

Kids Central, Inc. System of Care Policy & Procedure

Series: Master Trust Accounts

Policy Name: Preparation for Month End Reconciliation

Policy Number: 1212

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Authority: 402 F.S., 737 F.S., 39 F.S., 415 F.S., 65C-17 F.A.C.

Purpose

To define the procedures that should occur each month in preparation for the month end reconciliation process. To establish a consistent and efficient manner in which the KCI electronic reconciliation file is prepared and to ensure that the accounting of bank transactions, cash management system, and client detail tracking system are in sync and reconcile at the end of each month.

Policy

It is the policy of the organization to ensure the activities involved in the preparation of the month end reconciliation process are completed in an accurate and timely fashion. Each month an electronic workbook file is prepared for the current needs and dedicated accounts. The purpose of the workbooks is to step through a reconciliation process between the bank account statements, QuickBooks (cash management system), and FAST (client activity detail tracking system). The result of this process is to produce reconciliation summary reports and an accounting of maintenance fees with accompanying payment to The Department of Children and Families (DCF).

Procedure

Month End Activities

The following month end activities are performed by the Master Trust Account Clerk. Month end activities should occur between the 1st and 15th of the following month. For example, July month end activities would need to be completed by August 15th. The month end activities involve the preparation work required prior to the month end reconciliation process (see Reconciliation and Maintenance Fees policy and procedure).

Month end activities include the following:

1. Reconcile QuickBooks bank accounts transactions with the monthly bank statements.
2. Generate QuickBooks file exports and run Access Deposit program
3. Research Cost of Care in FSFN
4. Enter Bank Statement Worksheet data into FAST

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5. Enter maintenance fees into FAST and QuickBooks
6. Enter Monthly interest earned into FAST
7. Allocate interest to each client in QuickBooks
8. Prepare the data file for the DCF month end reconciliation

Reconciling QuickBooks with Bank Statements

1. Obtain statements from bank for each bank account in QuickBooks
2. Open QuickBooks
3. Select Banking
4. Select Reconcile
5. Select actual bank account to reconcile (do not accept the default). Each individual bank account is reconciled separately
6. Enter Statement ending date
7. Enter ending balance from bank statement closing balance
8. Enter any service charge amount from bank statement
9. Select service charge account and date
10. Select Class; type of account i.e., current needs or dedicated
11. Enter interest earned from bank statement
12. Select interest account and date
13. Select Class; type of account i.e., current needs or dedicated
14. Select Continue
15. Under Payment/Checks section: check off all checks cleared from bank statement
16. Under Deposits section: Check off all deposits from bank statement
17. As transactions are checked off in QuickBooks check transactions on the bank statement that correspond
18. QuickBooks will show a zero difference when all transactions have been reconciled
19. After remaining difference equals zero, Select Reconcile
20. Print **both** reports: detail and summary of reconciliation
21. Save as an Excel file.

Perform steps 3 through 21 for each bank account that is established in QuickBooks. There are two bank accounts; Current needs and Dedicated

Generate QuickBooks file exports and run Access Deposit program

1. Generate the QuickBooks file exports that will be used with the Access database.
 - a) Open the memorized reports list and select the Deposit detail transaction report.
 - b) Modify the date range for the beginning and ending of the month
 - c) Run the report and export to Excel
 - d) Name file "KCI QC Transaction Detail " and Save to Desktop

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- e) Open Customer tab
- f) Select Customer list and export to Excel
- g) Name file "KCI QC Customer List for Master Trust" and Save to Desktop
- h) Files must be named exactly as instructed each month

2. Run Access Deposit Program

- a) Removing Old Data and Importing New Data
 - Open the Access Database in Access 2007
 - Right-click on the "KCI QC Customer List for Master Trust" table, and select "Delete"
 - Click "Yes"
 - Right-click on the "KCI QC Transaction Detail" table, and select "Delete"
 - Click "Yes"
 - Go to the "External Data" tab at the top of the Access Toolbar Ribbon
 - Click on the "Excel" option
 - Browse and find the current version of the Customer List for Master Trust file
 - Click "OK"
 - In the box at the top, make sure you select the correct sheet that has the data that you need; This is likely "Sheet1" if the report is still running the same way
 - Click "Next >"
 - Check the box that says "First Row Contains Column Headings"
 - Click "Next >"
 - Click "Next >" again
 - Select the radio button that says "No primary key"
 - Click "Next >" again
 - In the box that says "Import to Table", copy and paste the following text:
 - KCI QC Customer List for Master Trust
 - Click "Finish"
 - Finally, click "Close"
 - Repeat steps 6 through 19, with the following exceptions:
 - In step 8, browse and search for the current Transaction Detail file
 - In step 17, name the table: KCI QC Transaction Detail

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- b) Preparing Electronic Reconciliation Report
 - If you have imported the data for the Current Needs Accounts, double-click on the query that says “01 – Clear ER – Current Needs”
 - Say “Yes” to all prompts
 - Next, double-click on the query that says “02 – Make ER – Current Needs”
 - Say “Yes” to all prompts
 - If you have imported the data for the Dedicated Accounts, follow steps 1 through 4, however double-click on queries 03 and 04

- c) Exporting Electronic Reconciliation Reports into Excel
 - You can get either of the Electronic Reconciliation Reports into Excel using one of two options:
 - Export to Excel
 - Right-click on the appropriate report (either Current Needs or Dedicated), and select “Export”, and then select “Excel”
 - Click “Browse” to select the appropriate folder and file name that you would like to give the report
 - Click “OK”
 - Click “Close”
 - Copy to Excel
 - i. Double-click on the appropriate report (either Current Needs or Dedicated)
 - ii. Click on the little box in the top left-hand corner of the table, (the box to the right of “DEPOSIT DATE”) OR press CTRL+A on your keyboard
 - iii. Then right-click and select “Copy” OR press CTRL+C on your keyboard
 - iv. Now, open an Excel file then right click and select “Paste” OR press CTRL+V on your keyboard

- d) After creating the Excel “Bank Statement Worksheet” Report, review each line item and delete any clients that have multiple accounts. For example, John Smith1, John Smith2
- e) Review Deposit amounts and totals to ensure they match the QuickBooks Deposit report
- f) Save report with current month date in file name
- g) Perform process for both Current Needs and Dedicated account

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Research Cost of Care in FSFN

1. . Pull FSFN pre-auth payment report and sort for client's with master trust accounts.
2. Enter the cost of care onto the **Current Needs** "Bank Statement Worksheet" report. Following this entry the "Collected Cost of Care" and "Deposit to Client" columns of the report will automatically calculate the appropriate amounts.
3. Place in relevant placement or SSA benefit comments in the "Comment" column.
4. Save Bank Statement Worksheet report
5. Prior months uncollected Cost of Care
 - Review previous months' Bank Statement Worksheet reports to identify clients where Cost of Care has not yet been collected.
 - Check FSFN placement and cost of care. Notate to the Worksheet in the column section and highlight. Post to FAST and add a comment/memo in FAST identifying the transaction relates to a reconciled month.
 - Monitor the Bank Statement Worksheet reports monthly until all cost of care has been collected.

Enter Bank Statement Worksheet data into FAST

1. Enter the deposit amount into FAST by following the deposit entry instructions that are established in the "Performing Functions in QuickBooks and Posting Transactions into FAST" policy and procedure document.

Enter maintenance fees into FAST and QuickBooks

1. Enter the maintenance fees into FAST and QuickBooks by following the entry instructions that are established in the "Performing Functions in QuickBooks and Posting Transactions into FAST" policy and procedure document.

Enter Monthly interest earned into FAST and allocate interest to each client in QuickBooks

1. Enter the interest earned into FAST and QuickBooks by following the entry instructions that are established in the "Performing Functions in QuickBooks and Posting Transactions into FAST" policy and procedure document.

Prepare the data file for the DCF month end reconciliation

1. In preparation of the reconciliation process, the Master Trust Account Clerk will prepare various data files for the Accounts Payable Clerk. Each data file will be saved in Excel format.
2. File will be prepared by completing the following steps:
 - Open FAST
 - Select Client Trust Reports
 - Select Transaction Report
 - Enter date range for entire month

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- Select agency (KCI)
- Select 1000 – current needs and 3000- dedicated (account type)
- Run FAST Transaction Report
- Export to Excel
- Save as ‘FAST Deposits’
- Sort by transaction number
- Group transactions and subtotal each group as follows:
 - 200 and 210
 - 600, 610, 635, and 699
 - 300
 - 235
 - 900
 - 9999

3. File is used in the preparation of the KCI-Electronic Reconciliation file

KCI-Electronic Reconciliation File

1. The KCI Electronic Reconciliation file is a multi-spreadsheet workbook that is used to prepare the month end reconciliation of the Client Trust Fund. There are two separate electronic reconciliation files that need to be prepared at month end: Current needs and Dedicated. The Master Trust Account Clerk is responsible to complete four worksheets in this workbook as follows:
 - Bank Statement Worksheet
 - FAST Transactions Worksheet
 - FAST Client Balances Worksheet
 - Maintenance Fees Worksheet (MFEES)

These spreadsheets are completed utilizing the data files that are prepared as described above.

2. After the Master Trust Account Clerk has completed the four worksheets the electronic reconciliation file is forward to the Accounts Payable Clerk to perform the final activities in the reconciliation process. (See Policy and Procedure: Reconciliation and Maintenance Fees)

Approved By:

Cynthia A. Schuler, Chief Executive Officer

Date