

UNIVERSITY of HOUSTON
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Finance and Accounting
AREA: General

Number: 05.04.06

SUBJECT: Bank Account Reconciliation

I. PURPOSE AND SCOPE

The University of Houston System (UHS), the University of Houston System Administration (UHSA) and the University of Houston (UH) maintain a number of bank accounts to support the activities of their institutions. It is the responsibility of Bank Reconciliation staff to reconcile each account monthly and to track all outstanding items, including discrepancies, to satisfactory resolution in a timely manner.

This document applies to all bank accounts held in the name of the UHS, UHSA and UH, and provides principles and guidelines for reconciling bank accounts to the institutions' books.

II. POLICY STATEMENT

The manager of Bank Reconciliation will develop and maintain procedures for reconciling each bank account held by UHS, UHSA and UH.

Each bank account will be reconciled within 30 working days of the later of: receipt by Manager of Bank Reconciliation of the bank statement from the Treasurer's Office or the online banking systems or the final accounting close of the fiscal month. Bank discrepancies will be communicated to the Treasury for resolution with the bank within twenty working days of reconciliation. Posting discrepancies will be communicated to the Office of General Accounting for inclusion or correction in the accounting system within twenty working days of reconciliation.

Each bank account will be reconciled and certified by an account analyst and by the Manager of Bank Reconciliation. Their signatures will accompany a summary of the account reconciliation. The signatures will confirm that current procedures were followed and that the reconciliation accurately presents the status of the account at the bank as well as on the books. The reconciliation summary and all supporting documentation will be retained in the Bank Reconciliation office in accordance with record retention guidelines.

By the last working day of each month, the Manager of Bank Reconciliation will provide a copy of the summary report to the Director of Accounting Services indicating the accounts' reconciliation status. The copy will be maintained in the Director's office for the current fiscal year. Access to this file, as well as the Bank Reconciliation files, will be made available to the Associate Vice President for Finance upon request.

III. GENERAL BANK RECONCILIATION

The Treasury is responsible for depositing, disbursing, and transferring funds in and between banks daily. Treasury confirms certain bank activity by written confirmation that is delivered to the Office of Accounting Services throughout the month. The Treasury receives communications (debit and credit advices) from the bank throughout the month. Treasury is responsible for ensuring these communications and bank statements that are not available electronically are forwarded to Bank Reconciliation within three business days of receipt. The Treasury, as the primary liaison between the banks and the University, is responsible for contacting the banks

Addendum A

UH University Bank Reconciliation Form

UH – University Bank Reconciliation

Bank Name & Account Number ~ PS Account Number as of Month DD, YYYY

Description	Book (PS)	Bank	Comments
Ending Balance, Month DD, YYYY			
Timing Differences			
Deposits in Transit			
Subtotals, Deposits in Transit		-	
Withdrawals Outstanding			
Subtotal, Withdrawals Outstanding		-	
Transfers In (Out) Outstanding			
Subtotals, Transfers In (Out) Outstanding		-	
Deposits in Transit (Book)			
Subtotal, Deposits in Transit (Book)	-		
Subtotal, Timing Differences	-	-	
Differences Requiring Adjustment			
Bank Discrepancies			
Subtotal, Bank Discrepancies		-	
Book Discrepancies			
Subtotal, Book Discrepancies	-		
Subtotal, Differences Requiring Adjustments	-	-	
Adjusted Ending Balance, Month DD, YYYY	=	=	

This reconciliation was prepared according to the current desk manual procedure and it accurately reflects the activity in these accounts.

Prepared by _____ Date _____

Reviewed by _____ Date _____