



Workday Finance, configured by a Chartered Accountant.

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■ WORKDAY FINANCE · STEP BY STEP

Reconciliation Rules & First Notice Rules

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■ Purpose & Overview

This guide provides step-by-step guidance on configuring Reconciliation Rules and First Notice Rules in Workday. These rules enable automated bank reconciliation by:

- Matching bank statement lines with existing operational transactions
- Creating Ad Hoc Bank Transactions for unmatched bank statement items
- Reducing manual reconciliation effort and errors
- This document uses sample data from a testing environment.

■ Prerequisites

Before configuring reconciliation and first notice rules, ensure the following are in place:

- You have the appropriate Workday security access
- Bank accounts configured for advanced bank reconciliation
- Bank statements loaded successfully
- Ad Hoc Bank Transaction Templates created
- Accounting period is open

■ Reconciliation Rules – Overview

Reconciliation Rules automatically match bank statement lines with reconcilable items in Workday.

Transactions that can be matched include:

- Operational transactions
- Ad Hoc Bank Transactions
- Bank transfers

Matching methods supported:

- One-to-One
- One-to-Many
- Many-to-One
- Many-to-Many

■ Parsing Rules – Overview & Definition

Parsing Rules extract key information from bank statement addenda fields and populate other statement line fields. It help in:

- Standardize unstructured bank data
- Improve automatic matching accuracy
- Enable better reporting

When creating a Parsing Rule, configure the following fields:

- Order : Place the most granular rule first
- Name : Unique name for the parsing rule
- Description: Purpose of the rule
- Source Field: Field containing raw bank data
- Target Field: Field where parsed value is stored

■ Creating parsing rule set

- Access the task “Create Parsing Rule Set”
- Fill out the necessary fields on the Parsing Rule Definition and Parsing Rule Conditions.

Create Parsing Rule Set

Name * Demo

Bank Account (empty)

Add

1 Demo

Order * 1

Name Demo

Description * Demo - Bank Reference Number to Addenc

Source Field * X Bank Reference Number

Target Field * X Addenda

1 Item

Order	*Parsing Type
+	

Parsing Rule Definition

Parsing Rule Conditions

Type Code X 469 Miscellaneous ACH Debit

Addenda contains

Reference Number contains

Condition Rule

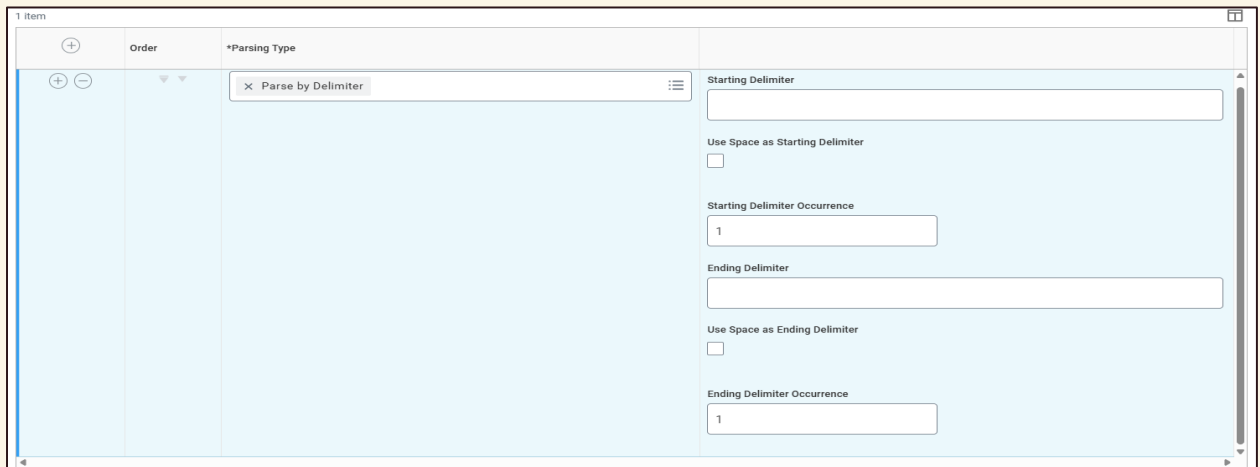
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■ Parsing Rule – Conditions & Types

Define when the parsing rule should apply using:

- Type Code - The bank statement type code that is associated with the parsing rule.
- Addenda Contains - The specific text in the addenda field on the bank statement line.
- Reference Number Contains - The specific text in the addenda field on the bank statement line.
- Condition rule - The specific text in the addenda field on the bank statement line.



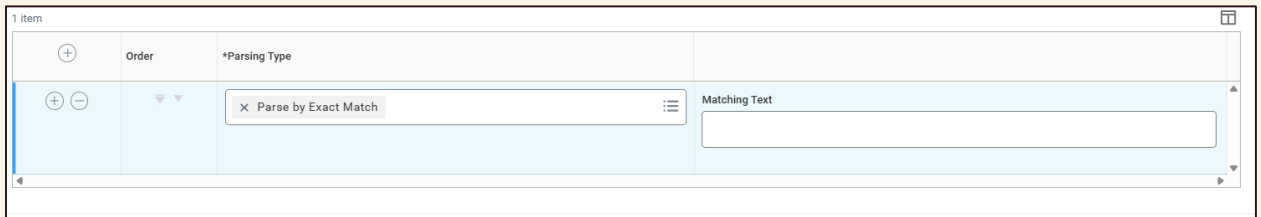
Order	*Parsing Type	Configuration
1	Parse by Delimiter	Starting Delimiter Use Space as Starting Delimiter ☐ Starting Delimiter Occurrence 1 Ending Delimiter Use Space as Ending Delimiter ☐ Ending Delimiter Occurrence 1

Parsing Types available:

- Parse by Delimiter - To retrieve data between starting and ending delimiters

■ Parsing Rule –Types

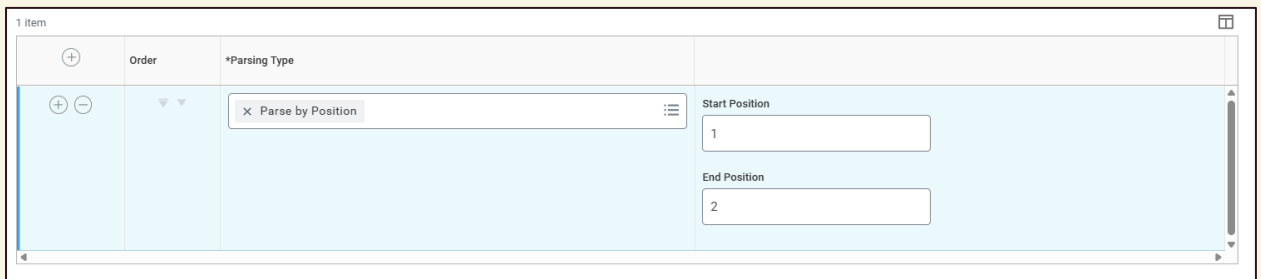
- Parse by Exact Match - To retrieve data between a specific phrase or text string.



The screenshot shows a configuration window titled "1 Item". It contains a table with the following structure:

	Order	*Parsing Type	
+ + –	▼ ▼	✕ Parse by Exact Match	Matching Text

- Parse by Position - To retrieve data from a start position to an end position.



The screenshot shows a configuration window titled "1 Item". It contains a table with the following structure:

	Order	*Parsing Type	
+ + –	▼ ▼	✕ Parse by Position	Start Position 1 End Position 2

■ Parsing Rule - Types

- Add or remove parsing types from the grid.
- Add or remove parsing rules from the parsing rule set.
- Click **OK** to enable testing.
- Click the **Test** button at the bottom of the parsing rule to test the parsing.

Name

*

Demo

Bank Account

(empty)

⊕ Add

Viewing

Click here to sort

2

Demo

2

Demo - Reference Number to Additional Reference #1

1

Demo

Demo - Bank Reference Number to Addenda for 469 Debit

🗑️

Parsing Rule Definition

Order

*

1

Name

Demo

Description

*

Demo - Bank Reference Number to Addenc

Source Field

*

×

Bank Reference Number

⋮

Target Field

*

×

Addenda

⋮

Parsing Rule Conditions

Type Code

×

469 Miscellaneous ACH Debit

⋮

Addenda contains

Reference Number contains

Condition Rule

1 item

⊕

Order

*Parsing Type

⊕

−

▼

▼

×

Parse by Position

⋮

Start Position

1

End Position

2

■ Parsing Rule – Types

Parsing Rule Set

Name

Demo

Bank Account

(empty)

Click here to sort

1

Demo

Demo - Bank Reference Number to Addenda for 469 Debit

2

Demo

Demo - Reference Number to Additional Reference #1

Order

1

Name

Demo

Description

Demo - Bank Reference Number to Addenda for 469 Debit

Source Field

Bank Reference Number

Target Field

Addenda

1 Item

Parsing Type	
Parse by Position	Start Position 1 End Position 2

Test

Parsing Rule Definition

Type Code

469 Miscellaneous ACH Debit

Addenda contains

(empty)

Reference Number contains

(empty)

Condition Rule

(empty)

■ Matching Rule Sets – Overview

Matching Rule Sets define how bank statement lines are compared with reconcilable items.

- Each rule set can include:
- Multiple matching rules
- Filter criteria
- Matching tolerances
- Actions (Reconcile or Suggest)
- Rules are executed top to bottom.

■ Matching Rule – Configuration

Key configuration fields include:

- Order: Most specific rule first
- Matching Method: One-to-One, One-to-Many, etc.
- Matching Reason: Business reason for reconciliation
- Filter Criteria: Type Code, Addenda, Reference fields
- Advanced Mode: Enables condition rule framework

■ Creating Matching Rule

- Access the task of Creating Parsing Rule Set
- Fill out the necessary prompt fields, make sure to select “Bank Statement” as the Matching Type, and click “Ok”.

Create Matching Rule Set

×

Name *

DEMO Bank Reconciliation Rule

Description

DEMO Bank Reconciliation Rule

Matching Type *

×

Bank Statement

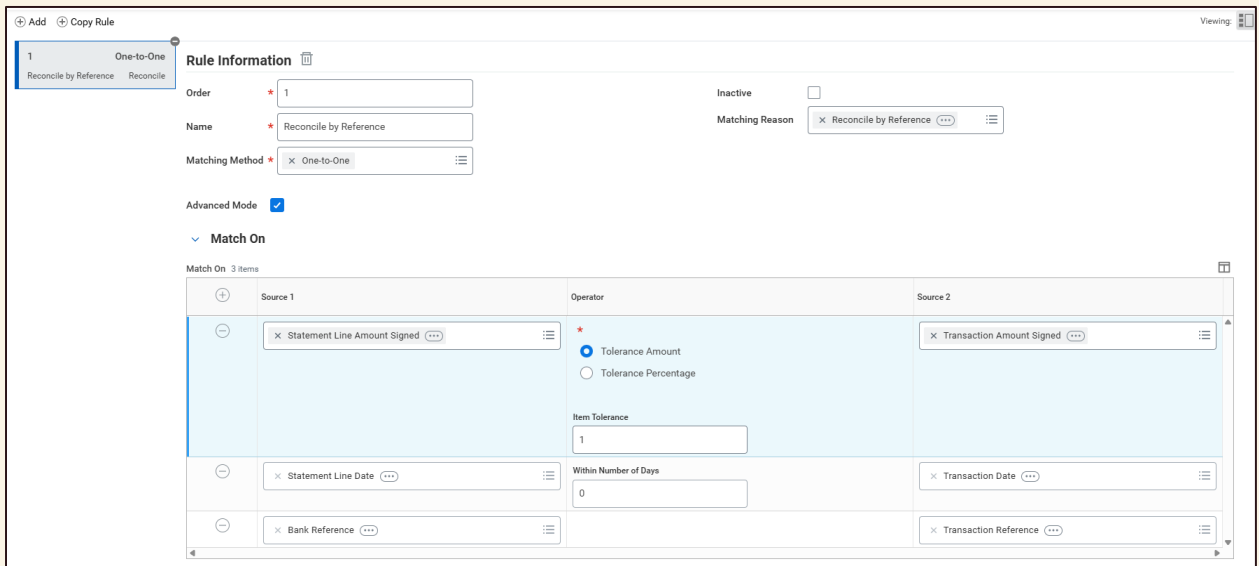
⋮

Cancel

OK

■ Creating Matching Rule

- Enter values for Order, Name, Matching Method, and Advanced Mode.
- Configure Filter Criteria, Match On rules, and Matching Options.
- Place the most specific rule first, followed by less specific rules.
- Use the “+” and “–” buttons to add or remove rules.



The screenshot shows the 'Rule Information' section of the Workday Matching Rule configuration interface. The rule is named 'Reconcile by Reference' and is set to 'One-to-One' matching method. The 'Advanced Mode' checkbox is checked. The 'Match On' section is expanded, showing three criteria: 'Statement Line Amount Signed', 'Statement Line Date', and 'Bank Reference'. The 'Operator' section is also expanded, showing 'Tolerance Amount' selected with a value of 1, and 'Within Number of Days' set to 0. The 'Matching Reason' is set to 'Reconcile by Reference'.

Rule Information

Order: 1

Name: Reconcile by Reference

Matching Method: One-to-One

Advanced Mode: ☒

Match On

Match On: 3 Items

Source 1	Operator	Source 2
Statement Line Amount Signed	Tolerance Amount (Selected) Tolerance Percentage	Transaction Amount Signed
Statement Line Date	Item Tolerance: 1 Within Number of Days: 0	Transaction Date
Bank Reference		Transaction Reference

Matching Reason: Reconcile by Reference

■ Matching Rule Testing

After configuration:

- Select the bank account to test
- Review results under:
 - Matches
 - Unmatched

Use test results to fine-tune rule order and criteria.

Matching Options

Match On Condition	(empty)
Create Ad Hoc Bank Transaction	No
Ad Hoc Bank Transaction Template	(empty)
Action Reconcile	
Test	

■ Matching Rule Testing

Test Matching Rule

Bank Account * X BofA Checking ...

Rule Information

Rule Name

Reconcile by Reference

Matching Rule Set

[DEMO Bank Reconciliation Rule](#)

Matching Method

One-to-One

> Match On

Bank Statement Line Filter

Start Date

MM/DD/YYYY 

End Date

MM/DD/YYYY 

Reconcilable Item Filter

Start Date

MM/DD/YYYY 

End Date

MM/DD/YYYY 

OK

Cancel

■ Matching Rule Testing

Bank Account

BofA Checking

Rule Information

Rule Name

Reconcile by Reference

Matching Rule Set

DEMO Bank Reconciliation Rule

Matching Method

One-to-One

> Match On

Matches

Unmatched

Matches 41 items

Multiple Matches

Bank Statement Line

Reconcilable Item

Amount Difference

Bank Statement Line Total Amount

Reconcilable Item Total Amount

No

03/29/2024 \$2,642,775.00 174 Other Deposit

Customer Deposit: BofA Checking - 03/29/2024 - 2,642,775.00

0

2642775

2642775

No

03/30/2024 \$10,390.00 174 Other Deposit

Customer Deposit: BofA Checking - 03/30/2024 - 10,390.00

0

10390

10390

No

03/29/2024 \$225.00 475 Check Paid

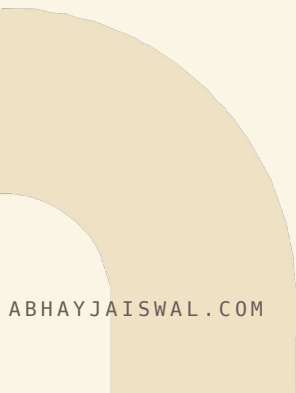
Payroll Third-Party Payment: Arizona State Disbursement Unit: 03/29/2024

0

-225

-225

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■ First Notice Rules – Overview

First Notice Rules determine whether Workday should create an **Ad Hoc Bank Transaction** when a bank statement line is identified as a first notice item.

These rules are used for:

- Bank fees
- Interest income or expense
- Miscellaneous charges

■ Create First Notice Item Condition Rule

- Search for Create Bank Reconciliation and First Notice Item Condition Rule.
- Select the task from search results.
- Choose First Notice Item Condition Rule.

Q

✕



Create Bank Reconciliation and First Notice Item Condition Rules

Task

Create Bank Reconciliation and First Notice Item Condition Rules

Condition Rules are used to specify conditions for Bank Reconciliation or First Notice Item Reconciliation. Select whether the condition rule you are creating will be for Bank Reconciliation or First Notice Item Reconciliation.

☐
Bank Reconciliation Condition Rule - Do Not Use

☒
First Notice Item Condition Rule

■ Create First Notice Item Condition Rule

- Enter Description.
- Enter Comment.
- Select Category.
- Configure Rule Conditions using AND / OR logic

Create Bank Reconciliation and First Notice Item Condition Rules

Description *

Comment

Category

Derived Logic (empty)

Copy Condition from Rule

Rule Conditions 1 Item

+	And/Or	(	*Source External Field or Condition Rule	*Relational Operator	Comparison Type	Comparison Value
+	And		x Statement Line Type Code ...	in the selection list	Value specified in this filter	x 698 Miscellaneous Fees

OK
Cancel

■ Define Rule Conditions

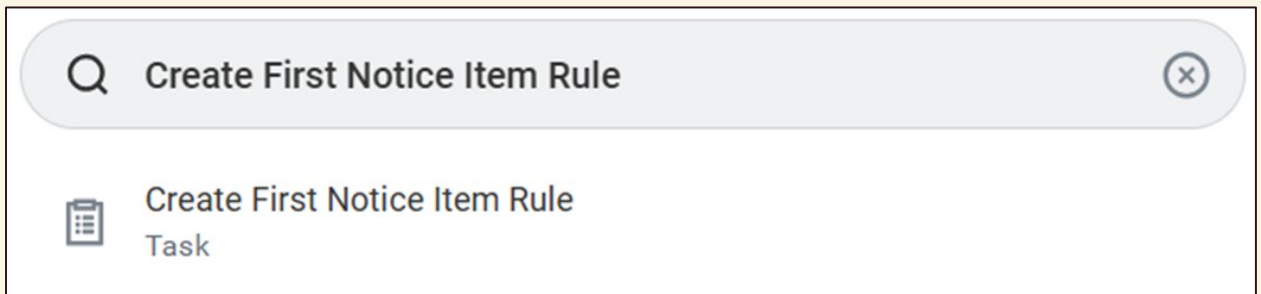
- Select Source External Field or Condition Rule.
- Select Relational Operator.
- Select Comparison Type.
- Enter Comparison Value.

Example:

And/Or	Source External Field or Condition Rule	Relational Operator	Comparison Type	Comparison Value
And	☒ Statement Line Type Code	in the selection list	Value specified in this filter	455 Preauthorized ACH Debit

■ Access First Notice Item Rule

- Search for Create First Notice Item Rule.
- Select the task from search results.



■ Create First Notice Item Rule

- Enter Rule Name.
- Enter Rule Description.
- Select Reconciliation Reason.
- Select Create Ad Hoc Bank Transaction.
- Select Ad Hoc Bank Transaction Template.
- Select the Condition Rule.

Create First Notice Item Rule

First Notice Rule Definition

First Notice Item Rule (empty)

Rule Name *

Demo

Rule Description

Demo for Job Aid

Bank Reconciliation Reason

×

Miscellaneous

First Notice Rule Action

Create Ad Hoc Bank Transaction ☒

Ad Hoc Bank Transaction Template

×

Global Modern Services, Inc. (USA) - Bank Fees

Condition Rule *

×

Demo for 698 Miscellaneous Fees

OK

Cancel

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■ View First Notice Item Rule

View First Notice Item Rule

First Notice Rule Definition

First Notice Item Rule

Rule Name

Rule Description

Bank Reconciliation Reason

Demo

Demo for Job Aid

Miscellaneous

First Notice Rule Action

Create Ad Hoc Bank Transaction

Ad Hoc Bank Transaction Template

Condition Rule

Yes

Global Modern Services, Inc. (USA) - Bank Fees

Demo for 698 Miscellaneous Fees

Match Condition Details

1 item

And/Or	(	Source External Field or Condition Rule	Relational Operator	Comparison Type	Comparison Value	)
And		☒ Statement Line Type Code	in the selection list	Value specified in this filter	698 Miscellaneous Fees	

■ Create First Notice Rule Set

- Enter Reconciliation Rule Set Name.
- Select First Notice Rule Set as the Rule Set Type.
- Select Ad Hoc Bank Transaction Template.
- Select Reconciliation Rule.

Create Bank Reconciliation and First Notice Item Rule Sets

×

Reconciliation Rule Set Name *

Demo First Notice Item Rule Set

Bank Reconciliation Rule Set Type *

×

First Notice Rule Set

⋮

Cancel

OK

■ Rule Set Defaults

- Reconciliation Reason
- Ad Hoc Bank Transaction Template
- Condition Rule

Create Bank Reconciliation and First Notice Item Rule Sets

Reconciliation Rule Set Name

Demo First Notice Item Rule Set

Description

Demo First Notice Item Rule Set

Bank Reconciliation Rule Set Type

First Notice Rule Set

Ad Hoc Bank Transaction Template *

Global Modern Services, Inc. (USA) - Interest on Bank Account

Rules 1 item

	Order	Reconciliation Rule	Reconciliation Reason	Ad Hoc Bank Transaction Template	Condition Rule for Reconciliation Rule Set Line
+ -	▼ ▼	× Demo ...	Miscellaneous	Global Modern Services, Inc. (USA) - Bank Fees	Demo for 698 Miscellaneous Fees

OK

Cancel

■ Rule Set Defaults

View Bank Reconciliation Rule Set

Bank Reconciliation Rule Set

Reconciliation Rule Set Name

Demo First Notice Item Rule Set

Description

Demo First Notice Item Rule Set

Bank Reconciliation Rule Set Type

First Notice Rule Set

Ad Hoc Bank Transaction Template

Global Modern Services, Inc. (USA) - Interest on Bank Account

Rules 1 item

Reconciliation Rule	Reconciliation Reason	Ad Hoc Bank Transaction Template	Condition Rule	Stop if Match Found
Demo	Miscellaneous	Global Modern Services, Inc. (USA) - Bank Fees	Demo for 698 Miscellaneous Fees	

■ Ad Hoc Bank Transaction Templates

Ad Hoc Bank Transaction Templates define how transactions are posted.

Configuration includes:

- Company and Template Name
- Revenue or Spend Category
- Ledger Account
- Worktags
- Journal Source
- Templates are reused across reconciliation and first notice rules.

■ Ad Hoc Bank Transaction Templates

- Search for Create Ad Hoc Bank Transaction Template.
- Select Company.
- Enter Template Name and Memo.
- Select Purpose.
- Review Display Account Set.

Create Ad Hoc Bank Transaction Template

Ad Hoc Bank Transaction Information

Company

Global Modern Services, Inc., (USA)

Template Name

Demo for Job Aid

Memo

Demo for Job Aid

Purpose

Interest

Display Account Set

(empty)

Accounting Options

Exclude Bank Account Worktag on Lines

Eliminate Foreign Exchange Gain or Loss

Transaction Date Options

Statement Line Date

Value Date

Ad Hoc Bank Transaction Line Defaults

Company

Revenue/Spend Category

Miscellaneous

Ledger Account

7900:Other Expenses

Assign Worktags from Bank Statement Line

Worktags

Journal Source

Line Memo

Submit

Save for Later

Cancel

■ Ad Hoc Bank Transaction Templates

Accounting & Date Options

- ❖ Exclude Bank Account Worktag on Lines, if required –
For example, the worktag can be excluded from line company expense journal entries for intercompany entities that do not have access to the bank account.
- ❖ Eliminate Foreign Exchange Gain or Loss, if applicable –
For example, when the currency conversion rate is overridden with the bank's rate from the statement, the difference between the two values results in a realized exchange gain or loss journal entry.
If the checkbox is selected, the additional journal entry line is removed by Workday, and the difference is applied to the expense or revenue journal entry.

Transaction Date Options

- ❖ Statement Line Date: Uses the date shown on the bank statement line for the transaction.
- ❖ Value Date: Uses the date when the bank records the full value of the transaction on the statement.

■ Ad Hoc Bank Transaction Templates

■ Ad Hoc Bank Transaction Line Defaults

- ❖ Company: Select a line-level company, other than the header company to create and reconcile intercompany Ad Hoc Bank Transactions.
- ❖ Revenue/Spend Category: Choose the revenue or spend category used to post the Ad Hoc Bank Transaction to the ledger.
- ❖ Ledger Account: Automatically defaults from the selected Revenue or Spend Category.
- ❖ Assign Worktags from Bank Statement Line: Enables Workday to apply revenue or spend worktags from the reconciled bank statement lines to the Ad Hoc Bank Transactions. If both this option and a default category are selected, statement line worktags take priority.
- ❖ Worktags: Used to classify transactions and support financial tracking and reporting.
- ❖ Journal Source: Specify the journal source that is enabled for Ad Hoc Bank Transaction usage.
- ❖ Line Memo: Enter a brief description or note for the transaction line.

■ Ad Hoc Bank Transaction Templates

- Submit the Ad Hoc Transaction Template.
- The template enters the "Ad Hoc Bank Transaction Template Event" process.
- Configure business definition steps to route necessary approvals.
- Use the “View Ad hoc Transaction Template” task to view the template.

Ad hoc Bank Transaction Template

×

Ad Hoc Bank Transaction Template *

×

Global Modern Services, Inc. (USA) - Demo for Job Aid

⋮

⋮

Cancel

OK

■ Ad Hoc Bank Transaction Templates

Ad hoc Bank Transaction Template
Global Modern Services, Inc. (USA) - Demo for Job Aid

Ad Hoc Bank Transaction Information

Company

Global Modern Services, Inc. (USA)

Template Name

Demo for Job Aid

Memo

Demo for Job Aid

Purpose

Interest

Status

Approved

Display Account Set

(empty)

Accounting Options

Exclude Bank Account Worktag on Lines

No

Eliminate Foreign Exchange Gain or Loss

No

Transaction Date Options

☒ Statement Line Date

☐ Value Date

Ad Hoc Bank Transaction Line Defaults

Company

(empty)

Revenue/Spend Category

Miscellaneous

Ledger Account

7900:Other Expenses

Assign Worktags from Bank Statement Line

No

Worktags

(empty)

Journal Source

(empty)

Line Memo

(empty)

■ Common Errors & Resolutions

Issue	Description	Resolution
Bank statement lines do not reconcile	Matching rules are ordered incorrectly or missing tolerances	Reorder rules (most specific first) and configure amount/date tolerances
Incorrect transactions are reconciled	Filter criteria are too broad	Tighten Type Code, Addenda, and Reference filters
Parsing does not extract required values	Incorrect parsing type or delimiters	Correct parsing logic and validate using the Test option
First Notice Items are not identified	Condition rule logic is incorrect or too restrictive	Review condition rules, operators, and comparison values
Ad Hoc Bank Transactions are not created	Template not assigned or option not enabled	Enable Create Ad Hoc Bank Transaction and assign correct template
Ad Hoc transactions post to incorrect accounts	Incorrect spend/revenue category or worktags	Update Ad Hoc Bank Transaction Template configuration
Incorrect reconciliation reason applied	Wrong reconciliation reason configured	Update reconciliation reason in reconciliation or first notice rule
Unmatched items remain after processing	Required rules are missing	Analyze unmatched items and create additional rules

■ Best Practices

- Configure most specific rules first
- Always test rules before production deployment
- Use consistent naming conventions
- Maintain separate templates for different fee types
- Periodically review unmatched items



Thank You

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Workday Finance, configured by a Chartered Accountant.

FOLLOW FOR MORE WORKDAY FINANCE WALKTHROUGHS