

CAMERON UNIVERSITY

Account Reconciliation and Deficit Policy

Policy Statement

Accounts should be reviewed by sponsors, deans/directors, and vice presidents to ensure that accounts are reconciled in a timely manner and deficits do not occur.

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Who Should Know This Policy

President
Vice Presidents
Deans
Department Chairs
Faculty

Other Accounting/Finance Personnel
Students
Other Groups
All Employees

Responsibilities

Responsible for Policy

University Officer Responsible

Vice President for Business and Finance

Procedure

STATEMENT OF PURPOSE: In support of the above policy statement, the following procedures and information are provided:

1.0 Definition

1.1 For purposes of this policy, an account is a distinct budgetary or cash grouping of specific funds. Numeric references are assigned to identify accounts within the University's accounting system.

2.0 General Guidelines

2.1 University departments should reconcile monthly statements sponsored by their department within 60 days following the end of the month being reconciled. Each individual statement must be initialed and dated by the reconciler and their supervisor.

2.2 Accounts should be reviewed by sponsors, deans/directors, and vice presidents to ensure that transactions are recorded accurately, completely, and to the appropriate account. Any corrections should be noted, and the department should contact the Business Office to make the necessary correction.

2.3 Accounts should be reviewed by sponsors, deans/directors, and vice presidents to ensure that deficits do not occur. If a deficit is projected or indicated, immediate action should be taken to prevent or correct the problem. In all cases, vice presidents are ultimately responsible for the financial management of accounts within their area(s) of responsibility.

2.4 All deficits are to be thoroughly investigated and resolved in a timely manner; however, corrective action plans are required to be submitted to the Vice President for Business and Finance if either of the following conditions are met: a deficit of \$15,000 or more exists for any duration of time or a deficit of any amount will have an anticipated duration of 90 days or more.

2.5 If a deficit is reflected in an educational and general account on the June 30 financial reports, the departmental appropriation for the succeeding fiscal year may be reduced by the amount of the deficit.

2.6 All University fund groups are subject to this policy with the exception of accounts that have been established by the Business Office for the purpose of University clearing or suspense functions.

2.7 Although salaries, wages, and other account or object categories should be closely monitored, this policy applies only to the total budgetary or cash balance for each account.

2.8 The Business Office will select a sample of departmental accounts to audit each quarter to ensure departmental account reconciliations are completed.

Contacts

Policy Questions: Business Office (580) 581-2225

Policy History

Policy

Issue Date: February 10, 2005

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