

ACCOUNTS RECEIVABLE RECONCILIATION

An accounts receivable reconciliation is performed to ensure the accuracy of accounts receivable (A/R) balances reflected in the subsidiary ledger and the general ledger.

1. At the conclusion of a fiscal quarter and prior to preparation of the quarterly financial statements, District Office Accounting staff will compare the balances in the A/R subsidiary ledger to the general ledger A/R account balances.
2. Differences between the subsidiary and general ledgers will be identified and corrected as needed.
3. No entries should be routinely made directly to accounts receivable general ledger accounts. All adjustments should be made to the A/R subsidiary ledger to keep it in balance with account receivable general ledger account totals.