

RECONCILIATION OF REQUISITIONS TO MONTHLY EXPENDITURE REPORTS

- A. Monthly Expenditure Report: An expenditure report detailing the activities within departmental accounts including grant accounts is distributed monthly. It contains a summary of expenditures by object and a detailed summary of items paid during the month.
1. Reconciliation of Report Required: This report must be checked each month and the necessary adjustments made.
 2. Reconciliation of Requisition Balance to Expenditure Report. To reconcile the expenditure report, the following procedures should be followed in reconciling supplies and expenses. Similar procedures should be followed for reconciling travel, equipment and other unrestricted line items. Restricted accounts should be reconciled in total and not by line item.
 3. Determine Expenditure Report Balance:
 - a. Begin with the free balance of supplies and expense.
 - b. Subtract total supply and expense encumbrances outstanding. (These are the amounts you have committed that do not yet appear on your month-end report.)
 - c. Add encumbrances that you have cancelled that appear with a balance on the report. This results in an adjusted balance.
 4. Departmental Record Balances
 - a. Begin with the ending balance on the last supply requisition for the month.
 - b. Add or subtract any adjustments (difference in amount of requisition and amount paid such as discounts, freight or interdepartmental transfers processed).
 - c. Add or subtract any interdepartmental charges (copy machine usage, mileage, postage, etc.)

5. Compare Departmental Record Balance to Expenditure Report Balance

- a. Compare balance of expenditure report to the departmental record balance. They should equal.
- b. If the amounts differ you should determine the differences and send an e-mail to the accounts payable supervisor (unrestricted ledger 2 accounts) or the grant accountant (restricted funds). The memo should detail the transactions that you believe are in error.
- c. The accounts payable supervisor will investigate the discrepancy and direct the associated corrections.