

Steps for Reconciling Ledgers at Month End Close

Print out all your departmental ledgers for active funds. Ledgers for those funds that have no activity should be maintained via a log with the date and initials of the person verifying the zero balance.

Compare departmental records with the current month's transactions (encumbrances, charges, credits, and deposits) listed on the department's ledgers. Ensure that the correct cost center or WBS element, general ledger account, amount and so forth were charged/credited. Check off each item to confirm that the transaction has been reconciled.

You may use the following tic marks instead of checking the items off.

P – To show that payroll charges are reconciled to Payroll Distribution Report or the Payroll Detailed Check Register (which should be signed and dated by the person who distributed the payroll).

T – To show that telephone charges are reconciled to the Telephone Services Statement.

M – To show that mail charges are reconciled to the Mail Services Statement.

D – To show deposits are reconciled.

Also, if you have knowledge of any transactions that should have posted to the ledger please follow up to find out what happened to the transactions.

Verify the sponsor award amount and budget for sponsored projects. Also note the project end date and ensure that charges occurred within the project period.

Ensure that all the transactions appearing on the ledgers which are not supported by the department's records are accurate and authorized (obtain documentation as appropriate). Once these tasks have been completed initial and date the ledgers.

Provide the reconciled ledgers for the cost center/WBS element(s) to the department head or the PI responsible. They should review, sign, date and return the ledgers.