

POLICY

Effective Date: November 15, 2006

Approved By: President's Council

Authority:

Cancels:

See Also:

POL-U5320.10 RECONCILING UNIVERSITY FINANCIAL ACCOUNTS

This policy applies to all employees assigned to reconcile university balance sheet and/or revenue and expense accounts.

Definitions:

Balance sheet accounts – Consist of all asset and liability accounts maintained by the university in accordance with the Generally Accepted Accounting Principles.

Compensating controls – Alternate procedures implemented to reduce risk that occurs when a department is unable to adequately separate duties. Compensating controls may include supervisory review of detail transaction reports and review of a sample of transactions initiated by an employee with incompatible access.

1. Vice President for Business and Financial Affairs Ensures All Balance Sheet Accounts Are Reconciled in an Accurate and Timely Fashion

Balance sheet accounts and designated revenue and expense accounts will be reconciled regularly, generally on a monthly or quarterly basis.

2. Vice President for Business and Financial Affairs Establishes Internal Controls in the Reconciliation Process

The reconciliation function will be segregated from the processing function.

The Vice President for Business and Financial Affairs will approve all exceptions, after considering compensating controls.

3. Business and Financial Affairs Reviews and Documents Approval of Account Reconciliations**4. Vice President for Business and Financial Affairs Monitors Reconciliations**

The Vice President for Business and Financial Affairs will monitor the reconciliation process to ensure that required reconciliations are completed.

5. Accounting Services Provides Training

Accounting Services will provide training for reconciling accounts.