



Purpose of Monthly Account Reconciliations

Monthly account reconciliations are essential to ensure that all departmental financial activities are properly documented and accurately recorded. This process helps identify and correct unusual transactions, duplicate payments, incorrect account numbers, unreasonable charges, policy violations, and any outstanding reconciling items. Completing this reconciliation allows departments to address and resolve errors, promoting transparency and fiscal responsibility.

Recommended Steps for Monthly Account Reconciliation

Step 1: Maintain Supporting Documentation

Keep a monthly record of all departmental expenses that have been initiated and approved. Retain copies (physical or electronic) of all source documents submitted for processing.

Step 2: Run the Budget Activity Report

At the end of each month, generate the Budget Activity Report for the relevant Fund and Department.

Step 3: Review and Compare Transactions

Examine each line item on the Budget Activity Report. Cross-reference these transactions with your departmental records, verifying the amount, vendor, chart string/account code, and transaction type.

Step 4: Investigate Unrecorded Transactions

For any transactions appearing on the Budget Activity Report but not in your departmental records, contact the initiating department to obtain documentation and validate the expense. Keep evidence of your review and any corrective actions taken. Update your records if the transaction is valid.

Step 5: Investigate Missing Transactions

If your departmental records include transactions not reflected in the Budget Activity Report, determine whether they should have posted or if a budget error occurred. If the transaction should have been posted, contact the Office of the Controller for resolution.

Step 6: Review Budget Amendments

Check all electronic budget amendments (eBAs) submitted to ensure they have been posted. Update your departmental records accordingly.

Step 7: Reconcile Balances

After reviewing and correcting all transactions, the ending balance on your Budget Activity Report should match the balance in your departmental records.

Step 8: Correct Mis-posted Expenses

If any expenses were charged to the wrong account, complete and submit an Expenditure Transfer form to move the expense to the correct account.

Step 9: Retain Reconciliation Records

Keep a copy of the monthly reconciliation for reference. This documentation will help ensure that any identified issues are resolved in future reconciliation periods.