit memo of \$24.10 was not recorded	24.10	
Interest		
Debit memo of \$9.00 was not recorded	(9.00)	
Monthly Fee		
Debit memo of \$15,235.00 was not recorded	(15,235.00)	
Loan Payment		
Check number 417 for \$1,245.00 cleared the bank for \$1,254.00	(9.00)	
Total General Ledger Adjustments	<u>(15,228.90)</u>	
Detail of Other Bank Items		
There are no Other Bank Items.		
Detail of Bank Adjustments		
There are no Bank Adjustments.		
If you have any questions, please give me a call.		

14. After reviewing the report, click the **Close** button.

Posting to the general ledger

The next step is to post the adjustments to the GL. The period to which the adjustments are posted is determined by the selection in the **GL period to adjust** field in the Summary tab of the Bank Reconciliation window. Note that for our sample client this field currently reads 1/31/07. That means any adjustments we post to the GL will appear in that GL period.

1. Click the **Post to G/L** button.
2. Click the Transactions icon on the shortcut bar, or choose **Tasks / Transaction Entry**.
3. In the Transactions window, click the Cancel button to change to Browse mode and then select **Bank Rec Adjustments** from the drop-down list in the Journal field.

The screenshot shows the Transactions window with the Journal field set to "Bank Rec Adjustments". A dropdown menu is open, listing various journal entry types, with "Cash Disbursements" selected. Below the dropdown, there are buttons for "Add", "Edit", "Delete", "Enter", and "Cancel". The "Journal Entries" tab is active, displaying a table with the following data:

Reference	Date	Description
70	01/31/07	Interest

Below the table is a grid for account and amount entries:

	Account	Amount
1	101	24.10
2	490	-24.10
3		
4		
5		
6		

At the bottom of the window, there is a "Special Types" section with radio buttons for Regular, Reversing, Recurring, Recurring Template, Prior, Adjusting, Tax Adjustment, and Budget. The status bar at the bottom shows "Hash:0.0000000000 CLR Disb: \$0.00 Dr: \$0.00 Cr: \$0.00".

Recall that when we set up the checkbook for bank reconciliation, we specified that adjustments be recorded to the Bank Rec Adjustments journal. Notice that each adjustment appears as a journal entry.

4. Return to the Bank Reconciliation window by clicking the  icon on the shortcut bar or by choosing **Tasks / Bank Reconciliation**.

Using other tabs in the Bank Reconciliation window

Direct Deposit tab

If you use Payroll CS™ along with the Payroll CS Direct Deposit module, or if you have recorded handwritten checks using a Direct Deposit deduction item, the direct deposit amounts are displayed in this tab. The Direct Deposit items are displayed as summary entries grouped by check date. To clear only a portion of the transactions in the summary, click the  button in the far right column to open a dialog for clearing the individual checks.

Note: For CSA to recognize a deduction as a Direct Deposit and display the check in the Direct Deposit Items tab, the item must be selected in the Calculations tab of the Setup / System Configuration / Deduction Items dialog as either **CSA direct deposit** or **Other direct deposit**.

Other Bank Items tab

Use this tab only if the statement you are reconciling contains a section for items other than debits or credits.

Other bank items cannot be entered as GL transactions because anything entered in the GL automatically appears in either the Debits or Credits tab. These items are taken directly from the statement and not from the GL, and so they are cleared automatically and appear as bank reconciliation adjustments when you post to the general ledger.

Checkbook Adjustment tab

Use this tab to enter the client's last check number and ending balance, as well as the adjustments that you would like to see on the Bank Reconciliation Transmittal Report. This information prints on the report when you select the option to include user-defined checkbook adjustment information (in the Options dialog for the Bank Reconciliation Transmittal Report). These adjustments are for report purposes only and do not post transactions to the general ledger.

Using other bank reconciliation features

Assigning orphan checks

If a check is entered and then balanced to an account to which no checkbook has been assigned, that check appears in the Orphan Checks dialog. To access the Orphan Checks dialog, choose Edit / Orphan Checks. (Note that this option is available only when unassigned checks exist.)

- To assign an orphan check to the current checkbook, mark the checkbox for each appropriate check number and then click the Assign button. Assigned

checks appear in the Checks and Other Debits tab of the Bank Reconciliation window.

- If there are multiple orphan checks to assign, highlight the checks, and then choose Mark from the right-click context menu.
- If the client has multiple checkbooks, you may need to assign checks to different checkbooks. Checks are assigned to the checkbook currently selected in the Bank Reconciliation window. To assign a check to a different checkbook, close the Bank Reconciliation window and then re-open it and choose the appropriate checkbook.
- Checks can also be assigned to one checkbook by selecting a default checkbook. The Assign Default Checkbook command can be accessed from the Edit menu. Selecting a default checkbook for bank reconciliation forces all existing and future checks not assigned to a checkbook to automatically flow to the default checkbook.

Note: The name of the current checkbook is displayed at the top of the Assign Orphan Checks dialog.

Combining checks with the same check number

The **Combine checks with same check number** command is available from the Edit menu or from the F3 or right-click context menu only when the Checks and Other Debits tab of the Bank Reconciliation window is currently selected. This command allows you (for the current bank reconciliation) to combine multiple checks that share the same check number. Only checks entered via the Tasks / Transaction Entry window can be combined. Note that after you choose this command, the program automatically calls the **Rebuild Uncleared Transactions** command.

Using the check number (rather than bank reconciliation reference) for adjustments to checks

From the Bank Reconciliation window, choose the F3 menu Options command to open a dialog where you may mark the **Use check number as the transaction reference number for adjustments to checks** checkbox.

Displaying multiple distributions to the checkbook GL account in a single transaction separately

From the Bank Reconciliation window, choose the F3 menu Options command to open a dialog where you may mark the **Display multiple distributions to the checkbook G/L account in single transaction separately** checkbox. If you record multiple distributions to the checking account as a single transaction, it will appear as a lump sum during Bank Reconciliation unless this option is selected. (Note that the Split Deposit command is not accessible for a deposit originally recorded when this option was selected.)

Using the quarterly statement summary

You can choose the F3 command Quarterly Statement Summary to open a dialog where you can record monthly totals for a quarterly bank reconciliation. Those totals automatically flow to the corresponding fields in the Summary tab of the Bank Reconciliation dialog.

Viewing prior bank reconciliation worksheets

When the reconciliation is complete and you advance to the next period, the program automatically saves a copy of the Bank Reconciliation Worksheet for future reference. The program automatically stores up to 12 prior worksheets for each checkbook.

From the Bank Reconciliation window, choose View Prior Worksheets from the F3 commands menu.

Deleting transactions

In rare circumstances, you may need to delete one or more items from a bank reconciliation. To permanently delete a transaction or orphan check from bank reconciliation, select the row number (or a range of row numbers) to the left of the item and press the DELETE key on the keyboard. Note that a transaction deleted from bank reconciliation is **not** automatically deleted from the data-entry window — to do that, you must delete it from the Tasks / Transaction Entry window.

Important! Any item deleted for bank reconciliation cannot be recovered in the Bank Reconciliation window. To recover such an item for bank reconciliation, you would need to delete it manually from the Transaction Entry window and then **re-enter** it.

Rebuilding uncleared transactions

To have the program refresh the transactions displayed in the Bank Reconciliation window, choose **Edit / Rebuild Uncleared Transactions**.

In general, as you record checks and deposits, they are automatically available for processing in the Bank Reconciliation window. If checks or deposits do not appear automatically in the Bank Reconciliation window, choosing to rebuild causes the program to look through all of the existing transactions and rebuild the list of items available for clearing. This feature is useful, for example, after adding the General Ledger module to an existing payroll client or following the addition of a checkbook **after** entering transactions.

Important! Rebuilding the list of transactions when a bank reconciliation is already in progress will **unclear** all cleared transactions and delete any adjustments.

Important! Running the Rebuild command removes transactions currently in the Bank Reconciliation window that are dated prior to the number of years of transactions being saved with the client database. For example, assume that you save 2 years of transactions (specified in the General Ledger tab of the File / Client Properties dialog), that 2007 is the current year, and that checks dated prior to 12/31/05 exist. When you run the Rebuild command, all transactions dated 12/31/05 or earlier are removed. This may cause the Bank Reconciliation to show an unreconciled amount when it previously did not. You would need to re-enter those now missing checks as initial open items. Prior to running the Rebuild command, you should print the current Bank Reconciliation Worksheet and include cleared and open items to make sure you have a complete listing of your checks.

Completing the bank reconciliation and advancing to the next statement

Advancing to the next statement removes all cleared entries from the Bank Reconciliation window and enables you to update the statement information for the next bank statement.

Important! Before advancing to the next statement, be certain that you have properly completed the current bank reconciliation and have printed all bank reconciliation reports. When you advance to the next statement, all cleared items are permanently removed from the Bank Reconciliation window.

1. In the Summary tab of the Bank Reconciliation window, click the **Advance to Next Statement** button.
2. At the warning prompt, click the **Yes** button to confirm your understanding of the message restating the **Important** note above.

The Recurring Adjustments dialog opens automatically and enables you to make any necessary edits or adjustments for the new statement.

3. To proceed, click the **Done** button.
4. Notice that the program has automatically updated the new statement beginning and ending dates, although you may change these dates if necessary. Also notice that the previous statement's ending balance has now become the beginning balance for the new statement.

You are now ready to process another bank reconciliation.

Note: Each time you advance the GL period and advance to a new bank reconciliation statement, remember to verify the setting in the **G/L period to adjust** field (on the Summary tab of the Bank Reconciliation window) to ensure that any new adjustments you make are posted to the appropriate period.



Bank Statement Import

Importing an electronic copy of a client's bank statement enables you to more easily and quickly complete the bank reconciliation process.

The client is responsible for downloading the statement file from the bank and sending it to you. Most banks have several file formats available to download. Write-Up CS currently supports XML, OFX, OFC, QIF, and QFX formats. The QIF and QFX formats are most commonly used by Quicken[®] and QuickBooks,[®] while both OFX and OFC formats are used by Microsoft[®] Money.

Use the Bank Statement Import command to import the electronic copy of the selected client's bank statement, to view and print the statement, to clear transactions quickly, to identify and adjust data entry errors, and to create adjustments or split deposits in order to successfully reconcile your client's cash accounts.

Import exercise

Opening the bank reconciliation sample client

Write-Up CS includes a Bank Reconciliation Sample Client for which some data applicable to completing a bank reconciliation has already been entered.

1. From the CSA main window, choose **File / Open Client** or click the Open Client button on the toolbar.
2. In the Open Client dialog, highlight **CSBAN01 - Bank Reconciliation Sample Client** and click **Open**.

Making a copy of the sample client

Because you will want to leave the data for client CSBAN01 intact for other users within your firm, you should save the client under a different ID and leave the original CSBAN01 client untouched.

1. Choose **File / Save As**.

2. In the Save As dialog, type **XXXIMPORT**, where XXX represents your initials. Note that you may use up to eleven alphanumeric characters to create a unique client ID.
3. Click the **Save** button. The original client closes, the copy becomes the current client, and its client ID and name appear in the title bar of the CSA main window.

Initiating the bank reconciliation

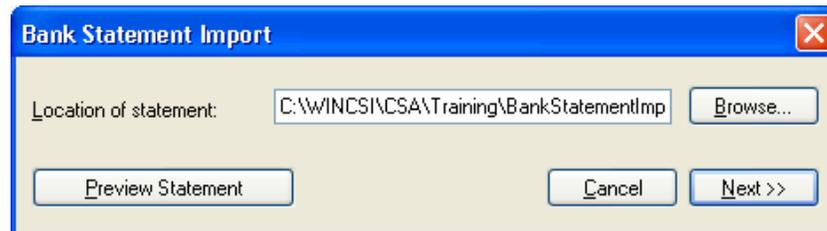
1. From the CSA main window, choose **Tasks / Bank Reconciliation**, or click the Bank Reconciliation icon on the shortcut bar. For a client with multiple checkbooks, you would also need to select the checkbook to reconcile.
2. When prompted to enter recurring adjustments, click the **Done** button. For this exercise, we'll enter recurring adjustments within the Bank Statement Import dialog rather than in the Recurring Adjustments dialog.
3. Because this is our first bank reconciliation for this client, we need to enter the following information in the Summary tab.

Statement beginning date	01/01/07
Statement ending date	01/31/07
Beginning balance	92,795.74

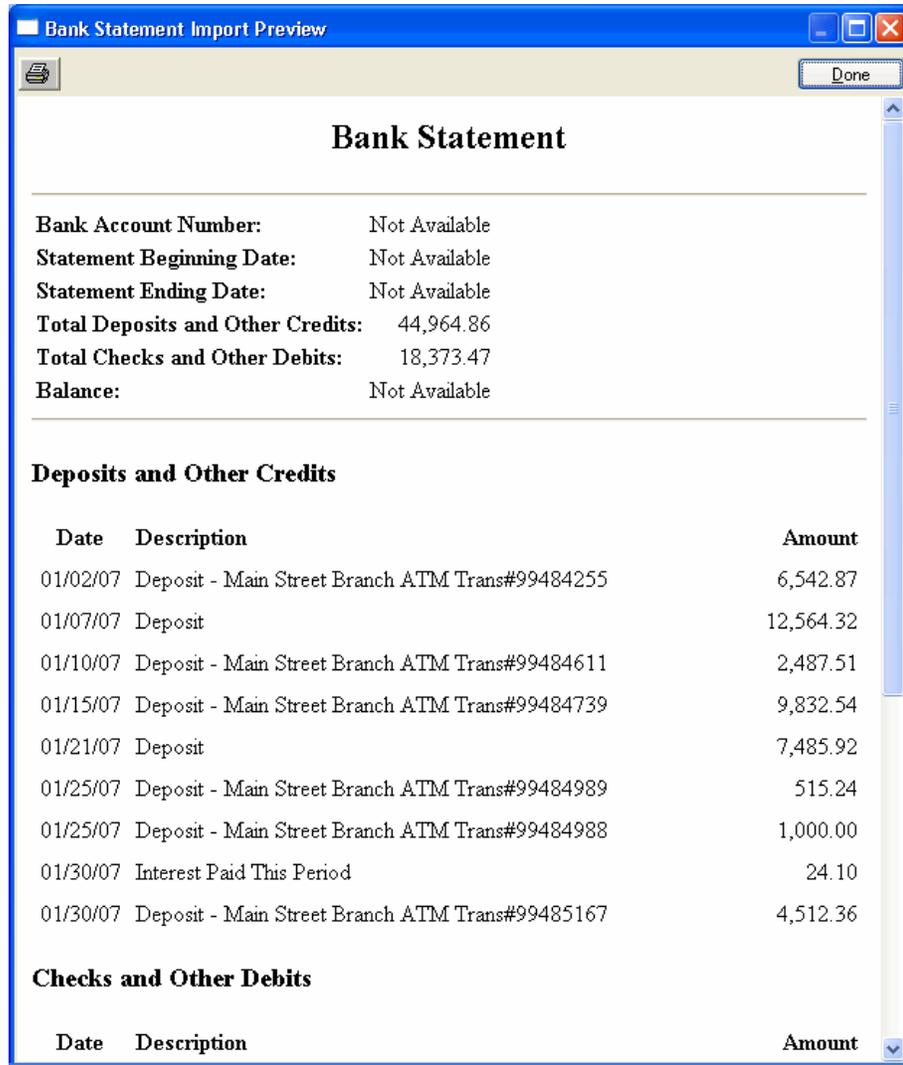
(If we had previously completed a bank reconciliation in this client and then advanced to the next bank reconciliation, this information would appear automatically.)

Importing the bank statement file

1. Choose **Bank Statement Import** from the **Edit** menu or from the F3 or right-click context menu.
2. In the Bank Statement Import dialog, enter the path and filename of the bank statement, or click the Browse button to search for it. For this sample client, the bank statement import file (**BankStatementImport.QIF**) is located in the C:\WINCSI\CSA\Training folder, where C represent the drive where the CSA client data is located.



- To view the statement on the screen, click the **Preview Statement** button. To print the statement, click the  button or choose Print from the right-click context menu.



- Click the **Done** button to close the Preview window.

Note: Statement formats differ from bank to bank. For example, one client's bank statement file may contain the account number and others may not.

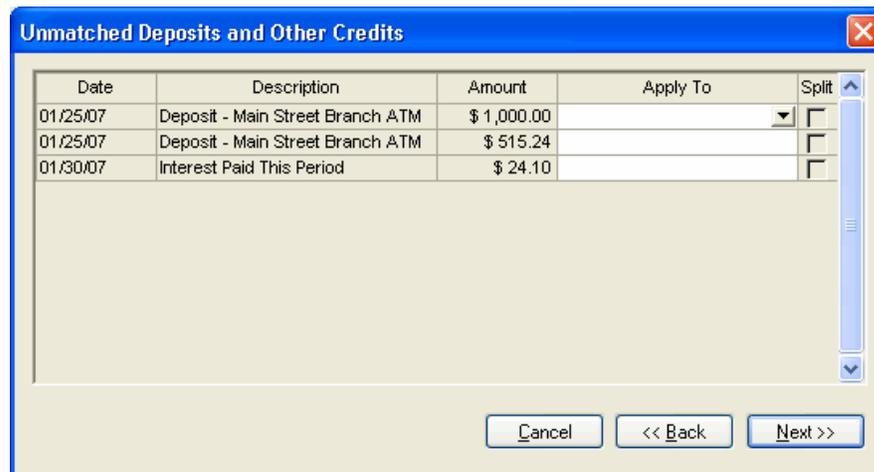
- In the Bank Statement Import dialog, click the **Next** button to begin the import.

Reconciling the bank account

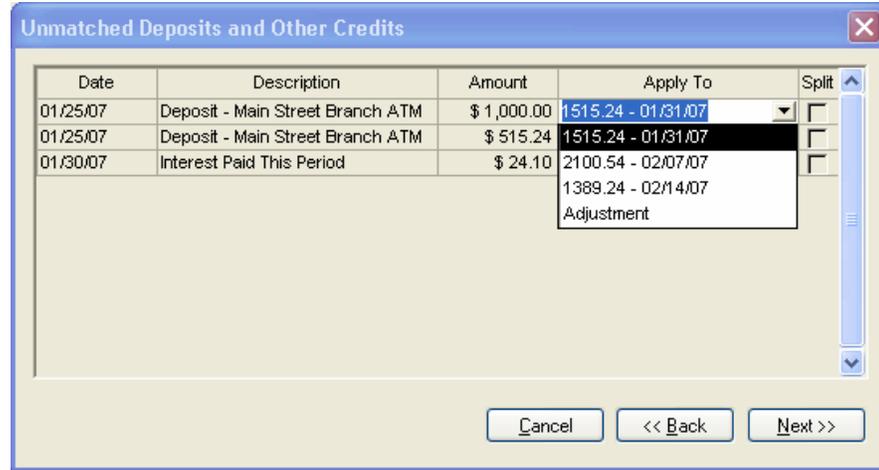
Any, all, or none of the following dialogs may display depending on the status of the account. The Unmatched Transactions dialogs open during the bank statement import only if items exist in the bank statement file for which the program is unable to find a match in the bank reconciliation, or if there are items matched that require review. The dialogs allow you to assign cleared items in the statement file to matching uncleared items in the bank reconciliation or to assign them as adjustments.

Reviewing and resolving unmatched deposits and other credits

This dialog displays only deposits and other credits without a matching transaction in bank reconciliation. All deposits and credits with a corresponding matched item are automatically cleared in the Deposits and Other Credits tab. Deposits and other credits are matched by amount, clearing the oldest item first. There are three unmatched items in the sample client.



- The deposits on 1/25/07 were originally entered in the Tasks / Transaction Entry window as one amount, \$1515.24. To clear each deposit and create the split deposit in bank reconciliation, highlight **\$1515.24 - 01/31/07** in the Apply To field to apply this deposit to the CSA deposit of \$1000.00.

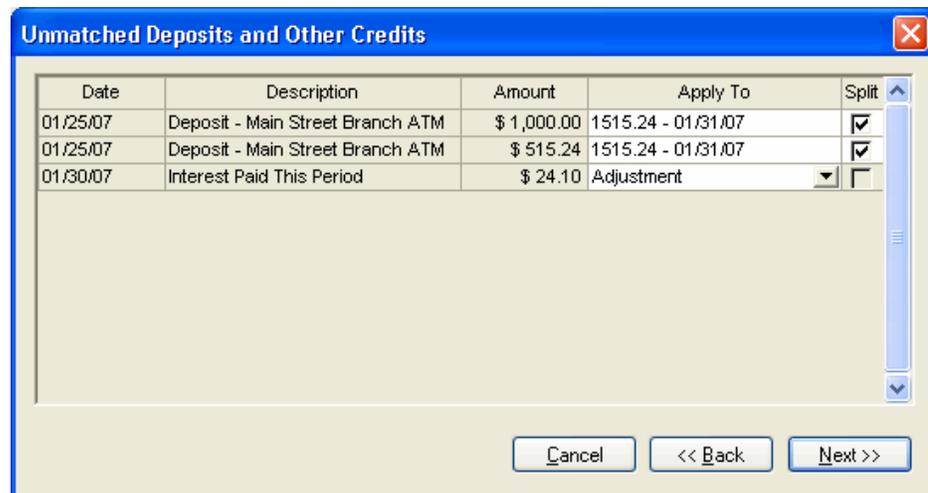


- Next, press TAB to move to the next field and mark the Split checkbox.

Note: If a deposit is applied to a deposit for a different amount that is not a split deposit, the amount of the bank statement transaction is entered in the Clear for column, and the adjustment is automatically created.

- Complete the same two steps for the second portion of the deposit from 01/25/07 for \$515.24.
- The last item listed is Interest Paid This Period. Because we would not have entered this transaction in the client already, we can record this item as a bank reconciliation adjustment so that the journal entry is automatically created in the Transaction Entry window.

In the Apply To field for Interest Paid This Period, select **Adjustment**. When completed, the Unmatched Deposits and Other Credits should look like the following illustration.



Note: Selecting an item in the Apply To field is not required.

5. Click **Next** to continue the import.

Reviewing and resolving unmatched checks and other debits

This dialog displays only checks and other debits without a matching transaction in bank reconciliation. All checks and other debits with a corresponding matched item are automatically cleared on the Checks and Other Debits tab. Checks are matched by check number and amount. All non-check debit transactions are matched by amount, clearing the oldest transactions first. There are three unmatched items listed.

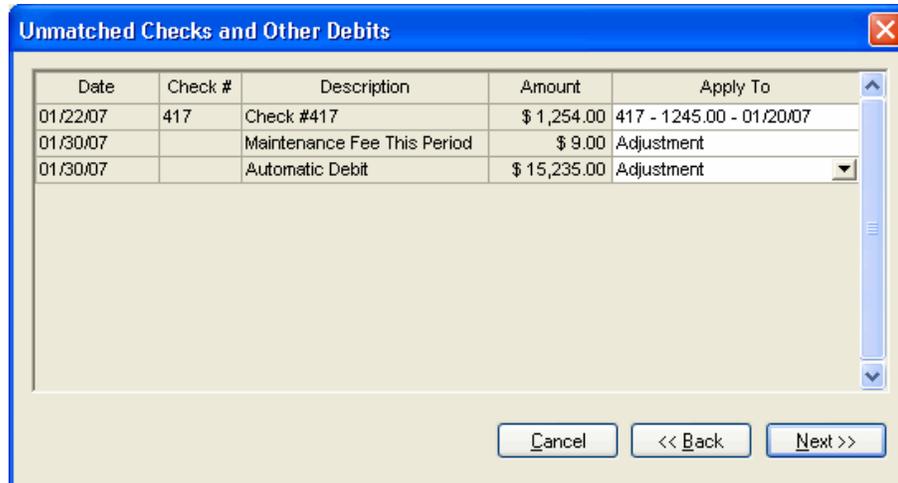
Date	Check #	Description	Amount	Apply To
01/22/07	417	Check #417	\$ 1,254.00	417 - 1245.00 - 01/20/07
01/30/07		Maintenance Fee This Period	\$ 9.00	
01/30/07		Automatic Debit	\$ 15,235.00	

The first item listed is check #417. The amount recorded in the GL was 1245.00, but the amount from the bank statement is 1254.00. Because the check number matches but the amount does not, the matching check is displayed in red in the Apply To field to alert you that it requires review and editing. Because we incorrectly recorded the check, we are going to apply check #417 to the item, and the program will automatically create an adjustment for the difference.

The Maintenance Fee This Period and the Automatic Debit are both unrecorded in our GL. We can enter these items as bank reconciliation adjustments and the program will automatically record journal entries in the Transaction Entry window.

1. In the Apply To field for Maintenance Fee This Period and the Automatic Debit, select **Adjustment**.

When completed the Unmatched Checks and Other Debits will look like the following illustration.



2. Click **Next** to continue through the import.

Recording adjustments

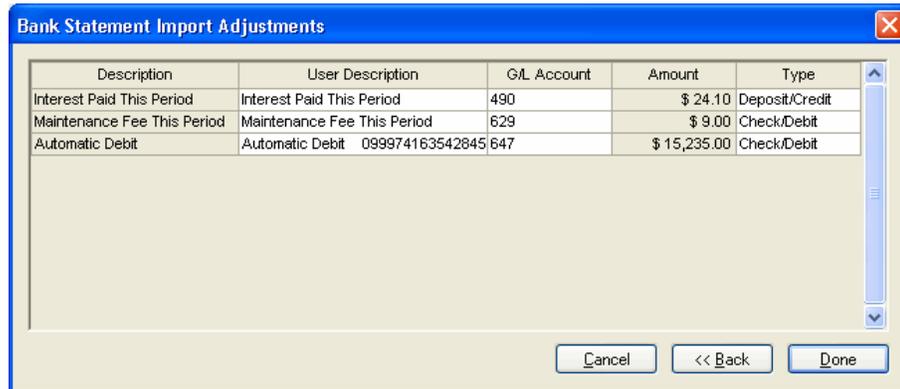
The Bank Statement Import Adjustment dialog opens if any item in the previous dialogs was assigned as an Adjustment in the Apply To field. When the Adjustment dialog appears, you can edit the type and user description and select the GL account.

1. For this section of the walkthrough, we will enter the following information:

User Description	GL Account	Type
Interest Paid This Period	490	Deposit/Credit
Maintenance Fee This Period	629	Check/Debit
Automatic Debit 099974163542845	647	Check/Debit

Note: If an item was selected as an adjustment in a previous import, the program will automatically select Adjustment in the Apply To field for a new item with identical description on the Unmatched Deposits and Other Credits dialog and the Unmatched Checks and Other Debits dialog. The selection will appear in red to alert you to review and edit the item as necessary.

When you have finished, the Bank Statement Import Adjustments dialog should look like the following illustration.



2. Click the **Done** button to complete the Bank Statement Import.

Note: If you want to repeat the import process for a statement before advancing to the next period, you will be prompted to rebuild uncleared transactions before beginning the import.

3. Click **OK** to confirm that the Bank Statement Import is complete.

Your bank reconciliation is now complete. Click the Summary tab to confirm that the unreconciled amount is zero. Notice the total Deposits and Other Credits and Checks and Other Debits are entered in the Statement Summary group box. The bank statement import calculates these totals and enters this information automatically.

Also take a moment to view the Deposits and Other Credits tab and the Checks and Other Debits tab to see that the checks and deposits were automatically cleared, the split deposit was created, and the adjustments were automatically entered. You are now ready to print reports and advance to the next statement.