TABLE OF CONTENTS

1.0 OVERVIEW .....................................................................................................................2

2.0 DEFINITIONS ..................................................................................................................2

3.0 RESPONSIBILITIES ........................................................................................................2

4.0 GENERAL PROCEDURES .............................................................................................2

   4.1 BANK RECONCILIATIONS .........................................................................................2

   4.2 RECORDS ....................................................................................................................6
1.0 Overview

The University currently maintains four bank accounts – student, operating, payroll, and research – to support the cash revenue and disbursement activities. The payroll account is a clearing-type account that maintains a zero balance. The University currently banks with Wells Fargo Bank, N.A. It is the responsibility of the Controller’s Office General Accounting staff to reconcile the bank accounts to the statements of the University’s financial institution monthly and to track all outstanding items, including discrepancies to satisfactory resolution in a timely manner. This document sets general guidelines for General Accounting staff to follow in reconciling bank account(s) to the financial records.

2.0 Definitions

Bank Account – A mechanism which allows for custody of money and the payment of money from that account on the instructions of the holder of the account. The University bank accounts are maintained at a state qualified depository which maintains credential of the FDIC.

3.0 Responsibilities

Reconciliation and Quality Assurance (RAQA) staff is solely responsible for all activities relating to the bank reconciliation of the University bank accounts, including but not limited to:

- Compares bank statements to cash account balances recorded in PeopleSoft.
- Performs the reconciliation of any outstanding items or unbalanced accounts within 30 days after month-end closing.
- Reviews and reconciles all outstanding checks and unposted receipts.
- Proposes correcting entries to reduce unreconciled balances.

4.0 General Procedures

4.1 Bank Reconciliations

- General Accounting receives the prior month’s bank statement on the first day of the next month.
• General Accounting forwards bank statement in Excel format to RAQA on the first business day of each month.

• RAQA commences the preparation of the monthly reconciliation report on the first business day subsequent to a month’s closing.

• Bank reconciliations are prepared by the Coordinator of External Reconciliations, and Associate Controller, Reconciliation and Quality Assurance.

• The reconciliation report includes:
  o Bank transactions by Coordinator into an Excel file.
  o Queries to extract financial transactions from PeopleSoft.
  o Verification that entries (e.g., deposits, wire transfers, withdrawals, expenditures and revenue) on bank statements are accurate and agree with financial records.
  o Preparation of deposits in transit and outstanding check lists.
  o Identification of all reconciling items and the separation of those items into timing differences (i.e., those that will clear with the passage of time) and differences requiring adjustments to clear either by the bank or with an adjusting journal entry in the financial records.
  o An indication of preparation and timely transmittal of requests for corrections to the appropriate office with the appropriate follow up.

**NOTE: See Attachment A for desktop procedures and Attachment B for the Process Flow.**

• RAQA retains monthly reconciliation reports for University records.

• RAQA reviews outstanding items from the previous month’s bank reconciliation and reconciled these items.

• RAQA reviews bank accounts to provide supportive documentation (bank statements and general ledger support) per account and provide corrective actions and/or recommendations where needed.
• RAQA reconciles the balances per the bank accounts to the PeopleSoft balances and accounts for all discrepancies.

General Accounting reviews outstanding checks and unposted receipts. The outstanding check list for the operating account is forwarded to the Accountant in General Accounting Department who research items greater than 180 days. The Accountant contacts the vendor to determine if the check has been received. If the check has not been received by the vendor, a Stop Payment & Check Reissue form is sent for their completion. Upon receipt of the form, if the check has not been cashed, the Accountant begins the stop payment and check reissuance process.

• The outstanding check list for the Student Account is forwarded to the Senior Financial Services Officer (SFSO) in Student Financial Services Department. The SFSO contacts the vendor to determine whether the check has been received. Checks are separated by general refunds and Title IV funds (see refund of Title IV funds policy). Non-Title IV refund checks are researched to determine the payee and last known address as required by Section 717.117, F.S.

• The Student Account outstanding check list is forwarded to the Accounting Coordinator in the General Accounting Department who deletes Title IV checks.

• If a check remains un-cashed for one year, the Accountant prepares the Annual Report of Property Presumed Abandoned Report for filing with the Department of Financial Services (DFS). Pursuant to Section 717.117, F.S., a report of unclaimed property is required for all checks not cashed for one year after issuance. The report must be filed before May 1 of each year for the preceding calendar year.

• A copy of the Abandoned Property Report, list of un-cashed checks, and request for payment is forwarded to the Controller for authorization.

• The payment request is forwarded to Accounts Payable and a copy of the Report and list is forwarded to the Accountant for use in reconciling the bank account.

• Unposted receipts are investigated if outstanding for more than 30 days. The Coordinator, Cash Management prepares a monthly report of unidentified deposits that are outstanding at the end of the month. This report is forwarded to departmental representatives and General Accounting for review. The Accountant works collaboratively with the Coordinator to resolve unidentified deposits.
• General Accounting compares current-year ending cash balance with the next-year beginning balance and reconciles any discrepancies at the end of each fiscal year.

• Once the reconciliation is prepared, the Coordinator signs as preparer and forwards the reconciliation to the Associate Controller for review. The completed reconciliation is forwarded to the Assistant Vice President and Controller for review and approval.

• The AVP & Controller’s review is documented by signature and date. The approved document is forwarded to the Coordinator for filing.

• General Accounting voids and reissues checks as necessary and records the replacement check number and date drawn.

4.2 Records

• A formal request for copies of the bank reconciliation files must be made to the General Accounting staff.
  
  o General Accounting staff retrieves them from the file and provides a copy of the file for the authorized requestor’s review.

• Bank reconciliation files will be retained in the Controller’s Office for two years and then will be forwarded to the official records retention area.

• Appropriate records retention guidelines will be followed for the retention and disposition of documents.

• Generally, documentation should be maintained for three years following the submission of the final financial report unless a sponsoring agency requires it to be maintained for a longer time period.

• Bank reconciliations coversheets and backup documentation are to be password protected.

• All cells contained in the reconciliation are to be locked upon completion.