Policy Name: Bank Reconciliation Procedures

Responsible Department: Business Affairs / Accounting

Approving Body: Policy Committee

Approved Date: Tuesday, December 15, 2014

Purpose:
N/A

Policy:
GENERAL OPERATING ACCOUNT
The bank reconciliation procedure for the General Operating Bank account is performed on a daily basis for the prior business day by the accountant as well as the monthly procedures.

Daily procedures are as follows:

1. All cashier sessions are closed, finalized and fed over to the finance module from accounts receivable through the job submission process in Banner.
2. In job submission, the Cashier Detail Report is run with parameters that include the prior day’s date for cash only. The cash activity is then verified using the daily cash spreadsheets filled out by the cashiers at the end of each business day when the cash box and receipts are counted and balanced. The balances are then recorded on a bank reconciliation daily cash spreadsheet so they can be compared to the bank statement.
3. Through the Wells Fargo CEO portal, the accountant prints the previous business day’s bank statement.
4. The cash and credit card deposits, (including on-line payments) are then compared and verified between the daily cash spreadsheet and the bank statement to make sure all cash is deposited for the correct amount. Any discrepancies are investigated and resolved.
5. All cash activity for the day is recorded on the bank reconciliation spreadsheet; for example this includes deposits, transfers, payments, and payroll activity from the bank statement, cashier reports and the general ledger.

Monthly procedures include the following:
1. At the end of the month the reconciled checks are cleared through the finance module in Banner. An outstanding check list is generated for Accounts Payable and Payroll checks and the outstanding balances are verified against the bank reconciliation.

2. An overall reconciliation is then done comparing the bank balance to our book balance showing the outstanding checks, in transit transfers and deposits as well as any other reconciling items.

DEBT SERVICE ACCOUNT

This bank reconciliation is processed on a monthly basis.

1. Through the Wells Fargo CEO portal, the accountant prints the previous month’s bank statement.

2. All cash payments, including payments for student fees that are assessed for debt service projects, are deposited into the General Operating Account. Therefore, the accountant must determine how much money needs to be transferred from the operating account to the debt service account, process a journal entry to move funds between accounts and notify the Comptroller to transfer the amount from one bank to the other.

3. A reconciliation form is then completed comparing the bank balance, book balance and claim on cash showing activity for the month and any in transit transfers.

**Procedures:**

None