

Procedure No. 403.1

Area: Finance

*Original signature is on file in
Administration & Finance*

Adopted: September 18, 1998

Certified by _____
Dr. Cynthia Jackson- Hammond
University President

Revisions Adopted: June 9, 2016

SUBJECT: Cash Reconciliation Procedures

The Controller's Office reconciles the university's cash balance with the accounting records, the cash transfers among the various bank accounts, outstanding items and deposits-in-transits. The Executive Director of Administration and Finance and the Controller has access to transfer cash between bank accounts. The University maintains a general operating checking account, a federal funds account, a money market account, and a payroll checking account. All accounts are with PNC Bank.

All cash receipts go into the general operating checking account. Electronic deposits (also known as ACH transactions) are deposited into multiple accounts depending on the type of deposit. For daily operations, checks are written against the general operating checking account. Checks are withdrawn from a separate account for payroll transactions of the University.

- Transfers are made for payroll transactions from the general operating account into the payroll account.
- The federal government requires that the university maintain a federal grant bank account. Transfers are made from the federal funds account to the operating account for drawn down of grant expenditures.
- Transfers are also made between the general operating checking account and money market account on an as needed basis.

University policy requires that the following occurs after month-end;

1. The Controller's Office closes out the previous month in the CSU Financial Reporting System
2. The Controller's Office obtains the bank statements from the bank to identify reconciling items and compares them to what has been posted to CSU Financial Reporting System
3. The Controller's Office reconciles the bank accounts for the previous month

4. The outstanding checks and deposits-in-transit are entered into the bank reconciliation spreadsheet
5. Any unrecorded items are corrected with a journal entry in order to close the month and are noted on the monthly cash reconciliation.
6. The bank reconciliations that are completed each month are approved by the Controller