

## Alternate Reconciliation Schedule Based on Account Volume/Activity

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**Policy ID:** 1.500

**Status:** Final

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### **Applies to:**

Department Administrators

### **Reason for Policy:**

It is impractical for departments with dozens of accounts to reconcile all of them within the 10-day target. This policy permits such departments to maintain an even workflow and complete the reconciliation prior to the close of the next month.

### **Definition of Terms:**

*BBA Report*—Budget Balance Available Report (in *Discoverer*)

*High volume (activity) account*—One of the following: 1) large number of transactions per month 2) large number of projects or awards to review per month 3) a complex set of project-award combinations and links.

*Low volume (activity) account*—One of the following: 1) small number of transactions per month 2) small number of projects or awards to review per month 3) a single project or award.

### **Policy Statement:**

All units are encouraged to strive to meet University guidelines for account reconciliation within 10 days. However, when that is impossible, units are permitted to operate as described in #1 and #2 below.

1) *Normal and high volume accounts* — These accounts will be reconciled on a monthly basis. High volume accounts will be reconciled first with normal volume accounts to follow. Accounting personnel will conduct these reviews on a rolling basis so that each account is reviewed every month prior to the close of the next month.

2) *Low volume accounts* — Accounting personnel will run a monthly consolidated BBA report on these accounts each month. If any account has activity during that month, we will reconcile the account according to the schedule in #1. If there is no activity in an account, no further action will be taken until there is a month where activity occurs and then there will be a full reconciliation prior to the end of the following month.

**Procedures:**

**Related Policies:**

University Reviews and Reconciliations Policy II.B.2

<http://www.virginia.edu/finance/polproc/pol/iib2.html>

Requesting an Alternate Reconciliation Schedule Procedure 1-3

<http://www.virginia.edu/finance/polproc/proc/1-3.html>

Monthly Review of GL Project Activity Procedure 1-5

<http://www.virginia.edu/finance/polproc/proc/1-5.html>

Monthly Review of GM Project Activity Procedure 1-4

<http://www.virginia.edu/finance/polproc/proc/1-4.html>

**Background:**

University policy calls for reconciliation to be completed with 10 work days, which puts an undue burden on departments with a significant number of accounts. There was a need for an alternate reconciliation schedule, based on account volume/activity, that would allow accounting staff to work efficiently on accounts throughout the month, resolve issues as they arise, and still meet the need for monthly reconciliation.

**Major Category:**

**Category Cross Reference:**

**Next Scheduled Review:**

**Approved by:**

**Revision history:** This is the first version of this policy.

**Supersedes:**