

EXCEL WORKSHOP (PART 1) INSTRUCTIONS

Conditional formatting (bank reconciliations):

1. **Open** the "Bank Reconciliation" tab
2. **Purpose:** An important internal control for cash is the reconciliation of the cash general ledger account to the bank statement on a regular basis. We call this a bank reconciliation.
3. **How:** To perform a reconciliation, the company needs to reconcile the cash balance recorded in its general ledger (GL) with the cash that the bank collected or charged (disbursed) without the company's knowledge. At the same time, the company needs to reconcile the cash balance on the bank statement with the transactions recorded in the GL, but not known at the bank. We also use reconciliations to find recording errors that either the bank or the company have made. In this exercise, we use conditional formatting can be used to find items that need to be reconciled.
4. **Data Dictionary:**
 - **Outstanding checks** are checks written by the company but not yet processed by the bank.
 - **Outstanding deposits** are deposits recorded by the company but not yet processed by the bank.
 - **NSF Checks** are checks reported as received by the company, but the bank does not recognize them because the check writer has insufficient funds.
 - **Notes** (loans made to customers collected by the bank) and **interest** (owed on notes from the customers and collected by the bank) collected by banks. The company may not find out about these items until it receives the bank statement.
 - **Bank Service Fees** are fees the bank charges for their banking services and checking accounts. The bank deducts these fees directly from the company's checking account. The company may not find out about the fee until it receives the monthly bank statement.
 - **Errors** are sometimes made by the company or the bank in recording a transaction. Accountants do not find these errors until they compare the amounts for each transaction on the general ledger and each transaction on the bank statement.
5. Use **conditional formatting** for unique values to highlight missing entries and errors.

Vlookup (sales orders):

1. **Open** the "Sales Orders" tab
2. **Purpose:** Fill in missing information or match additional information in a database to tell a more complete story.
3. **How:** Use **vlookup()** to add region based on state in order to group sales by region

Pivot tables (sales orders):

1. **Open** the "Sales Orders" tab
2. **Copy** the Sales Orders data to a new sheet and name the copy "Sales Orders (2)" if not already
3. **Purpose:** Summarize sales order data by item and unit cost.
4. **How:** Use a **pivot table** to summarize the sales order data to show the average cost for each item, rounding to 2 decimal places.

Sorting (sales orders):

1. **Open** the "Sales Orders" tab
2. **Purpose:** Summarize sales order data by Rep and OrderDate
3. **How:** Use **multi-level sorting** to organize the sales order data by Rep, showing their most recent orders first.

Filtering (sales orders):

4. **On** the same "Sales Orders" tab, remove the sort criteria you just created
5. **Purpose:** Filter sales order data by item and unit cost
6. **How:** Create a **filter** to summarize the sales order data to only show pencils with a unit cost below \$4.

Regression

1. **Open** the "Regression" tab

2. **Purpose:** Regression analysis is a way of using mathematics and statistics to determine which of several variables has an impact on an outcome and how big that impact is on the outcome. Regression analysis helps to answer the questions: *Which factors matter most in predicting the outcome? Which factors can we ignore?*
3. **How:** Using the Data Analysis Toolpak, run a **Regression Analysis** to explain the statistical relationship between advertising expense and sales revenue.
 - o *Dependent Variable:* Sales Revenue
 - o *Independent Variables:* Advertising ExpendituresAlso, create a scatter plot and include the line of best fit