

RECONCILIATION to the County Treasurer by County School Superintendent

USFR VI-B-8

ARS 15-996

1. By the fifteenth of every month, the County Treasurer must send its cash activity reports and paid warrants listing to the County Superintendent (ARS 15-996.4). We usually receive the reports by the fourth of each month. The role of the County Treasurer is to act as the Bank for school districts. Per ARS 15-996.1, the county treasurer may either maintain separate accounts for each fund of a school district or it may maintain consolidated accounts for the funds of a school district as described below. In Coconino County, the county treasurer does not maintain a separate account for each school district fund. Instead it combines funds into accounts as follows:

- a. Levy- Includes maintenance & operations (001), unrestricted capital (610), and adjacent ways (620).
- b. Non-Levy, federal projects and state projects, (funds 100-499), other special revenue funds (500-599), fiduciary funds (800-899), and proprietary funds (900-989)
- c. Classroom Site Funds (011, 012, 013)
- d. Bond Building (630)
- e. Emergency Deficiencies Correction Fund (686)
- f. Building Renewal Fund (690 & 691)
- g. New School Facilities (695)
- h. Debt Service (700)
- i. All other funds not identified above are held in the Treasurer's Non- Levy Account

By the fifteenth of every month, the CSS generates its month-end reports of Revenues, Expenditures and Cash Balances. The Cash Balances report includes the beginning and ending cash balance for the month as well as revenues and expenditures affecting cash that were processed during the month.

The CSS compares its monthly cash report by fund to the county treasurer's monthly cash activity report by account. For reconciliation purposes, the Coconino County School Superintendent groups the school district funds in the same manner as the Coconino County Treasurer. (see above breakdown) The CSS investigates and documents any differences when the CSS' accounting records do not agree to those of the county treasurer. When these amounts do not agree and after considering the outstanding warrants, the CSS examines individual revenue, expenditure and transfer transactions in order to resolve the difference. The CSS prepares a reconciliation report for each school district account maintained by the county treasurer to document all differences or reconciling items between the CSS' records and the county treasurer's records, and a reconciled balance. Copies of the completed monthly reconciliations are sent to the school districts to enable them to reconcile their accounting records to the CSS' accounting records.

Differences and reconciliation items occur when:

- Revenue is recorded by the Treasurer in a month different from the month it was recorded by the CSS or was not recorded by the CSS.
- Revenue is misclassified between funds or school districts by county treasurer or county school superintendent.
- A warrant is outstanding. Outstanding warrants are warrants issued and recorded by the district that have not yet been paid or recorded by the county treasurer.
- A Line of Credit interest payment or principal payment has not been posted.
- Warrants are voided by the district but not recorded in a timely manner.
- A warrant is stopped by CSS but not reissued by the district until the following month.
- Debt service payments were made by the county treasurer and not recorded by the CSS.
- Misclassifications result from expenditures that were recorded in an incorrect fund or school district account.
- Transfers or journal entries were omitted or not recorded correctly by the county treasurer or the CSS.
- Reconciling items from the previous month were not recorded and corrected.
- Clerical or mathematical errors are made.

Districts should reconcile their accounting records to the monthly cash, revenue, and expenditure reports from the county school superintendent. Using the county school superintendent's monthly reconciliation as a source document as well will assist the school district to reconcile its records to the county school superintendent's records.

RECONCILIATION to the County School Superintendent by District

USFR VI-B-9

Districts should reconcile their records to the monthly cash, revenue, and expenditure reports obtained from the county school superintendent. After receiving the county school superintendent's Monthly Report of Revenues, Expenditures, and Ending Cash Balances and obtaining your district's general ledger, compare each fund's cash balance according to each report. Resolve the differences, if any, by comparing individual revenue and expenditure transactions. Document the reasons for the differences. The following is a sample you can follow when reconciling to the county school superintendent and for documenting any differences.

Example for fund 001:

County School Cash Balance for this fund \$?????

Add: Revenues not imported by District or exported by CSS

Less: Revenues not classified correctly

Add or Less: JE's or voided wts not exported or imported to County

*Reconciled Balance

*School District Cash Balance for these funds

*** Note: These two totals should equal**

Prepared by _____

Reviewed by _____

Another option is to send CSS the district cash balance with reconciling item descriptions attached to report.