

## BEST PRACTICES - ACCOUNT RECONCILIATION AND REVIEW

### School Guidelines

Each Viterbi department/unit is responsible for ensuring that all account reconciliations are performed on a monthly basis and are completed in a timely manner.

Each Viterbi department/unit is responsible for ensuring that all accounting/posting errors are investigated and corrected in a timely manner, with accordance to school and university policies and are properly documented.

Each Viterbi department/unit is responsible for maintaining a set of reconciliation procedures including a list of staff responsibilities and account numbers for reconciliation.

### Reconciliation

Analysis of an account for a specific period of time that validates the account balance as well as the correctness and appropriateness of encumbrances and posted transactions.

Account reconciliation should be:

- Performed for all accounts.
- Performed and completed in a timely manner.
- Thorough and documented with clear explanations and business purpose for all transactions.
- Accurate and supported with documentation.
- In compliance with school and university policies.
- Reviewed and approved by Department Business Manager or if sponsored research, by Principal Investigator.
- Timely correction of accounting/posting errors.

### Review

Department Business Managers and/or Principal Investigators are responsible for reviewing and approving account reconciliations performed by account administrators in the department.

A review of a completed reconciliation will validate that the reconciliation requirements were met.