



Committee Meeting: Policy & Governance Committee	Date: January 5, 2022
Committee Chair: Kathleen Masiello	
New or Edited: New	

POLICY NAME: Bank Reconciliation Policy

POLICY TYPE: Managerial

SUBMITTED BY: Arta Pllana, Comptroller

ISSUE OR STATEMENT OF PURPOSE: To formalize a policy related to the timely performance, completion, and review of bank reconciliations.

NEW OR EDITED POLICY: New

PURPOSE:

The performance and documentation of bank reconciliations is an essential internal control necessary to ensure the safeguarding of the College's assets. Timely completion of bank reconciliations helps determine:

- The completeness of all cash receipts and cash disbursements for the period.
- Any discrepancies or errors in the bank accounts or general ledgers which may require further investigation.
- That General Ledger cash balances are accurately stated at month-end.

POLICY:

- Bank reconciliations shall be completed by an account clerk, a senior account clerk, or an internal auditor whose position is independent of the cash receipt and cash disbursement functions, on a monthly basis.
- Discrepancies, or other reconciling items noted on a bank reconciliation, shall be investigated, and resolved within 30 days of the reconciled month, with a report made to the Chief Accountant on the potential cause and eventual solution.
- Stale checks, defined as uncashed checks, are to be cancelled and reviewed by the Chief Accountant for reissuance every month.
- Supporting documentation must accompany a completed bank reconciliation, which includes but is not limited to, the bank statement, outstanding checks listing, deposits in transit listing, General Ledger balance, and support for other reconciling items.
- Bank reconciliations are to be completed within 30 days of the month end, with the exception of the Operating Account, which is extended to 45 days, due to increased volume related to student financials.



POLICY NAME: Bank Reconciliation Policy - **Continued**

- All bank account reconciliations shall be reviewed by the Chief Accountant in order to document that all procedures were followed, and that the reconciliation accurately reflects the balances within the bank account and General Ledger.
- All bank reconciliation reviews shall be completed within 30 days of the account reconciliation completion.
- A completed bank reconciliation shall be electronically signed by both the preparer and the reviewer.
- All bank account information and reconciliations shall be electronically, and physically, stored in a secure, locked location to reduce the risk of misappropriation of assets.
- Documentation and support shall be maintained for a period of at least six (6) years in accordance with the New York State Department of Education *Records and Disposition Schedule CO-2*.

Employees not following this policy will be subject to progressive discipline per their respective collective bargaining agreement.

DOES IT SUPERCEDE A POLICY/WHICH ONE (if so, attach redline version): The bank reconciliation policy is new policy.

POLICY & GOVERNANCE COMMITTEE RECOMMENDED ACTION:

Policy & Governance Committee recommends the Board of Trustees accept the Managerial policy under Committee Briefings, Policy and Governance Committee. This Policy supersedes all prior policies/procedures and practices related to bank reconciliations.

POLICY & GOVERNANCE COMMITTEE MEMBERS PRESENT: Kathleen M. Masiello, Committee Chair, SUNY Erie Board of Trustees Secretary, Leonard Lenihan, SUNY Erie Board of Trustees, Travis Poling, SUNY Erie Student Trustee, Adiam Tsegai, Interim Provost & Executive Vice President, Phil Struebel, Interim Vice President of Enrollment Management, Arta Pillana, Comptroller, Joanne Colmerauer, Dean of Liberal Arts and Science, Petrina Hill-Cheatom, Dean of Students

DATE OF BOARD ACCEPTANCE: January 27, 2022.

POLICY & GOVERNANCE COMMITTEE TEAM FOLLOW-UP:

Following Trustee acceptance, this Managerial policy will be included in the SUNY Erie Community College Managerial Policy Manual.



POLICY NAME: Bank Reconciliation Policy - **Continued**

INFORMATION/INPUT CONSIDERED DURING POLICY & GOVERNANCE COMMITTEE DELIBERATIONS:

External audit management letter recommendations, Government Finance Officers Association (“GFOA”) Best Practices on Bank Account Fraud, and example bank reconciliation policies.

The Policy has been reviewed and discussed at the Policy & Governance Committee meeting of October 13, 2021 and January 5, 2022.

History

Item:	Date:	Explanation:
Policy adopted	January 27, 2022	
Annual BOT Review/Reaffirmed		
Previously Reviewed and Extended		
Renamed		

SUNY Erie Cross References

Policy Name or Procedure:	Where to find:

Next Steps

Include in College Catalog? N/A	
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