

**UNIVERSITY OF HOUSTON SYSTEM
ADMINISTRATIVE MEMORANDUM**

SECTION: Fiscal Affairs

NUMBER: 03.G.06

AREA: General Accounting

SUBJECT: Bank Account Reconciliation Procedures

1. PURPOSE

Each university of the University of Houston System maintains a number of bank accounts to support their activities. It is the responsibility of each university to reconcile their bank accounts to the records of their institutions monthly and to track all outstanding items, including discrepancies, to satisfactory resolution in a timely manner. This document applies to all universities and the bank accounts held in their names and sets general guidelines for universities to follow in developing procedures for reconciling bank account(s) to the financial records.

2. POLICY

- 2.1. Each university shall develop and maintain procedures for the monthly reconciliation of each bank account to the financial records. Statements not accessible via bank web sites will be provided by the System Treasurer. The System Treasurer will send copies of the monthly bank statements within three working days of their receipt from the bank.
- 2.2. The director of general accounting (director), or equivalent responsible person at each university, will ensure the reconciliation of each bank account to the financial records. Trained employees will prepare the monthly reconciliation reports. The director will designate the managerial/supervisory level employees responsible for reviewing the monthly reconciliation reports.
- 2.3. A monthly report is prepared documenting the reconciliation of each bank account and the review of entries in the financial records. Reconciliation reports will be completed and reviewed no later than 30 working days after the later of: receipt by reconciling department of the bank statements or the final accounting close of the fiscal month to be reconciled. The persons preparing and reviewing the reconciliation report will certify the report indicating the date the reconciliation report was completed and the date it was reviewed by management.
- 2.4. A reconciliation report includes:
 - 2.4.1. Verification that entries (e.g., deposits, wire transfers, withdrawals, expenditures and revenue) on bank statements and monthly financial reports are accurate and agree with department records.

Exhibit A

Sample Bank Reconciliation Form

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

Description	Book (PS)	Bank	Comments
<i>Ending Balance, Month DD, YYYY</i>			
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 _____