Article # 1212

Technical Note: Reconciling Bank Accounts in AccountMate

Difficulty Level: Beginner Level AccountMate User

Version(s) Affected: AccountMate 8 for SQL and Express
AccountMate 7 for SQL, Express, and LAN

Module(s) Affected: BR

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DESCRIPTION

Regular bank reconciliation is a vital part of your company's cash control procedures as it helps you uncover fraud, identify theft, and properly plan your cash flow; however, it can be a tedious process. Reconciling the discrepancies between the cash balance shown on the bank statement and the cash balance in your books can be aggravating and time-consuming. Starting in AccountMate 7, the Reconcile Bank Account function and other related functions are enhanced to extend your reconciliation capabilities with ease. These enhancements also give you a better grasp of your company's real time cash position to help you more effectively manage your resources.

This Technical Note explains the enhancements in the Reconcile Bank Account function. This document also explains various function enhancements that facilitate bank reconciliation.

SOLUTION

A. Reconcile Bank Account function's enhancements

The Reconcile Bank Account function has a new look and new functionality that enable a more streamlined reconciliation process. Rather than working with five (5) tabs, verifying deposits and other receipts in the Deposits/Other Receipts tab as well as canceling checks and other disbursements in the Checks/Other Disbursements tab makes bank reconciliation much easier and faster.

In older versions, the Information tab contains a single field each for the total amount of deposits, other receipts, checks, and other disbursements. In AccountMate version 7 and higher, the Information tab is enhanced by grouping all bank credit transactions in one field and grouping all bank debit transactions

in another field in both the Information from Bank and Information from System sections. This change is consistent with the changes made in the other tabs.

When you click the Selection Criteria button in the Deposits/Other Receipts tab and the Checks/Other Disbursements tab, the Enter Selection Criteria window appears. This window contains checkboxes that you can mark to indicate which transaction types (e.g., deposits, other receipts, checks, other disbursements, transfers) you want to select for verification or cancellation.

AccountMate version 7 and higher now maintains each month's bank reconciliation data; thus, you can generate historical bank statements anytime. In addition, it is no longer a requirement to close the period in the Bank Reconciliation module before commencing a new reconciliation for the same bank account.

B. Other enhancements that facilitate bank reconciliation

Not only is the Reconcile Bank Account function expanded but other functions in AccountMate 7 or higher versions are also enhanced to provide a smoother bank reconciliation process. The current bank account balances are available for viewing anytime. Even if you do not perform bank reconciliation regularly, you can use this feature to keep yourself updated on your cash balances. You can also identify the transactions that cause the cash balances to change; thus, you can still manage your disbursements effectively.

You can also view a bank account's total un-reconciled transaction amount and drill down to view the debit and credit transactions that comprise that amount. This feature helps improve cash management as it provides a method for easily identifying reconciling items.

In older versions, there was no way to retrieve historical bank reconciliation information after performing a new reconciliation for the same bank account. Starting in AccountMate 7, you can generate Bank Statements for historical bank reconciliations and use these statements as audit trails or for any other purpose.

Starting in AccountMate 7.5 for SQL and Express and higher versions and AccountMate 7.3 for LAN and higher versions, you can save an incomplete or out-of-balance bank reconciliation. You can save the bank reconciliation even if the amounts entered in the Information from Bank do not match the amounts in the Information from System. The reconciliation is not finalized and you can access it again later to complete the reconciliation.

Starting in AccountMate 8.1 for SQL and Express and higher versions, record count validation is optional during reconciliation. You can configure AccountMate to not require users to enter the record count when reconciling bank accounts by unmarking the Require Record Count checkbox in BR Module Setup. When the Require Record Count checkbox is unmarked, AccountMate will neither validate the transaction record count in the Reconcile Bank Account screen nor check whether the transaction record counts match in the Information from Bank and Information from System areas.

The Unreconciled Transaction Listing is available starting in AccountMate 7. This report provides information about the bank transactions that are not yet reconciled in AccountMate and comes in handy when you perform bank reconciliation.

The Bank Reconciliation Report is enhanced to display all bank debit transactions in one section and all bank credit transactions in another section. This enhancement makes it easier for you to identify, review, and analyze a bank account's reconciling items.

A deeper understanding of these bank reconciliation enhancements allows you to maximize their use in order to achieve a more streamlined bank reconciliation process and more effective cash management.