

REPUBLIC OF KENYA
THE NATIONAL TREASURY



BIG IFMIS
Cash Management
Bank Reconciliation
User Handbook

DECEMBER 2015

VERSION 1.0 FINAL





Revision History

DATE	VERSION	DESCRIPTION	AUTHOR
04-December-2015	1.0FINAL	Final	TCT-BIGIFMIS



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1. Executive Summary

The main objective of this document is to present the steps to be followed in reconciling bank statements against your cash book (IFMIS). The document tries to cover selected areas which business processes requires.

2. Concept of Bank Reconciliation

Cash Management maintains information for each bank account you want to reconcile. You can use the Cash Management Bank Statement Open Interface to load bank statement information supplied by your bank, or you can enter and update bank statements manually. The system retains all bank statement information for audit and reference purposes, until you purge it.

Each Cash Management bank statement is composed of one bank statement header and multiple bank statement lines. The bank statement header identifies the statement number, bank account number, and statement date. It also contains optional information including the bank and branch names, bank account currency, and control amounts.

A bank statement line can refer to payments, receipts, transfers, miscellaneous receipts, or journal entry lines. Each line has a line number, transaction type, date cleared (bank transaction date), and amount. Moreover, the line information includes the bank transaction code, number, bank transaction identifier (such as the payment or deposit number), currency information, value date, agent (customer or supplier), agent bank account, a comment, and a descriptive flexfield for user-defined additional information.

A bank statement line's status can be one of the following:

- **Unreconciled:** No transactions have been matched.
- **Reconciled:** A transactions have been matched against this line.

3. Showing available transactions

In order to check the available transactions waiting for reconciliation for a given bank account, you can open through the navigation:

Cash Management (**Your Responsibility**)=> **View** => **Available Transactions**

Here you have to give the Bank account number and other parameters like From date and To Date as needed using the tabs in the screen and check the available transactions pending for reconciliation. Moreover, you can check and uncheck the options to decide the source of the transactions.



Find Transactions

Detail Batch Group Open Interface

AR Receipt

AR Payment

Cash Management Cashflow

Miscellaneous

Journal

Payroll

Payroll EFT

Bank Transaction Agent Receipt Journal Ordering

Account Number 1000181605

Account Name REC-DIRECTORATE OF PUB. PROSECUT

Bank Name Central Bank of Kenya

Branch Name Haile Selassie

Currency Code KES

Clear (C) Find (F)

Fig. 01: Available Transaction Finding screen.

Once you have given the criteria click on Find button or if you want start over the search process afresh click on Clear button. The screen below shows the available transactions (unreconciled) once you click the Find button.



View Available Transactions - 1000181605

Account Name: REC-DIRECTORATE OF PUB. PROSECUTION Bank Name: Central Bank of Kenya
 Account Number: 1000181605 Branch Name: Haile Selassie
 Currency Code: KES

Type	Number	Currency	Amount	Amount	Amount Cleared	Cleared Date	Value Date	GL Date	Date
Payment	1016798	KES	32,750.00	32,750.00					02-NOV-2015
Payment	1016799	KES	25,545.00	25,545.00					02-NOV-2015
Payment	1016800	KES	59,355.00	59,355.00					02-NOV-2015
Payment	1016802	KES	5,000.00	5,000.00					02-NOV-2015
Payment	1016803	KES	4,500.00	4,500.00					02-NOV-2015
Payment	1016804	KES	5,000.00	5,000.00					02-NOV-2015
Payment	1016805	KES	2,500.00	2,500.00					02-NOV-2015
Payment	1016806	KES	3,750.00	3,750.00					02-NOV-2015
Payment	1016807	KES	7,500.00	7,500.00					02-NOV-2015
Payment	1016808	KES	5,000.00	5,000.00					02-NOV-2015
Payment	1016809	KES	3,750.00	3,750.00					02-NOV-2015

Maturity Date: Status: Negotiable

Fig. 02: Available Transaction as the criteria given pending for reconciliation.

4. Managing Bank Statements

i. Entering Bank Statements

Before you can reconcile transactions in IFMIS (Cash Book) against a bank statement, you need to enter the bank statement information into Oracle Cash Management. You can accomplish this task by doing one of the following:

- Using the Bank Statement Loader program
- Manually entering the bank statement information

ii. Loading the Bank Statement to Open Interface Tables

If your bank provides account statements in an electronic format like a flat file using a defined format like SWIFT940 you can use the Bank Statement Open Interface to load this information into Oracle Cash Management.

iii. The Bank Statement Loader Program

You can use the Bank Statement Loader Program to load prior day bank statements for reconciliation. The Bank Statement Loader program is a platform-independent solution for mapping and transferring bank statement information from an electronic bank statement into the open interface tables in Oracle Cash Management.

You can execute the Bank Statement Loader program in one of the following modes:

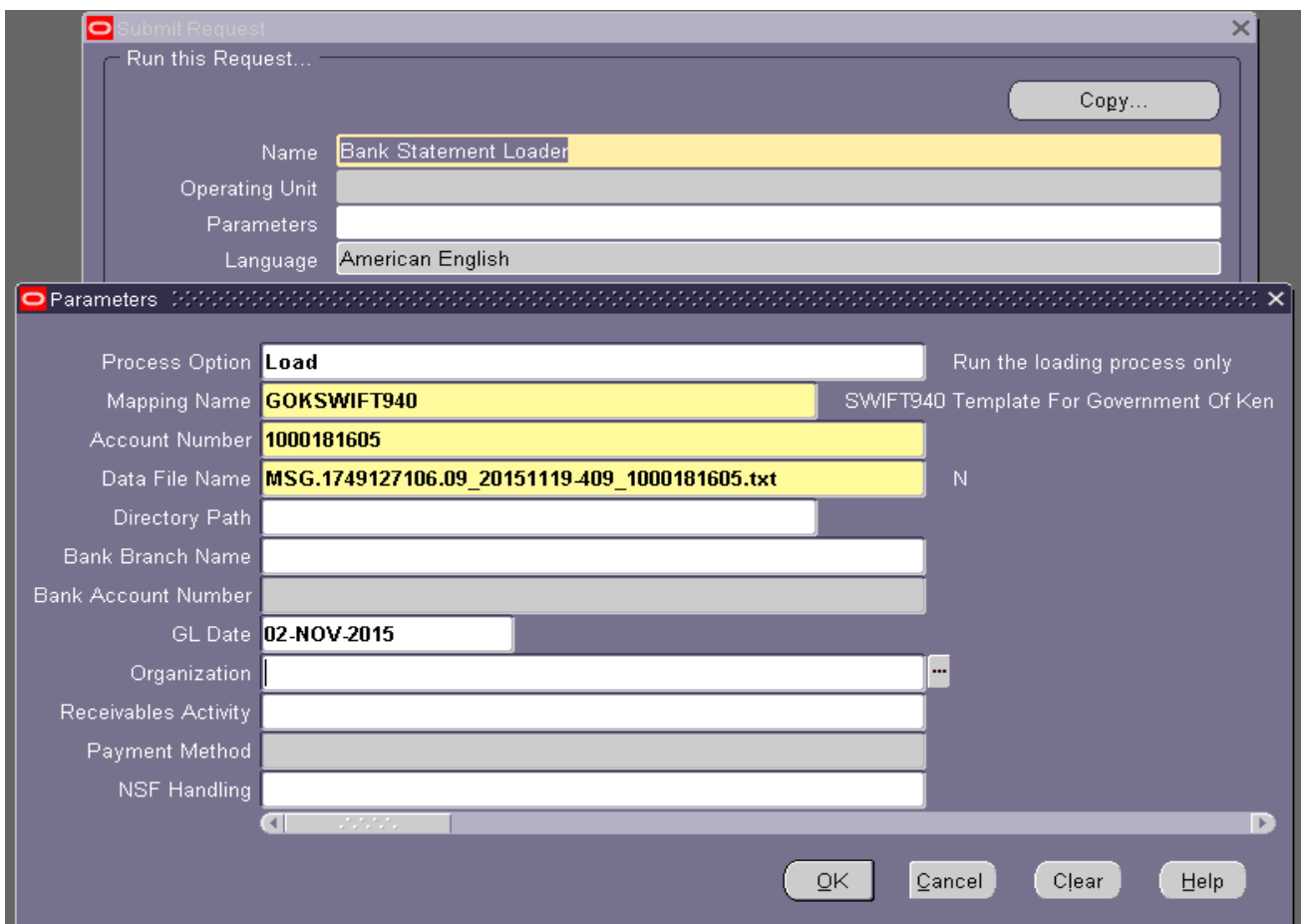
- **Load** - The Bank Statement Load program loads the bank statement in to the system.
- **Load and Import** - The Bank Statement Import program starts after the Bank Statement Loader program completes successfully
- **Load, Import, and AutoReconciliation** - Both the Bank Statement Import program and the AutoReconciliation program launch after successful completion of the Bank Statement Loader program

In any of the three cases, if the Bank Statement Loader program completes with errors or warnings, the concurrent request terminates. You can review the exceptions encountered by the Bank Statement Loader program using the Bank Statement Loader Execution Report.

To run the Bank Statement Loader Program:

Switch your responsibility to a right Cash Management responsibility having the privilege for the process.

1. Navigate to the Requests window. Cash Management (**Your Responsibility**)=> **View Menu**=> **Requests** => **Submit a New Request . . .**
2. Submit a concurrent request for the **Bank Statement Loader** program.
3. Select one of the following options:
 - o Load
4. Enter/select the name of the mapping template (**GOKSWIFT940**) and the **Account Number**.
5. Enter the name of the bank statement file (**Data File Name**).
6. After giving all the parameters click on **Submit** to submit the program.
7. Check Bank Statement Loader Execution Report to see any exceptions generated during the loading process.



The screenshot displays two overlapping dialog boxes. The top window, titled 'Submit Request', has a 'Run this Request...' section with a 'Copy...' button. Below this, there are input fields for 'Name' (containing 'Bank Statement Loader'), 'Operating Unit', 'Parameters', and 'Language' (set to 'American English'). The bottom window, titled 'Parameters', contains a list of fields: 'Process Option' (Load), 'Mapping Name' (GOKSWIFT940), 'Account Number' (1000181605), 'Data File Name' (MSG.1749127106.09_20151119-409_1000181605.txt), 'Directory Path', 'Bank Branch Name', 'Bank Account Number', 'GL Date' (02-NOV-2015), 'Organization', 'Receivables Activity', 'Payment Method', and 'NSF Handling'. At the bottom of the Parameters window are buttons for 'OK', 'Cancel', 'Clear', and 'Help'.

Fig. 03: Bank Statement Loader Program with parameter values populated.



Once the loading has finished successfully, go to **Bank Statements => Bank Statement Interface**

Bank Statement Interface is opened with the selected loaded Bank Statement displaying the summary of the Bank Statement information as shown below.

Bank Statement Interface

Account Number: 1000181605
 Bank Name: Central Bank of Kenya
 Bank Branch: Haile Selassie
 Currency: KES

Statement Number: 83/12 - 06-JUL-14
 Date: 06-JUL-2014 00:00:00
 Status: Error
 Check Digits:
 Creation Date: 26-JUN-2015 11:00:42

Intra-Day Subsidiary

Control Balances		Amount	Lines
Opening		33,519,814.60	
Receipts			
Payments			
Closing		32,973,250.60	
Lines			
Available			
Value Dated			
1 Day Float			
2 Day Float			

Balances		
Average Close Ledger MTD		
Average Close Ledger YTD		
Average Close Available MTD		
Average Close Available YTD		

[] Errors Lines

Fig. 04: Bank Statement Interface showing Bank Statement summary/control information populated.

If you click the Lines button, the system displays the Bank Statement lines in the Bank statement

Bank Statement Lines Interface - 83/12 - 06-JUL-14

Account: 1000181605 Statement Date: 06-JUL-2014

Amounts Exchange Reference Description

Line Number	Code	Number	Date	Amount	Charges	Original Amount
3	TRFD	1007348	04-JUL-2014	56,250.00		
4	TRFD	1007337	04-JUL-2014	7,034.00		
5	TRFD	1007176	04-JUL-2014	27,000.00		
6	TRFD	1007386	04-JUL-2014	6,000.00		
7	TRFD	1007379	04-JUL-2014	10,000.00		
8	TRFD	1007381	04-JUL-2014	10,000.00		
9	TRFD	1007225	04-JUL-2014	146,000.00		
10	TRFD	1007241	04-JUL-2014	5,000.00		
11	TRFC	1FDR125	04-JUL-2015	150,000.00		

Errors

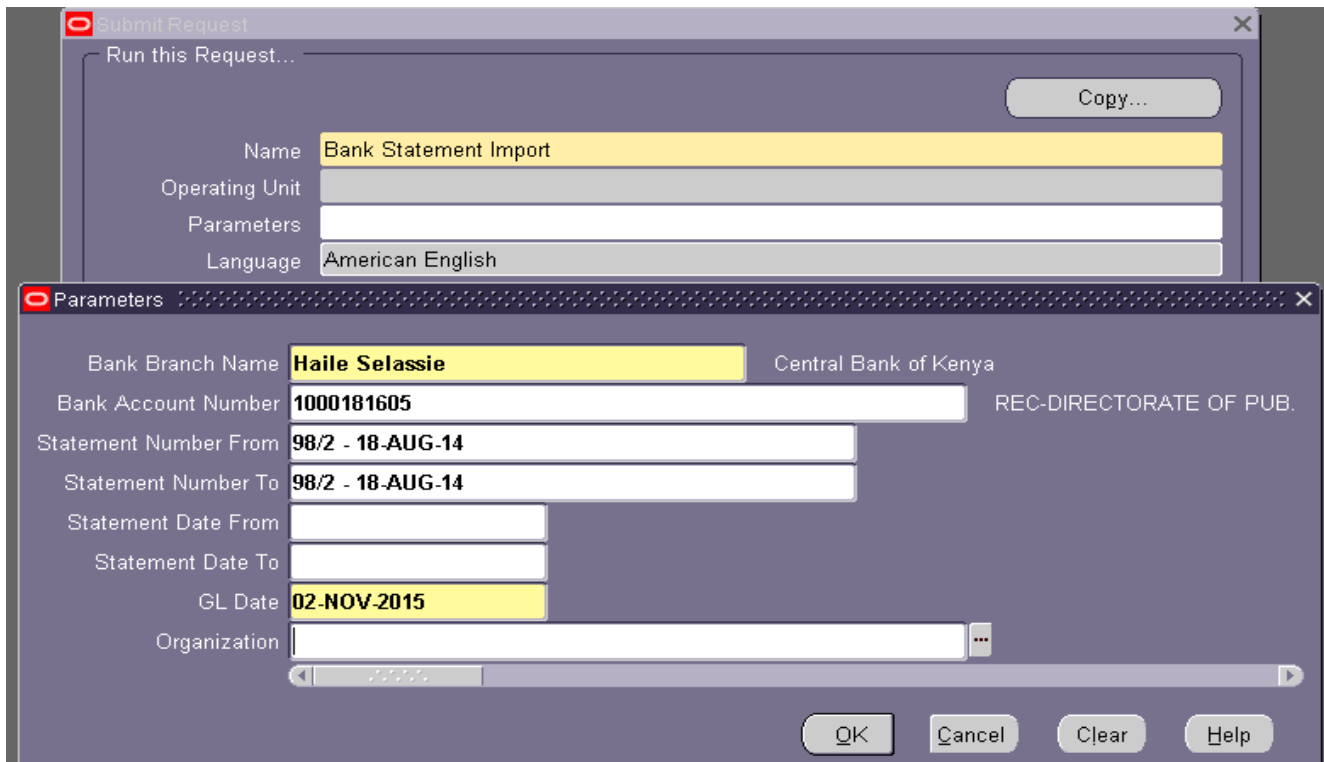
Fig. 05: Bank Statement lines after loading bank statement populated.

If you have receipts created in the system and deposited in the bank use the reference Number from this list to create a remittance and use the reference Number as Deposit Number while creating the remittance.

iv. The Bank Statement Import Program:

To run the Bank Statement Import Program:

Similar to the Bank Statement Loader program, select Bank Statement Import to import successfully loaded bank statements as shown in the screen below.



The screenshot displays two overlapping dialog boxes. The top dialog, titled 'submit Request', contains a 'Run this Request...' section with a 'Copy...' button. Below this, the 'Name' field is populated with 'Bank Statement Import', 'Operating Unit' is empty, 'Parameters' is empty, and 'Language' is set to 'American English'. The bottom dialog, titled 'Parameters', contains the following fields: 'Bank Branch Name' (Haile Selassie), 'Bank Account Number' (1000181605), 'Statement Number From' (98/2 - 18-AUG-14), 'Statement Number To' (98/2 - 18-AUG-14), 'Statement Date From' (empty), 'Statement Date To' (empty), 'GL Date' (02-NOV-2015), and 'Organization' (REC-DIRECTORATE OF PUB.). The 'Organization' field has a dropdown arrow. At the bottom of the 'Parameters' dialog are buttons for 'OK', 'Cancel', 'Clear', and 'Help'.

Fig. 06: Bank Statement Import Program parameter screen populated.

v. The AutoReconciliation Program:

To run the AutoReconciliation Program:

Similar to Bank Statement Loader and Import program, select the AutoReconciliation Program to automatically reconcile successfully imported bank statements.

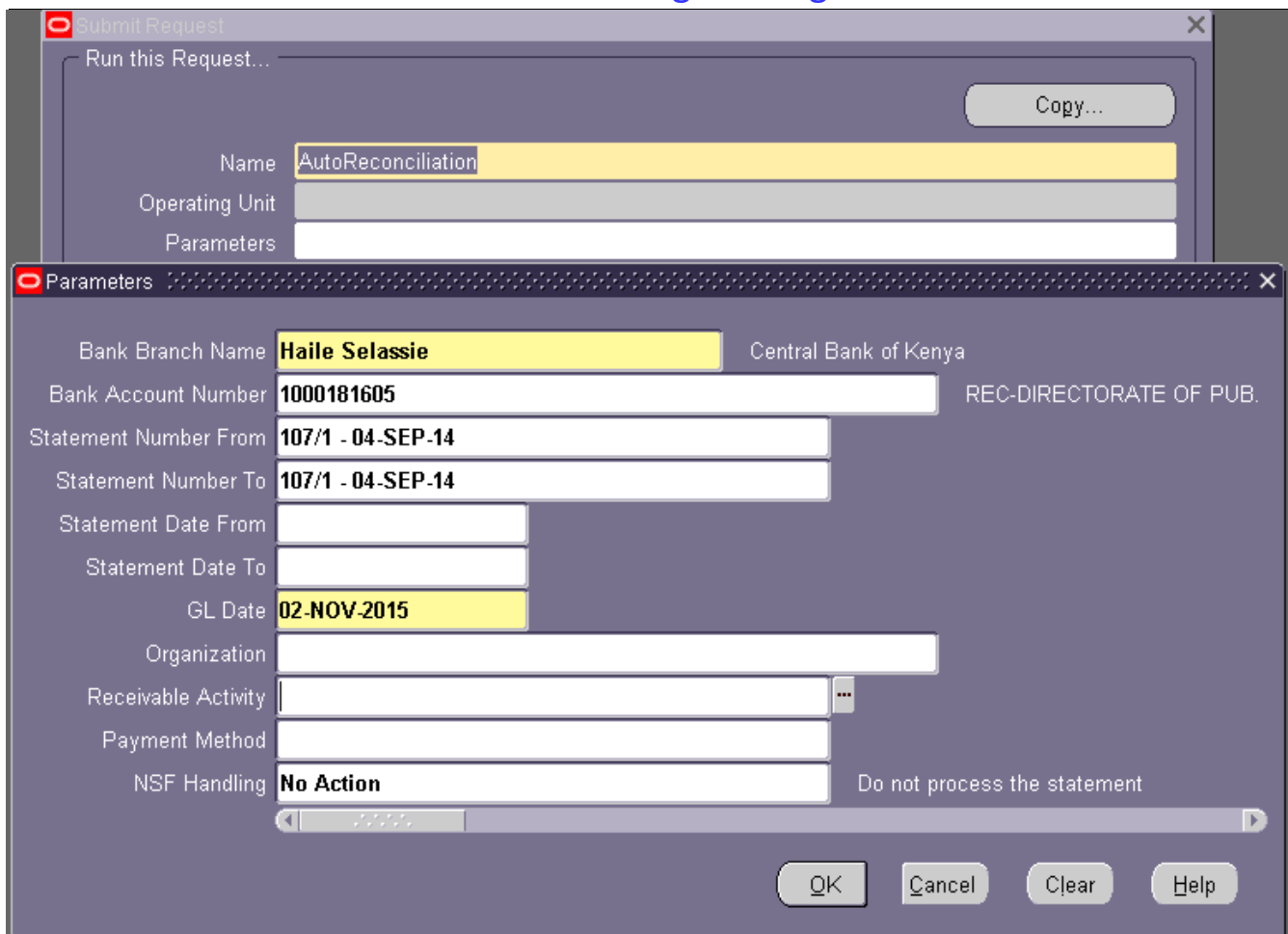


Fig. 07: AutoReconciliation Program parameter screen populated.

After you have reconciled your bank statements, you can run the following Cash Management reports to review and ensure they contain accurate information:

- Cash in Transit Report
- Bank Statement Detail Report
- Transactions Available for Reconciliation Report
- Bank Reconciliation F.O. 30
- Bank Reconciliation F.O. 30 Approved
- GOK Cash Book

5. Managing Bank Reconciliations

Once bank statement importing is successfully done, reconciliation can be done either automatically or manually. The automatic reconciliation is done by submitting the concurrent program called 'AutoReconciliation' as shown above. Secondly, reconciliation can be done manually by matching statement lines against transactions available in the system by calling the available transaction matching to the bank statement line. In order to manage and do manual reconciliation if needed here are the steps shown below.

Cash Management (**Your Responsibility**) => **Bank Statements** => **Bank Statements and Reconciliations**



Find Bank Statements

Account Number: 1000181605 Date: 24-NOV-2015
 Statement Number: 412/1 - 24-NOV-15 Currency: KES
 Document Number: Check Digits: GL Date: Complete: No

Clear New Find

Fig. 08: Populated parameter screen to search for Bank Statement imported successfully.

Click **Find** to display the output of the criteria.

If you get the list of one or more statements, select the statement you want to reconcile and click on **Review** button which displays the screen shown below for the selected statement.

Reconcile Bank Statements

Account Num	Statement Num	Statement Date	Curr	Check Digits	Account Name	Bank Name	Bank Branch
1000181605	412/1 - 24-NOV-15	24-NOV-2015	KES		REC-DIRECTORA	Central Bank of Kenya	Haile Selassie

Bank Statement

Account Number: 1000181605 Account Name: REC-DIRECTORATE OF PUB. PROS
 Bank Name: Central Bank of Kenya Bank Branch: Haile Selassie
 Date: 24-NOV-2015 Currency: KES
 Document Number: Statement Number: 412/1 - 24-NOV-15
 GL Date: 23-NOV-2015 Check Digits: Complete: []

Control Totals

	Amount	Lines
Opening Balance	1,010,803.95	
Receipts		
Payments		
Closing Balance	646,659.65	
Available Balance		
Value Dated Balance		
1 Day Float		
2 Day Float		

Line Totals

	Amount	Lines
Opening Balance	1,010,803.95	
Receipts	350,175,379.00	2
Payments	366,523.30	5
Closing Balance	350,819,659.65	
Unreconciled	350,175,379.00	2

Errors Reversals Reconciled Available Lines

Fig. 09: Imported Bank statement summary with control and summary information.

Here the **Reconciled** button displays the reconciled transactions of the given account whereas the **Available** button lists pending or unreconciled transactions for the same account. **Lines** button is used to show the bank statement lines imported in the given bank statement number for the given account. As it can be seen on the lines total from the right side of the screen, **Opening Balance, Receipts, Payments** and **Closing Balance** is



populated by the system showing **Unreconciled** balance at the bottom of the screen. Click on the **Lines** button to open and review the lines in the statement.

Bank Statement Lines - 412/1 - 24-NOV-15

Account: 1000181605 Date: 24-NOV-2015

Line	Type	Code	Number	Transaction Date	Value Date	Amount	Amount Reconciled	Charges	Status
1	Payment	TRFD	1017168	24-NOV-2015	24-NOV-2015	63,000.00	63,000.00		Reconciled
2	Payment	TRFD	1015823	24-NOV-2015	24-NOV-2015	52,500.00	52,500.00		Reconciled
3	Payment	TRFD	1017087	24-NOV-2015	24-NOV-2015	3,400.00	3,400.00		Reconciled
4	Payment	TRFD	1017030	24-NOV-2015	24-NOV-2015	141,000.00	141,000.00		Reconciled
5	Payment	TRFD	1017113	24-NOV-2015	24-NOV-2015	106,623.30	106,623.30		Reconciled
6	Receipt	TRFC	1FT1532848TF	24-NOV-2015	24-NOV-2015	2,379.00			Unreconciled
7	Receipt	TRFC	FT123456	24-NOV-2015	24-NOV-2015	350,173,000.00			Unreconciled

Buttons: Mark... Create... Errors Reconciled Available

Fig. 10: Bank statement Lines with **Reconciled** and **Unreconciled** Status.

In order to manually reconcile the Unreconciled lines select the bank statement line and click on the Available button and give the right criteria to search matching transaction in the system and if the matching transaction is found check and click Reconcile as shown below.

Available Batches - 412/1 - 24-NOV-15, 7, Receipt

Account: 1000181605

Amount Reconciled: []
Amount Remaining: 350,173,000.00

Buttons: Previous Next

Batch Name	Currency	Total	Account Total	Currency Total	Amount Cleared	Transaction Date	Value Date	GL Date	Date
<input checked="" type="checkbox"/> FT123456	KES	350,173,000.00	350,173,000.00					30-NOV-2015	03-DEC-2015
<input type="checkbox"/>									
<input type="checkbox"/>									
<input type="checkbox"/>									
<input type="checkbox"/>									
<input type="checkbox"/>									
<input type="checkbox"/>									
<input type="checkbox"/>									
<input type="checkbox"/>									
<input type="checkbox"/>									

Type: Remittance Batch Deposit Number: FT123456

Buttons: Recalculate Reconcile

Fig. 11: Reconcile Bank statement lines by matching transactions manually.