

**UNIVERSITY OF MAINE SYSTEM
INTERIM RECONCILIATION PROCEDURES
FEBRUARY 28, 2006**

Exhibits referred to in this document and University specific requirements are located on the Finance and Treasurer web site at <http://www.maine.edu/oft/yearend.html>.

1. BANK RECONCILIATIONS

All of the bank accounts over which you have control should be reconciled as of February 28, 2006 and the reconciliations forwarded to SWS by **March 17, 2006**. Exhibit I is to be completed for each of the accounts and all supporting data are to be retained for each account for that period. This includes bank statements, canceled checks, debit/credit memos and deposit slips. A copy of the bank statement should be attached and sent with Exhibit I. To assist with abandoned property reporting, **please attach a machine tape or list detailing the individual check amount in the outstanding total on Exhibit I**. Please note that this is a self-balancing reconciliation between a cashbook and bank statement, which necessitates completing both sides. See the specific requirements for your University for a listing of accounts requiring completion of Exhibit I.

DUE DATE MARCH 17, 2006 EXHIBIT I

2. IMPREST FUNDS

The reconciliation of your Imprest Funds as of February 28, 2006 should be prepared using Exhibit IV for each chart field combination. See the specific requirements for your University for a listing of applicable combinations.

DUE DATE MARCH 17, 2006 EXHIBIT IV

3. RECEIVABLE ACCOUNTS

A. STUDENT AND OTHER ACCOUNTS RECEIVABLE

Student account receivables are to be aged and reconciled as of February 28, 2006. The Aging Report from the ISIS System that is sent to your University on February 27th by UNET should be used. Receivables that are not maintained on ISIS will require manual aging on Exhibit IIA or a similar report.

The ISIS Trial Balance Reports run on the weekend of 2/25-2/26 must be reconciled to their general ledger balance as of February 28 using Exhibit II. February month-end balances in the general ledger for other receivables should also be reconciled to detail using Exhibit II or similar format. The ARAS/ISIS Clearing Accounts should also be reconciled using Exhibit II.

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3. RECEIVABLE ACCOUNTS - Continued

A. STUDENT AND OTHER ACCOUNTS RECEIVABLE - continued

Your Reserve for Doubtful Accounts should be reviewed with the Monthly Aging Report furnished by SWS Accounting and the reserve funded accordingly based on the interim calculation.

See the specific requirements for your University for a listing of applicable student and agency receivable accounts.

**DUE DATES MARCH 17, 2006 EXHIBIT IIA
EXHIBIT II**

B. ARAS/ISIS CLEARING ACCOUNT RECONCILIATION

Reconciliation of the ARAS Clearing accounts needs to be completed by the preparation of an Exhibit II using the February 2006 accounting reports.

DUE DATE MARCH 17, 2006 EXHIBIT II

C. DIRECT LOAN FUNDS ADVANCED

All direct lending accounts should be reconciled to detail records as of February 28, 2006. Use Exhibit II or similar format.

DUE DATE MARCH 17, 2006 EXHIBIT II and IIA

4. LOANS RECEIVABLE - PERKINS AND NSL

Exhibit IX should be prepared for each Loan Fund, reconciling Campus Partners' records to PeopleSoft. Any differences must be corrected by journal entries and entered by the University, so that PeopleSoft agrees with Campus Partners at February 28, 2006.

A detailed listing of student payments is required in support of the Perkins/NSL Miscellaneous Deposit Account Balance (Exhibit IXA).

**DUE DATES MARCH 24, 2006 EXHIBITS IX and IXA
(OR TWO WORKDAYS AFTER THE RECEIPT OF CP REPORTS)**

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5. LOANS RECEIVABLE - UNIVERSITY

(1) DETAILED TRIAL BALANCE - AGED AS FOLLOWS:

<u>NAME</u>	<u>TOTAL LOAN</u>	<u>BALANCE DUE</u>	<u>120 DAYS OR LESS</u>	<u>121 DAYS TO 1 YR</u>	<u>1 YR TO 2 YRS</u>	<u>2 YRS TO 3 YRS</u>	<u>3 YRS AND OVER</u>	<u>WRITE OFFS</u>
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The aged trial balance (Exhibit IIC) should be reviewed for recommended write-offs. If write-offs are required, prepare and enter journal entries debiting account code 65200 and crediting the appropriate note receivable account code 13700.

- (2)** Exhibit II should be prepared for each chart field combination listed in the specific requirements for your University and journal entries submitted for any difference.

**DUE DATE MARCH 24, 2006 EXHIBIT II
EXHIBIT IIC**

6. OTHER INVESTMENTS

The detail of all other investment accounts, which are University controlled or administered, is to be submitted on Exhibit III. All passbooks should be posted as of February 28, 2006 showing interest earned. See the specific requirements for your University for a listing of banks and number of accounts to which this section applies.

DUE DATE MARCH 24, 2006 EXHIBIT III

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7. PLEDGES RECEIVABLE

A. OUTSTANDING PLEDGES

The following information should be provided as of **February 28, 2006 for each pledge receivable:**

- Donor name
- Original pledge amount
- Pledge balance outstanding (total balance left to be paid)
- Project title and the FAST account to which the payments will be posted. The System Office will translate the FAST account to get the PeopleSoft chart field combination.

DUE DATE MARCH 17, 2006

B. PLEDGE REQUIREMENTS NOT YET MET

Occasionally a donor makes a pledge to the University but requires that the University fulfill certain requirements (e.g., raise a matching amount of money) before the donor will pay the pledge. Pledges of this type should not be included in the University's financial statements until all requirements have been fulfilled. Therefore any such items that are included on the list of outstanding pledges from item 'B' above should be identified. Exhibit XIII should be used to report such pledges. Needed information includes the donor's name, pledge date, pledge amount, FAST accounts, and a description of the unfulfilled requirements remaining as of June 30, 2005.

DUE DATE MARCH 17, 2006 EXHIBIT XIII

8. SUMMER SESSION DEFERRAL AND OTHER DEFERRED REVENUES

With a few exceptions (mainly related to Canadian students), the balance in summer session accounts as of February 28, 2006 should be zero. The summer session accounts and other deferred revenues and deposit accounts must be reconciled as of February 28, 2006 using Exhibit II.

DUE DATE MARCH 24, 2006 EXHIBIT II

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9. INVENTORIES AND PREPAID EXPENSES

A physical count of inventory is not required for February 28, 2006; however, the balance in PeopleSoft general ledger must be reconciled. If you maintain a perpetual inventory, the balance in your inventory system should be reconciled to the balance in the general ledger. If you only adjust your inventory balance one a year at year-end, your inventory balance should be the same as it was at June 30, 2005.

The Prepaid travel account (15101) should be reconciled with the balance in the PeopleSoft travel and expense module. Please feel to contact the System Procurement Office or the System Accounting Office for help with these items.

DUE DATE MARCH 31, 2006 EXHIBIT II

10. GIFTS PENDING AND GIFT CLEARING ACCOUNTS

A. These accounts must be reconciled at February 28, 2006. The reconciliations should be prepared on Exhibit II, and any differences adjusted by journal entries.

DUE DATE MARCH 17, 2006 EXHIBIT II

B. A listing must be provided to support the February 28, 2006 balance in these accounts. The listing should include the following information: date of gift, donor's name, amount of gift, title of the fund to be created/chart field combination to which the gift will eventually be credited, and restrictions.

DUE DATE MARCH 17, 2006

11. OTHER LIABILITY ACCOUNTS

Most Universities are responsible for certain liability accounts in our general ledger, and although they should be reconciled monthly, they must be reconciled at February 28, 2006. The reconciliation should be prepared on Exhibit II, and any differences adjusted by journal entries. Detail support should be available upon request.

See the specific requirements for your University for a listing of accounts requiring reconciliation.

DUE DATES MARCH 24, 2006 EXHIBIT II

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12. PAYROLL SUSPENSE ACCOUNTS

Payroll suspense accounts must be reconciled as of February 28, 2006 using form Exhibit II. All labor adjustments to clear out the February 28th balance should be made by March 31, 2006.

DUE DATES MARCH 31, 2006 EXHIBIT II

13. OTHER SUSPENSE AND CLEARING ACCOUNTS

Most Universities are responsible for certain suspense and clearing accounts in our general ledger, and although they should be reconciled monthly, they must be reconciled at February 28, 2006. The reconciliation should be prepared on Exhibit II, and any differences (other than timing) adjusted by journal entries. Detail support should be available for review upon request.

See the specific requirements for your University for a listing of accounts requiring reconciliation.

DUE DATE MARCH 24 EXHIBIT II

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