

SAM—RECONCILIATIONS AND REPORTS

RECONCILIATIONS - GENERAL

7901

(Revised 7/2014)

The accuracy of a department's accounting records may be proved partially by making certain reconciliations and verifications. Departments will reconcile the account balances to supporting documentation such as invoices, receipts, etc. to ensure the accuracy and completeness of transactions posted to the departmental accounts. Departments will also compare department accounts with records other than those prepared by the department such as bank statements used in a bank reconciliation.

In addition to the above reconciliation processes, reconciliations must be completed between the department accounts and the accounts maintained by the [SCO](#) to disclose errors as they occur. Departments will analyze differences and make corrections to their accounts or request correction to SCO accounts so that information between both systems is complete and accurate. Corrections to errors should be made before financial reports are prepared to ensure the accuracy of a department's financial reports.

State Administrative Manual (SAM) sections 7921-7924 provide some common reconciliations. However, each department is responsible for completing any reconciliation necessary to safeguard the state's assets and ensure reliable financial data. All reconciliations will show the preparer's name, reviewer's name, date prepared, and date reviewed. All reconciliations will be prepared monthly within 30 days of the preceding month, with the exception of property reconciliations. See SAM section 7924.

All reconciliations will be retained at least two years with the exception of federal reconciliations. For more information on the recommended general retention schedule, see the [Department of General Services](#) website.