



## Accounting and Administrative Manual

### Section 100: Accounting and Finance

#### **Bank Reconciliations - General**

No.: G-01

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#### General:

Financial transactions processed through the accounting system may involve recording cash receipts or disbursements. Proper recording of these transactions eliminates one of the primary sources of errors, and can aid in identifying other errors in related or offsetting transactions. The timely reconciliation of bank accounts is a significant control feature of any accounting system.

#### Requirements and restrictions:

1. All bank accounts must be reconciled to the general ledger on a monthly basis.
2. To the extent practical, individuals that prepare bank reconciliations should not have cash receipt or cash disbursement responsibilities, nor have access to unused check supplies.
3. Bank statements and adjustment items must be delivered unopened to the person responsible for the bank reconciliation.
4. Bank reconciliations must be prepared in a standardized four-column format (see G-02 "Depository Account Bank Reconciliation" in Section 100 in the University of Alaska Accounting and Administrative Manual) in order to provide consistency within the university. The standardized format highlights the differences between:
  - a. Deposits as recorded by the bank and as recorded by the university.
  - b. Disbursements and transfers as recorded by the bank and as recorded by the university.
  - c. Reconciling items between the account balance per the bank and the account balance per the university records.
5. All bank reconciliations must be reviewed by the business office manager or by a designated member of the management group.
6. Copies of all depository reconciliations must be forwarded to Statewide Fund Accounting each month.
7. Copies of all checking account reconciliations must be prepared by or forwarded to Statewide Cost Analysis each month.