



Best practices for operational transaction reconciliation

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Operational reconciliation overview

Reconciling the monthly revenue and expense detail report is a critical fiscal management control to ensure revenue and expenditure transactions are correct, allowable and applied to the appropriate accounts.

Fiscal management officially rests with the department director, chair or other designated official. Account management is often the responsibility of specific administrative staff who report on the status of departmental accounts monthly to the director, chair or other designated official. Departments are responsible for reconciling accounts and proving and documenting that an account balance is correct at least once a month for the previous month's activity.

Preparers and approvers

The required reconciliation roles are preparer and approver. Preparers are administrative staff who handle a department's day-to-day fiscal responsibilities and should be familiar with routine transactions for a department's accounts.

Approvers are typically administrative staff reporting on the status of departmental accounts monthly to the director, chair or other designated official.

Departments with limited staff that does not have a preparer and approver should consult with their dean's office or vice president financial administrators to identify how to handle these roles appropriately.

Department responsibilities

Departments must provide evidence that the account reconciliation is prepared and approved. The preparer and approver can do so by noting their names and the date on the reconciliation. Departments should document reconciliation procedures. Complete monthly reconciliations before the month-end close of the previous month. Month-end close is typically the fourth business day after the last day of the month.

Reconciliation preparer responsibilities

Before the preparer begins the monthly reconciliation, they should identify the cost center hierarchy or cost centers they are responsible for. Use one or a combination of the following reports to complete your monthly operational transaction reconciliation:

- Sponsored grant, gifts and programs reconciliation report.
- Summary of funding sources by revenue category.
- Summary of funding uses by spend category.

Run the summary of funding sources by revenue category report in Workday. Type the report name in the search bar or refer to the department reports worklet to locate the report. In the example below, we are reconciling all programs, gifts, grants and projects in the cost center hierarchy CCH075, Financial Services and the month of August for the fiscal year 2020.

Click “okay” at the bottom of the screen.

Since you filtered the report by cost center hierarchy, the report will include all programs, projects, grants and gifts associated with the selected cost center hierarchy. Review the current month’s transactions. Transactions may be reconciled without physically verifying supporting documentation if the reviewer knows the nature of the transactions.

Summary of Funding Sources by Revenue Category

Period: 2020 - Aug Cost Center Hierarchy: CCH075 Financial Services

How to Tip: To drill into amount details, hover over the dollar amount and click on the downward arrow. You may then choose one of the "View By" options. Clicking on View Details will return the detailed journal lines. It is recommended that you choose one of the View By options. You may filter on a column by clicking on the Column Header and selecting your filter criteria. Use the report icons in the top right hand side above the report header to report to Excel, Filter or view in chart.

Cost Center	Program	Project	Grant	GR	Department Reporting Roll	Revenue Category	Current Period Revenue	Revenue YTD
Beginning Balance								16,632,764.64
000200 FS-Student Business Services	P0020115 FS-Third Party Billing Fee-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Fee - Sponsored Student Billing	313,074.04	364,274.04
000200 FS-Student Business Services	P0020115 FS-Third Party Billing Fee-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Fee - Extended Payment Plan	50.00	200.00
000200 FS-Student Business Services	P0020115 FS-Third Party Billing Fee-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Check Return Fee	4,060.00	5,060.00
000200 FS-Student Business Services	P0020001 FS-Payment Card Merchant Services-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Fee - Credit Card Processing	13,422.43	31,360.23
000200 FS-Student Business Services	P0020001 FS-Payment Card Merchant Services-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Conference/Seminar	0.00	0.00
000200 FS-Student Business Services	P0020008 FS-Miscellaneous Clearing-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Other Revenues	(2,350.41)	(40.36)
000200 FS-Student Business Services	P0020008 FS-Miscellaneous Clearing-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Other Revenues	0.00	(3.00)
000200 FS-Student Business Services	P0020003 FS-Collection Follow Up Services-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Fee - AR Transaction	42,097.30	106,177.60
000200 FS-Student Business Services	P0020003 FS-Collection Follow Up Services-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Other Revenues	0.00	14,501.43
000200 FS-Student Business Services	P0020003 FS-Collection Follow Up Services-LCL	(Blank)	(Blank)	(Blank)	(Blank)	NDF Check Charges	5,500.00	7,273.00
000200 FS-Student Business Services	P0020003 FS-Collection Follow Up Services-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Fee - Credit Card Processing	(2,831.46)	(22,427.49)
000200 FS-Student Business Services	P0020003 FS-Collection Follow Up Services-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Bad Debt Write Off	130,503.00	(232,707.00)
000200 FS-Student Business Services	P0020003 FS-Collection Follow Up Services-LCL	(Blank)	(Blank)	(Blank)	(Blank)	AR Late Charges	667,939.20	1,334,319.00
000200 FS-Financial Services	P0020118 FS-Travel Card Program-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Other Commissions	0.00	0.00
000200 FS-Financial Services	P0020003 FS-Plant Fund Management-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Services	41,249.43	98,640.22
000200 FS-Financial Services	P0020002 FS-Payroll-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Other Revenues	13,236.00	19,616.80
000200 FS-Financial Services	P0020004 FS-Commedia Bank AP Card Program-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Other Commissions	86,654.91	81,917.04
000200 FS-Financial Services	P0020004 FS-Commedia Bank AP Card Program-LCL	(Blank)	(Blank)	(Blank)	(Blank)	Voluntary Transfers In	140,300.00	140,300.00

If you identify an unfamiliar transaction:

1. Drill into the revenue category “Current Period Revenue” amount by clicking on the number. A window will appear with the individual transactions.
2. Click on the journal to view the transaction and attachments.

The transaction will display. To view the attachment:

1. Scroll down and locate the “Attachments” tab.
2. Click on “Attachments.”
3. Click on the attachment to view.

Continue to review the remainder of the transactions while researching any questionable transactions. When you have completed reconciling the revenue transactions, run the Summary of Funding Uses by Spend Category report and follow the same steps to reconcile the operational expenses.

Another option is to run the Sponsored Grant, Gifts and Programs Reconciliation report.

Note: This report is defaulted to exclude the following:

- Facilities and administrative costs.
- Internal allocation expenses.
- Payroll and ERE transactions.
- Transfers in.

Sponsored Grant, Gifts, and Programs Reconciliation Report

Include Only this Journal Source	<input type="text"/>	
Year	* x 2020 ...	1 Enter the Fiscal Month and Year
Period	x Aug ...	
Award	<input type="text"/>	
Grant	<input type="text"/>	
Grant Hierarchies	<input type="text"/>	
Program	<input type="text"/>	
Program Hierarchies	<input type="text"/>	
Gift	<input type="text"/>	
Gift Hierarchies	<input type="text"/>	
Worker	<input type="text"/>	
Cost Center	<input type="text"/>	
Cost Center Hierarchies	x CCH075 Financial Services ...	2 Enter the desired Cost Center Hierarchy
Include the Following Journal Status	x Posted	
Ledger	x Actuals ...	

Sponsored Grant, Gifts, and Programs Reconciliation Report

Details

Operational Attachments (where journal attachments for operational transactions (i.e. PDFs, Supplier Invoices, etc.)
 Non-Operational Attachments (where attachments for manual journals (i.e. RSI Department Invoiced Journal Journal)
 Related Operational Attachments (Purchase Order) and Related Operational Attachments (Requisition) where attachments linked during those respective stages.
 Colour Attachments are unavailable in the report output at this time.

Year	Period	Cost Center	Program	Journal	Journal Source	Spaid Category or Working	LEAP Account Type	Ledger Account	Total	Budget Date	Accounting Date	Supplier Name	Business Document	Operational Attachments	Purchase Order Number	Related Operational Attachments (Purchase Order)	Report
2020	Aug	CC0201 FS Student Business Services	FS02017 FS Student Business Services	Operational Journal Arizona State University - 08/01/2019	Supplier Invoice	Accounting and Financial Services	Expense	7200 Services	\$4,423.41	07/10/2019	08/01/2019	Educational Computer Sys Inc	Supplier Invoice In-000017219	181750.pdf	PO-2000008674	2018 EDCS Contract.pdf ACU - The University of Arizona - Lab Information 7-25-2019.pdf ACU - The University of Arizona - Lab Information 8-18-19.pdf ECS Data 1-2019.pdf L17500_Expense In.pdf	REQ-2
2020	Aug	CC0201 FS FMS Support	FS02017 FS FMS Support	Operational Journal Arizona State University - 08/01/2019	Supplier Invoice	Management and consultant services	Expense	7200 Services	\$1,960.00	07/10/2019	08/01/2019	Serna-Cedar Inc.	Supplier Invoice Adjustment 0-0000178479	PC-000197963 03.pdf	PC-000007963		
2020	Aug	CC0201 FS FMS Support	FS02017 FS FMS Support	Operational Journal Arizona State University - 08/01/2019	Supplier Invoice	Management and consultant services	Expense	7200 Services	\$11,200.00	07/02/2019	08/01/2019	Serna-Cedar Inc.	Supplier Invoice In-0000177390	PC-000197968.pdf	PC-2000007968	File 07-19 Arizona State Univ Credit PC-000197968 Invoice PC-000197968.msig PC-000197968 000 198000 msig.pdf PC-000197968 000 1120000.pdf Serna-Cedar-Consultant Agreement-FMS Support-08/01/2019 Arizona State University-ASU Invoice-08/01/2019 Serna-Cedar-ASU Invoice-08/01/2019 Serna-Cedar-ASU Invoice-08/01/2019 Invoice-08/01/2019	REQ-2
2020	Aug	CC0201 FS FMS Support	FS02017 FS FMS Support	Operational Journal Arizona State University - 08/01/2019	Supplier Invoice	Management and consultant services	Expense	7200 Services	\$8,380.00	08/06/2019	08/01/2019	Serna-Cedar Inc.	Supplier Invoice In-0000177393	PC-000197967.pdf	PC-2000002942	ASU-Maple Creek Invoice to ASU 08/01/2019.pdf ASU-300 Invoice.pdf	REQ-2

Refer to the Best Practices Reconciling Payroll Expenses Procedures guide on the [Best practices webpage](#).

Once you have completed the reconciliation for the month, export the Workday report to Excel using the Excel icon on the report.

Summary of Funding Sources by Revenue Category

Period: 2020 - Aug Cost Center Hierarchy: CC0475 Financial Services

How to Tip:
 -To drill into amount details, hover over the dollar amount and click on the downward arrow. You may then choose one of the "View By" options. Clicking on View Details will return the detailed journal lines. It is recommended that you choose one of the View By options.
 -You may filter an columns by clicking on the Column Header and entering your filter criteria.
 -Use the report icons in the top right hand side above the report header to export to Excel, Filter or view in chart.

Cost Center	Program	Project	Grant	Gift	Department Reporting Bill	Revenue Category	Current Period Revenue	Revenue YTD
Beginning Balance								16,920,784.68
CC0201 FS Student Business Services	FS02017 FS Third Party Billing Fee LCL	(Blank)	(Blank)	(Blank)	(Blank)	Fee- Sponsored Student Billing	313,074.04	364,274.04
CC0201 FS Student Business Services	FS02017 FS Third Party Billing Fee LCL	(Blank)	(Blank)	(Blank)	(Blank)	Fee- Extended Equipment Plan	50.00	200.00
CC0201 FS Student Business Services	FS02017 FS Third Party Billing Fee LCL	(Blank)	(Blank)	(Blank)	(Blank)	Check Revenue Fee	4,060.00	5,060.00
CC0475 Financial Services		(Blank)	(Blank)	(Blank)	(Blank)	Food-Caf Processing	15,422.43	31,395.93

From the Excel spreadsheet, make a notation of transactions needing to be corrected. Enter your name in the Excel spreadsheet as the reconciliation preparer with the date, and save the file in your department-approved network drive or Dropbox folder.

Notify the reconciliation approver that the month's reconciliation is ready for review and provide them with the file location.

Reconciliation approver responsibilities

Once you have been notified that the reconciliation for the month has been completed, review the report and verify the appropriateness and legitimacy of the transactions recorded against the department's account. Review any unusual or unexpected high dollar amount transactions in detail.

Reconciliaiton retention

Retain all reconciliations and supporting documentation for non-sponsored accounts for at least three fiscal years per [FIN 103](#). Sponsored accounts have a retention period of seven fiscal years after the grant close date. [Refer to the research administration webpage](#) for additional guidance on reconciling sponsored accounts.

Journal source definitions

[Contact the Financial Services Accounting staff](#) for assistance with researching questionable transactions.

Journal source	Description
Accounting adjustment	Accounting adjustment tasks processed on a supplier invoice or expense report.
Allocation	Internal allocation activity like an administrative service charge, Risk Management fee or telecommunications fee.
ASU department initiated	Non-transfer accounting journals initiated by an ASU department.
ASU department transfers	An ASU department-initiated accounting journal transferring in or out between another ASU department.
ASU ISD corrections	An ASU department-initiated accounting journal used to process adjustments related to internal service delivery transactions.
Expense report	Expense report task or Concur expense reports.
Facilities and administration expense	Facilities and administration expenses posted in real-time as applicable charges are recorded.
FS Accounting	Accounting journals processed by the Financial Services Accounting department.
FS Commitment Accounting	Accounting journals processed by the Financial Services Commitment Accounting department.
FS credit card allocation	Credit card fees allocated to departments per transaction.
FS payroll accrual and reversal	The year-end payroll accrual and subsequent reversal journals.
FS Plant	Accounting journals processed by the Financial Services Plant Dept department.
FS PSCS Cashiering	Manual correction related to the integration.
FS SBS Financial Aid	Journal entries processed by Student Business Services for transactions on financial aid accounts.
FS SBS scholarship transfers	Journal entries to fund scholarships, requested by departments via scholarship transfer requests and processed by Student Business Services.
FS SBS tuition	Tuition and fee adjustments processed by Student Business Services.
FS Student Business Services	Accounting journals processed by Financial Services and Student Business Services.
FS Tax	Accounting journals processed by the Financial Services Tax Services department.

Journal source	Description
FS Travel	Accounting journals processed by the Financial Services Travel department.
FS Treasury Services	Accounting journals processed by Financial Services Treasury Services.
GU transfers	General University transfers at the request of the Office of Planning and Budget.
Integration — F and A encumbrance	Facilities and administration encumbrances.
Integration — banking	Items related to the bank reconciliation process, including ad hoc bank transactions.
Integration — Concur	Travel export fee and carbon offset fees from Concur.
Integration — P-Card	Weekly integration of P-Card transactions from PaymentNet.
Integration — PSCS cashiering	Cash, check and electronic deposits from PeopleSoft cashiering.
Integration — PSCS student financial accounting	The interface of student financial accounting activity from PeopleSoft.
Integration — PSHCM gross pay	Gross pay expenses from PeopleSoft Human Capital Management.
Integration — PSHCM payroll encumbrances	Gross pay encumbrances from PeopleSoft Human Capital Management.
Integration — PSHCM payroll ERE	Employee-related expenses from PeopleSoft Human Capital Management.
Integration — PSHCM payroll redistributions	Payroll redistributions transactions from PeopleSoft Human Capital Management.
Integration — PSHCM RA/TA	Graduate tuition remission benefits from PeopleSoft Human Capital Management.
Integration — PSHCM work-study	Federal Workday adjustments from PeopleSoft Human Capital Management.
Internal service delivery	Interdepartmental transactions processed by an ASU internal service provider.
Legacy P-Card delivery	P-Card transactions posted to the old company card after the cutoff.
ORSPA-ACP	Revenue and spend transfers or corrections processed by award and cash management. The transaction is related to award cost processing and should be, if an expense, available for billing.
ORSPA-No ACP	Revenue and spend transfers or corrections processed by award and cash management. The transaction is not related to award cost processing and should not be available for billing.
P-Card manual	Manual corrections related to the integration.
PSHCM gross pay	Manual corrections related to the integration.
PSHCM payroll encumbrance	Manual corrections related to the integration.
PSHCM payroll ERE	Manual corrections related to the integration.
PSHCM payroll redistribution	Manual corrections related to the integration.
PSHCM RA/TA	Manual corrections related to the integration.
PSHCM work-study	Manual corrections related to the integration.
Supplier contract	Supplier contract task.
Supplier invoice	Supplier invoice task.
Travel ghost card manual	Travel charges paid on the ghost card.