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# ROGERS STATE UNIVERSITY

## MONTHLY RECONCILIATION OF BUDGETARY ACCOUNTS

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### SECTION I

#### PURPOSE

To provide guidance to operating departments for performing monthly reconciliation of all budgetary accounts.

### SECTION II

#### POLICY

Each department is responsible for the monthly reconciliation and verification of financial transactions. Each department director should ensure reconciliation is performed monthly and questions and/or discrepancies are reported to the Budget and Accounting Department in a timely manner.

### SECTION III

#### PROCEDURE

At each month end close, a number of detail financial reports are provided to each operating department of the institution. This section will briefly describe the nature and purpose of each of these reports:

#### MONTHLY DEPARTMENTAL REPORTS:

**Monthly Expenditure Report** - This report provides summary totals for each General Ledger Account Number, Account Description, Revised Budget, Monthly Activity, Year-to-Date Activity, Outstanding Encumbrance, and Available Balance information.

**Monthly Expenditure Transaction Report** – This report provides a detailed listing of all expense transactions by General Ledger Account Number for the month.

**Payroll Breakdown By Department and Fund** – This report provides a listing of all employees paid, by General Ledger Account Number. It provides gross salary and employer paid benefit information. A separate payroll breakdown report is provided for each payroll (i.e. full-time, part-time, and supplemental (adjunct and overload)).

**Outstanding Purchase Orders** – This report provides a listing of all open purchase orders by General Ledger Account Number. Provides outstanding encumbrance description, original amount, and balance.

**Monthly Revenue Transaction Report** (for Auxiliaries and Grants Only)– This report provides a detailed listing of all revenue transactions by General Ledger Account Number for the month.

All five reports together provide a complete detail of a department's monthly activity.

## DEPARTMENTAL RECONCILIATIONS:

Except for Tuition and Fee revenue accounts, each monthly reconciliation should reflect the signature of the employee completing the reconciliation, the signature of the approver, and the date of completion. Using the list of reports described above, the monthly reconciliation should consist of the following, at a minimum:

### Monthly Revenue Transaction Report

Review this report to verify that all deposits have been properly recorded. Reference to internal receipt ledgers should be used to verify the deposits posted for the month.

### Payroll Report

Confirm that only those employees assigned to the department are included on the payroll reports. Verify new hires have been added and terminations or transfers no longer appear.

### Outstanding Purchase Orders

Verify outstanding encumbrance balances agree to your records (department copy of the purchase order). These amounts will be easiest to reconcile and verify when your copy of the purchase order includes documentation as described below. At the end of each month, consider whether a Purchase Order should remain open for future use or if it should be closed. When a Purchase Order is closed, any unspent funds will be returned to available budget for future use.

### Purchase Order Guidelines

Purchase Orders should be organized to facilitate the monthly reconciliation. Departmental copies of each Purchase Order should be updated to include the following information:

1. Invoice Number(s) that is (are) being paid
2. OK to pay and authorizing signature.
3. Date invoice authorized for payment and forwarded to Accounts Payable.
4. Amount to be paid.
5. Notation to leave open or to close out (final) the Purchase Order.
6. Balance remaining if Purchase Order to remain open.

Should outstanding encumbrances not reconcile, refer to the Monthly Expenditure Transaction Report to determine if Accounts Payable has not yet processed a payment(s). If differences remain outstanding after 30 days, please contact Accounts Payable to discuss the discrepancy.

### Monthly Expenditure Transaction Report

Review this report to verify that the detail of expenses reconcile to your record of purchase order amounts submitted with "OK to Pay Authorization", and that the available budget per the report agrees with departmental records. Budget Transfers should be reviewed to ensure they have been posted correctly. Verify that the Payroll Breakdown Report amounts agree to the Monthly Expenditure Transaction Report.

### Tuition and Fee Revenue Accounts

These accounts will be reviewed by Budget and Accounting staff, as needed, but no less than annually, in the form of analytical analysis to ensure collection processes are effective in the reporting of these revenues.

### Budget and Accounting Office contacts

Questions about monthly reports and related transactions should be directed to the Budget and Accounting office immediately. Please contact the following should you have any questions:

Mark Meadors, Comptroller	x7860	General Questions
Marie Gorley, Interim Bursar	x7560	Revenue / Deposits
Nicole Wigginton, Fiscal Analyst	x7816	Reports & Journal Entries
Daryl Mathews, Fiscal Accountant	x7506	Reports & Journal Entries
Kimberly Garland, Accounts Payable Coordinator	x7696	Accounts Payable
Suzanne Perry, Payroll Coordinator	x7796	Payroll / Leave
Christie Lamberson, Procurement Coordinator	x7790	Purchasing
Kristi Mallett, Director of Human Resources	x7886	Human Resources
Lynsey Simmons, Employment & Benefits Coordinator	x7728	Benefits / Insurance

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President Larry Rice