

1-19: Bank Reconciliations

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I. GENERAL

Fort Lewis College has three primary bank accounts for general institutional operations.

- The Imprest Account is used for all non-payroll disbursements.
- The Payroll Account is used for all payroll disbursements.
- The Clearing Account is used for all cash receipts and deposits. Each bank account is insured up to \$250,000 by the FDIC and any amounts over \$250,000 are collateralized under the Public Deposit Protection Act.

II. POLICIES

All bank accounts must be approved for use by the State Controller and the State Treasurer. Bank statements shall be delivered unopened to the person preparing the reconciliations.

III. PROCEDURES

Bank reconciliations are prepared on a monthly basis to ensure that all transactions posted through the bank accounts agree to the same transactions posted on the college accounting records. An accountant with no direct responsibilities in the areas of Accounts Payable and Payroll prepares the reconciliations for the Imprest Account and the Payroll Account. A separate accountant prepares the reconciliation for the Clearing Account. Each month the bank reconciliations are reviewed and approved by the controller. Desk documentation is maintained by the accountant responsible for each bank reconciliation process. The desk documentation includes specific procedures on performing the reconciliation.