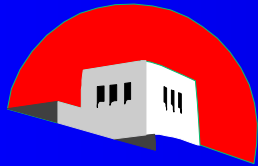


# Index Reconciliation Fundamentals

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# Introduction

- To Reconcile means to check the source documents that show what expenses should have been charged to an index against the expenses that were actually charged to that index.
- Any discrepancies are then investigated and corrected or explained.
- Reconciliations are done monthly.

# We will cover:

- Definitions and explanations
- What does “reconciliation” mean?
- What you need to have and know to reconcile an index
- How you reconcile an index


# Definitions & Explanations

- ***Account*** – An account is the four digit number that represents the place revenue or expense is recorded in Banner.

You can find a list of UNM accounts and their definitions at <http://www.unm.edu/~gacctng/resources/AccountCodeDefinitions.pdf>



- **Source Documents** – These are original documents, or copies of original documents. They are the documents that show that an expense occurred.
- **Index** – An Index is the six digit number that accumulates revenue and expenses in accounts for a given project.
- **Post** – An item is posted in Banner when it has been recorded in the financial accounting data base. Only posted items appear on Hyperion accounting reports.

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- ***Internal Files*** – Internal Files are the files you set up to make your job easier.

For Index Reconciliation:

- Uncleared Folder
- Payroll Folder
- Index Reconciliation Folder

# What does Reconciliation Mean?

**Reconciliation** means checking the source documents that show what expenses should have been charged to an index, against the expenses that were actually charged to that index.

Any discrepancies are investigated and corrected or explained.

This is done monthly.



# Items to Reconcile:

- Revenue
- Salaries
- Other Expenses



# What you need to have:

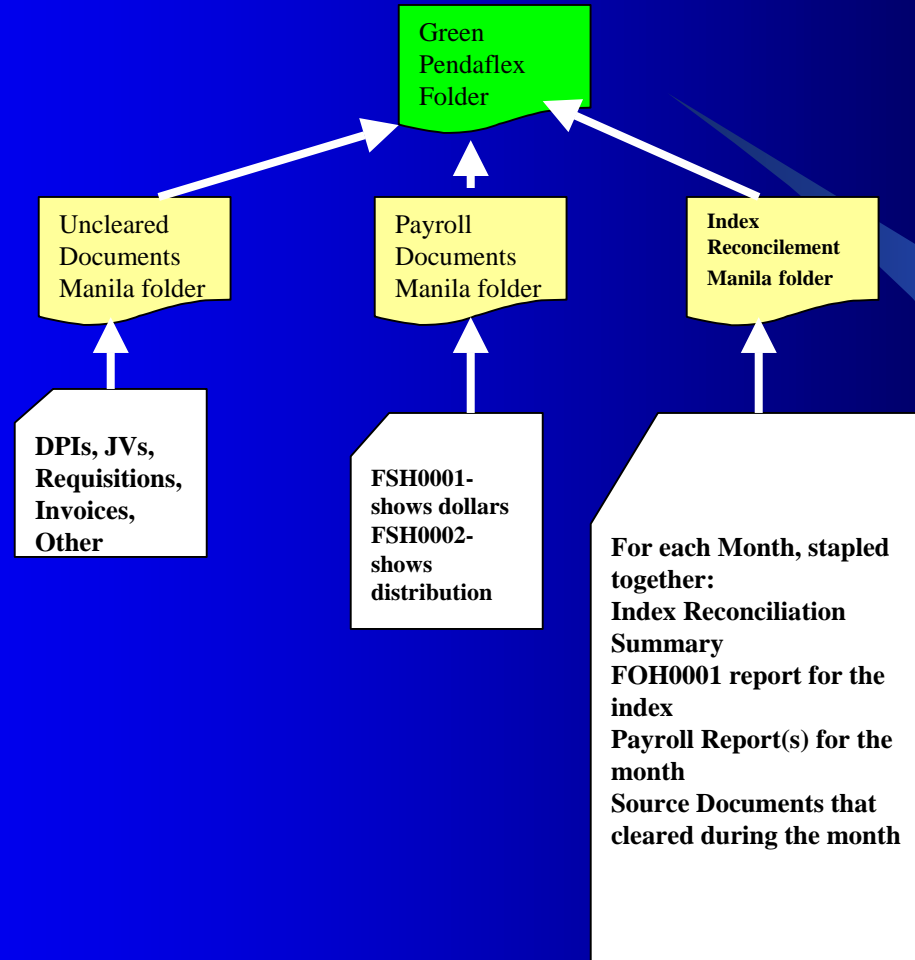
- Banner Hyperion Reports
- Revenue Information
- Payroll Information
- Source Documents
- A Red Pencil



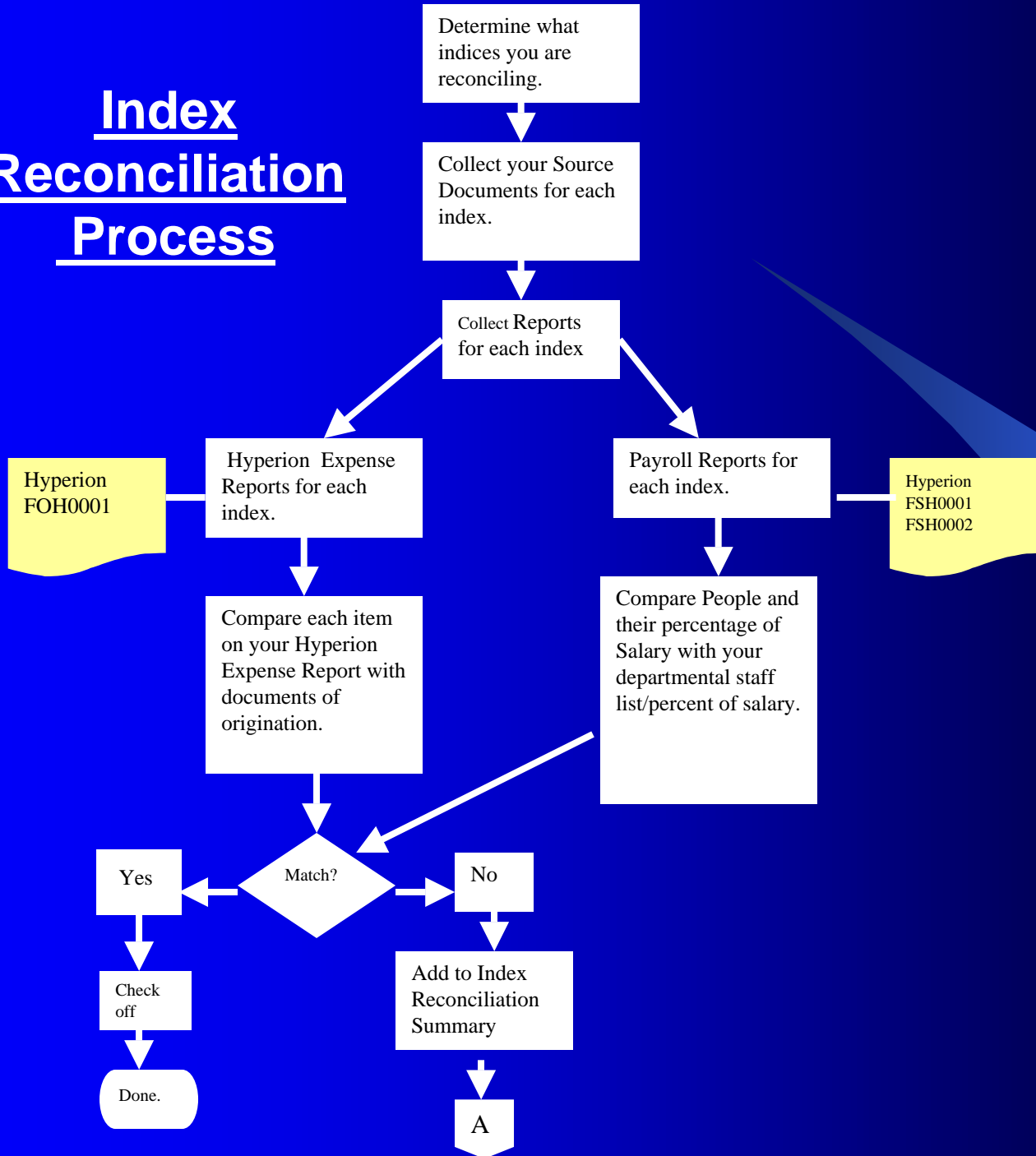
# What you need to know:

- How to get the Source Documents
- What Hyperion Reports you will use, and how to get them
- How to get Payroll Information
- How to get Revenue Information
- Account Responsibility

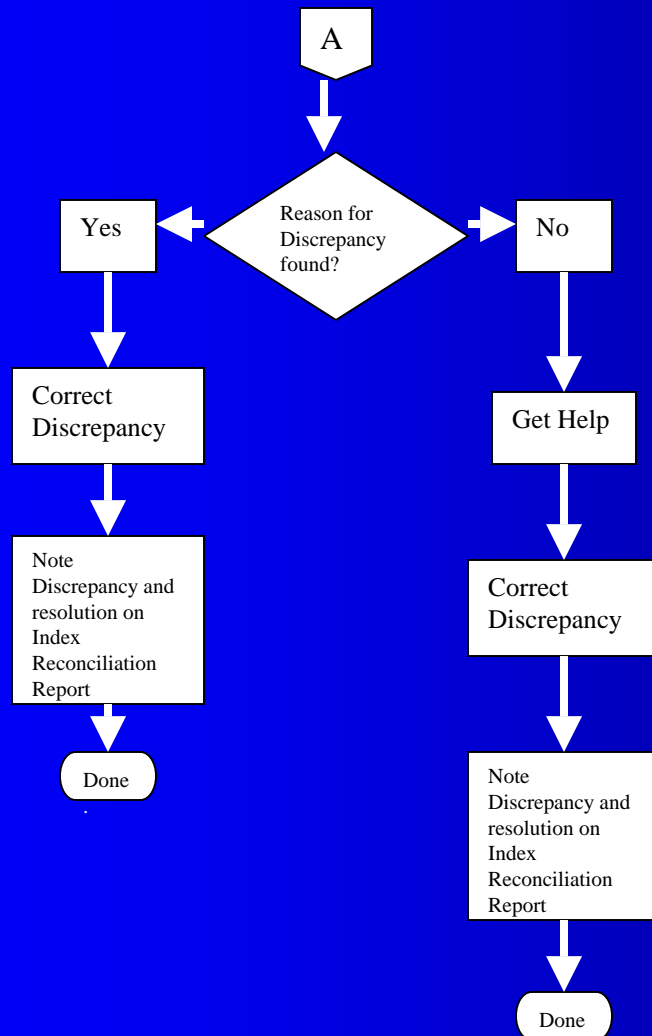
# Flow Chart – Document Organization



# Index Reconciliation Process



## Index Reconciliation Process (cont)





# Index Reconciliation Summary

Index Number: \_\_\_\_\_

Month Reconciled: \_\_\_\_\_

Person Completing Reconciliation: \_\_\_\_\_

I have reviewed this reconciliation and believe it to be correct: \_\_\_\_\_

Dept Administrator

## Reconciling Items:

Account	Amount	Notes



# How to reconcile an Index:

- Print your Hyperion Report
- Open your Uncleared Folder
- Compare the Two



- **Payroll Expenses**

- Locate what you can match, and clear it.
- Discrepancies are listed on the Index Reconciliation Summary.



- **General Expenses**

- Locate what you can match, and clear it.
- Discrepancies are Listed on the Index Reconciliation Summary



- **Investigate Discrepancies**
- Payroll
- General Expenses



# General Expense Discrepancy Types

- Banner amount does not match source document.
- On Hyperion Report, but no Source Document.
- Source document in Uncleared folder, but not on Hyperion Report.



# Index Reconciliation Summary

Index Number: 123456

Month Reconciled: 4/2008

Person Completing Reconciliation: \_\_\_\_\_

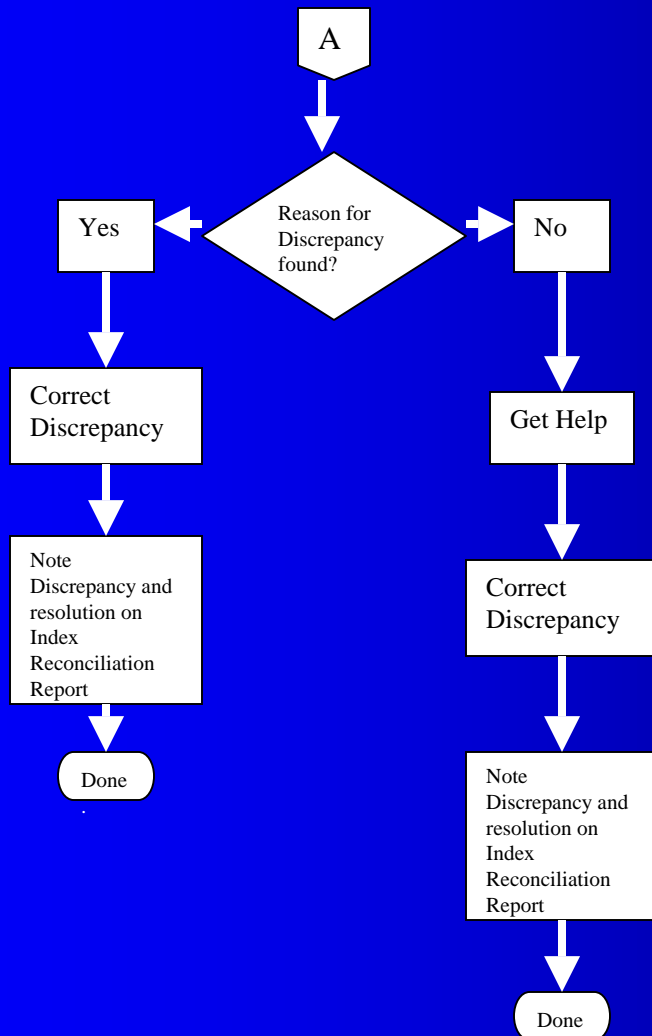
I have reviewed this reconciliation and believe it to be correct: \_\_\_\_\_

Dept Administrator

## Reconciling Items:

Account	Amount	Notes
3100	87.32	No document
3140	.03	Invoice is .03 more than what is posted in Banner
3189	2,940.00	DPI D12345 for computer created 3/28/08. Expense not posted.

# Index Reconciliation Process (Discrepancy Investigation)





# Index Reconciliation Summary

Index Number: 123456

Month Reconciled: 4/2008

Person Completing Reconciliation: Your Name

I have reviewed this reconciliation and believe it to be correct: \_\_\_\_\_

Dept Administrator

## Reconciling Items:

Account	Amount	Notes
3100	87.32	No document. Expense determined to belong to index 124356. JV100632 moved it there on 5/21/08
3140	.03	Immaterial. Ignored.
3189	2,940.00	DPI D12345 created 3/14/08. Expense not posted. The DPI never received in Accounting. Copy hand delivered 5/16/08. Posted to banner 5/20/08.



# Complete an Index Reconciliation Summary

- Use the Index Reconciliation Summary template on the Financial Services website under forms
- File this completed Index Reconciliation Summary in your Index Reconciliation folder



# Attach Documents to Summary

- Index Reconciliation Summary
- Hyperion Report FOH0001
- Payroll Reports FSH0001 (2)
- Source Documents

# Summary

- You have learned what an index reconciliation is.
- You now understand the basic accounting terms used at UNM during an index reconciliation.
- You have learned what you need to gather in order to complete an index reconciliation, and how to complete it.



# Where to get more information

- FSSC help line, 277-3457 M-F 8am-12 and M-Thursday 1-5pm, Friday 2-5pm.  
website:

<http://www.unm.edu/~fssc/index.html>

e-mail address: [FSSC@salud.unm.edu](mailto:FSSC@salud.unm.edu)

- Other training sessions in EOD, and during our monthly LEARN sessions.
- Ask your supervisor for help.



# Where to get more information (continued)

- Working Sessions

Open work sessions held at the HSC Finance Center, room 125. These will be held

June 6<sup>th</sup> from 9am-11am

June 9<sup>th</sup> from 1pm-3pm

June 10<sup>th</sup> from 9am to 11am

Help will be given on a first come, first serve basis. Additional times are available by reservation. Call Terry Shoebottom, 272-0865 to reserve a day and time.