



Banking

Background

Effective management of bank accounts contributes to sound financial management practices. Having control over access to, and the management of, KTCEA’s bank accounts limits the chance of loss of money.

Guidelines

1. KTCEA bank accounts must be operated solely for KTCEA purposes and only by properly authorized person(s).
2. KTCEA will maintain records of all banking transactions.
3. The Finance Director shall be the main contact for all interactions with the bank and receive all account statements, returned cheques, correspondence and inquiries.
4. The Superintendent or designate may negotiate a line of credit.
5. Funds received by KTCEA must be recorded and deposited as soon as possible.
6. Expenditures incurred by KTCEA must be recorded and paid in accordance with the:
 - Procurement Procedure
 - Travel Expense Procedure
 - Payroll and Other Employment Related Expenses Procedure.
7. Cheques must be signed in accordance with the Delegation of Authority Procedure.
8. Blank cheques should be sequentially pre-numbered and stored in a secure cabinet with limited access.
9. Bank reconciliations that compare the internal record of transactions and balances to the bank’s record of transactions and balances must be completed monthly. Any unusual items, exceptions or errors will be investigated promptly.
10. Bank reconciliations will be reviewed and approved by the Finance Director for accuracy and completeness on a monthly basis.

#	Procedure	Roles & Responsibilities
1.	Opening / Closing Bank Accounts 1.1 The Finance Director or designate will obtain required signatures from signatories and these will be returned to the bank promptly. 1.2 The Finance Director or designate will obtain the deposit and cheque book and maintain custody of both. 1.3 When bank accounts are closed, all funds from the account, except for an amount sufficient to cover any outstanding cheques, will be withdrawn. The funds will be	Finance Director

	<p>withdrawn in the form of a bank draft made payable to KTCEA and immediately deposited in one of KTCEA's other bank accounts.</p> <p>1.4 Subsequent bank statements will be monitored to ensure that all outstanding cheques have cleared the account and any remaining funds should be transferred to another KTCEA bank account.</p>	
2.	<p>Bank Reconciliations</p> <p>2.1 Bank statements and copies of cancelled cheques will be downloaded each month for reconciliation.</p> <p>2.2 Bank adjustments will be reconciled to supporting documentation where applicable.</p> <p>2.3 The bank reconciliation summary report will be printed and compiled with the bank statements, cancelled cheques, journal entries and other supporting documentation for review.</p> <p>2.4 The bank reconciliation, supporting documentation and the journal entries will be reviewed by the Finance Director to ensure the reconciliation is complete and accurate. The signature of the Finance Director on the bank reconciliation is required to evidence the review.</p> <p>2.5 The Finance Director will forward the bank reconciliation to the Superintendent each month for information purposes only.</p> <p>2.6 Any unreconciled and/or unusual items will be investigated on a timely basis.</p> <p>2.7 The bank reconciliation, supporting documentation and the journal entries will be filed on a monthly basis.</p>	<p>Superintendent</p> <p>Finance Director</p> <p>Finance</p>

Definitions:

Outstanding cheque means a cheque that has been issued by KTCEA but has not yet been recorded by the bank.

Outstanding deposit means a deposit that has been deposited by KTCEA into its bank account but has not yet been recorded by the bank.

References:

- Policy 16-A: Bank Accounts
- AP 503 Delegation of Authority
- AP 515 Procurement and Payments
- AP 513 Travel and Expense Claims
- AP 514 Payroll and Other Employment Related Expenses

Procedure Amendments and Updates

The responsibility for updating and amending this procedure rests with the Associate Superintendent Corporate Services.