ACCOUNT RECONCILIATION

WHY:

University BPM E-17-6 states that “reconciliations must be available for the Office of the Treasurer or Internal Audit as requested.” Reconciling accounts each month ensures that charges on the account are correct and legitimate. It allows your department to better allocate funds and to determine what can be accomplished financially.

HOW:

There is more than one correct way to reconcile an account each month. Accounts are created for different purposes and may be more or less complex than other accounts. Reconciliations must be completed on a monthly basis and an electronic or paper copy must be kept for each month. Below are common steps used to reconcile accounts.

1. What accounts should I reconcile each month?
   a. Use transaction code ZFI_COBJ to see a listing of all accounts in your department
   b. Run the Budget Expense Estimate report to see which accounts have budget for the current fiscal year. These will need to be reconciled.

2. Run Actual Details report for the current month
   a. Limit this to Current Expenses and Income only (exclude commitment items 510000 through 529999)
   b. Make sure there is documentation for each transaction. Documentation can be electronic or paper.

3. Run CNS reports
   a. Should the charges on the report be posted to your account?
   b. Are the wireless numbers charging to your account supposed to be paid by your department & on this account?

4. Run CNS Converged Fee report
   a. Make sure everyone charging to your account should be posting there.
   b. Make sure that everyone is posting at the correct rate.

5. Print HR Labor Distribution report
   a. Limit to Personnel commitment items only (510000 through 519999)
   b. Review to see if anyone is missing
   c. Review to see if anyone is receiving an amount greater or less than what is budgeted
      i. Compare to shadow sheet, if you have it
6. Run the Budget vs. Actual report
   a. Does the amount on the HR Labor Distribution match the amount of salary posted?
   b. Does the amount of Benefits posted seem reasonable?
   c. Does the Actual Details report total match the amount of Current Expenses posted?
   d. Compare your Original Budget to your Recurring and Annual Budgets. Have there been changes? If so, run the FMEDDW transaction to review the Budget Transfers/Revisions.
   e. Does your budget need to be adjusted? Reasons to alter budget can include a change in personnel that has caused a line to be over or under funded or a unit moving from one area to another.

Once each of these steps have been completed, print a copy of the Budget vs. Actual report. Sign and date this document (paper or electronic). Next, have the SAP responsible person review the reconciliation and sign it. Signing the reconciliation means that you can provide documentation for the charges that posted to the account and that you agree with the available amount. It also shows who reconciled the account & the date that it was reconciled.