FIN-023 Reconciling Unit Accounting Records

Effective Date Tuesday, August 11, 2009

Status Final

Last Revised Thursday, October 30, 2025

Policy Type University

Contact Office Controller (Office of the University)

Oversight Executive
Vice President and Chief Financial Officer

Applies To Academic Division and the College at Wise.

Table of Contents

Policy Statement
1. Reconciliation
2. Use of University System(s) of Record
3. Compliance with Policy

Reason for Policy

Reconciliations of all University accounts are required to maintain the integrity of the University's accounting records and to protect the interests of the University. Reconciliations are essential for an effective internal control environment so that:

- The information transmitted to, contained in, and reported from the University's financial systems is accurate, complete, and recorded in a timely manner.
- The information can be relied upon for making financial and administrative decisions.
- Irregularities are quickly detected, reported to the appropriate authorities, and resolved to prevent recurrences.

Definition of Terms

Approver

Description The employee who has the authority and knowledge to approve transactions on the account.

Cost Center

Description

A required worktag (in the UVA account structure) that denotes the area that owns a subset of revenues and/or expenses to support management decision making or accountability.

Designated Worktag

Description

The financial data that is used for funding other than gifts and grants such as discretionary, state appropriations, Equipment Trust Fund, including earned revenue such as tuition and Facilities & Administrative costs.

Gift Worktag

Description

The financial data that is used for pledges, outright contributions received from private sources, or activities supported by an external party (i.e., donor).

Grant Worktag

Description

The financial data that is used for activity that meets the University's policy definition of a sponsored program (e.g., federal, state, local, and private).

Preparer

Description

The employee who performs the monthly detailed reconciliation and prepares documentation for approval.

Reconciliation

Description

A systematic review of accounts against source documents to (1) verify that all charges are accurate, appropriate, and charged to the correct account; and (2) identify expected charges that have not yet occurred.

Worktags

Description

The financial data required to submit a financial transaction in the finance system, such as Cost Center, Project, Fund, Grant, and Spend category.

Policy Statement

The timely reconciliation of transactions and account activity is an important part of responsible stewardship of University resources and an effective system of internal controls, thus the following requirements have been established:

1. **Reconciliation:**
   Units must reconcile each cost center and gift/grant/designated worktags no later than 30 calendar days after the end of the month. Both the preparer and the approver must certify that all transactions are

appropriate, necessary, charged to the correct account, and supported by documentation filed in the department. **Any variance must be documented, including the time frame for expected resolution.**

The timely review and certification of transactions on all accounts are critical to maintaining the integrity of the University's accounting records. Units must maintain files that are sufficient to support the accuracy and completeness of data entered into the financial system(s) of record. This documentation must be retained by the unit to satisfy University, state, federal, and, if applicable, sponsor records retention requirements (see policy IRM-017: Records and Information Management) and to support transactions in case of audit.

Unit leaders/supervisors are responsible for verifying that preparers and approvers complete all required training and comply with applicable University policies, procedures, and standards related to reconciliation, system access/use, and record retention.

2. **Use of University System(s) of Record:**
   The University system(s) of record must be used for reconciling accounts in accordance with University account certification procedures. University units are not permitted to establish or operate independent accounting systems without approval by the associate vice president for financial operations. For those units that have an approved independent system, that system can be referenced for supplemental detail in support of unit account reconciliations and reviews.

3. **Compliance with Policy:**
   Failure to comply with the requirements of this policy may result in disciplinary action up to and including termination in accordance with relevant University policies.

   Direct questions about this policy to the Office of the University Controller.

Related Information

UVA Finance – Business Intelligence & Analytics
UVA Finance – Workday Account Certification
UVA Finance – Workday Reporting
FIN-021: Internal Control
IRM-017: Records and Information Management

Major Category Finance and Business Operations

Next Scheduled Review Monday, October 30, 2028

Revision History

Updated Contact Office, replaced Account Certification with reconciliation, FDM String with account 10/30/25; Confirmed 9/2/25; Revised 6/22/22; Updated 2/16/18, 1/25/18 (procedures); 11/16/17; 10/12/17; 6/30/11.

Supercedes Policy Text

II.B.2 University Reviews and Reconciliations.

Approved By Policy Review Committee

Approved Date Tuesday, August 11, 2009