

## SAM—RECONCILIATION AND REPORTS

### BANK RECONCILIATION

7923

(Revised 09/10)

Departments will reconcile their bank account balance with the like account maintained in the Centralized State Treasury System (CTS). Departments will reconcile their General Cash, Revolving Fund Cash, and Agency Trust Fund Cash accounts with the State Treasurer's Office (STO) bank balance, adjusted for deposits in transit, outstanding checks, and other reconciling items. When departments account for more than one fund in a bank account, departments will identify the fund's share on the bank reconciliation.

The State Controller's Office (SCO) sends a monthly Centralized Treasury Trust System Account Statement (bank statement) to departments that includes a sequential listing of the following items by transaction/paid date, document number, and amount:

- Checks paid during the month
- Transfers of Funds (i.e. TC47 SCO transaction code entries) during the month
- Deposits posted during the month

For each check paid, the bank statement shows the check number, date of payment, and the amount paid. Departments will use the listing to determine the amount of outstanding checks. The outstanding check amount on the reconciliation will be supported by a list showing the number, date, and amount of each outstanding check. Departments will file their physical, cancelled checks in sequential check number order. Effective October 1, 2010, all agency checks will be converted to electronic images and will be available on the STO statewide Agency Paid System. Check data is updated daily and retained for five years from the check paid date. Departments can access and print images of their checks through the automated system. To obtain access to the Agency Paid System, departments shall complete the STO's User ID Assignment/Removal Form STO-IP 130. The form and information can be obtained by contacting the STO Item Processing Section at [Item.Processing@Treasurer.ca.gov](mailto:Item.Processing@Treasurer.ca.gov).

The bank statement also includes a chronological listing of SCO transfers from the account and bank deposits posted during the month. Departments will compare the transfers and deposits posted on the bank statement to department records to determine the amount of outstanding transfers and deposits in transit. The outstanding transfers and deposits on the reconciliation will be supported by respective lists showing the document number, date, and amount outstanding. Departments will attempt to resolve deposits in transit over 30 days.

Errors on the bank statement will be corrected as provided in SAM Section 8060. The person reconciling the bank statement will trace every reconciling item between the bank and the department's records and include an explanation on the reconciliation. Departments will file bank statements and monthly reconciliations in date order.