

2024 Indian Health Service Partnership Conference

Reconciliation Basics

ALEX AROBBA

GREAT PLAINS AREA

BUSINESS OFFICE COORDINATOR



Reconsillyation 101

BASICS OF RECONCILIATION

GENERAL OVERVIEW

AND

IHS BUSINESS OFFICE PERSPECTIVE



Objectives

Understanding Reconciliation

Benefits of Reconciliation

Key Components of Reconciliation

Common Reconciliation Challenges

Tools and Best Practices

Case study – RPMS/UFMS – Business Office Manager

Ready, set, engage

Q&A



Reconciliation is to Reconcile



Merriam-Webster's Definition: To Reconcile (verb)

1. To restore to harmony (settle, resolve)
2. To make consistent or congruous (reconcile an ideal with reality)
3. To cause acceptance of something unpleasant
4. To check against another for accuracy (to account for)



Why Is Accuracy and Consistency in Financial Records Important?

1. Reflects the true financial state of an organization
2. Compliance with legal requirements
3. Helps prevent fraud
4. Builds trust with stakeholders
5. Improves operational efficiency
6. Provides reliable historical data for future planning



Examples of Reconciliation Activities Important to Finance and Operations



Data Reconciliation

Financial Reconciliation

Bank Reconciliation

Sales Reconciliation

Customer Reconciliation

Payroll Reconciliation

Inventory Reconciliation

Supplier Reconciliation

Project Reconciliation

Compliance Reconciliation



Benefits of Reconciliation



Operational Benefits

1. Enhanced decision making
2. Efficiency in operations
3. Inventory management
4. Customer/supplier relationship management
5. Risk Management



Benefits of Reconciliation (continued)

Financial Benefits

1. Accuracy in financial statements
2. Error detection
3. Fraud prevention and detection
4. Improved cash flow management
5. Compliance with regulations
6. Audit readiness



Benefits of Reconciliation (continued)

General Benefits

1. Transparency and accountability
2. Cost savings
3. Strategic planning



Key Components of Reconciliation



1. Source Documents

- a) Financial records (accounting software)
- b) External statements (ex. bank statements, remittance advices, vendor invoices, etc.)
- c) Operational records (inventory logs, sales reports, procurement documents, etc.)

2. Comparison

- a) Matching entries
- b) Identifying discrepancies



Key Components of Reconciliation (continued)



3. Investigation

- a) Root Cause Analysis
- b) Documentation

4. Adjustment

- a) Correction of Errors
- b) Reconciliation Entries

5. Validation

- a) Review and Approval
- b) Supporting Evidence



General Steps in Reconciliation



1. Preparation
2. Initial comparison
3. Discrepancy investigation
4. Adjustment and correction
5. Final review and approval
6. Archive documentation



Common Discrepancies

Timing Differences

Errors

Omissions

Duplicate Entries





Common Challenges in Reconciliation

Volume of transactions

Complexity of accounts

Manual processes

Lack of standardization



Common Challenges in Reconciliation (continued)



Data quality issues

Timing differences

Resource constraints

System integration



Common Challenges in Reconciliation (continued)

Regulatory compliance

Auditing and reporting requirements

Technology limitations

Fraud detection



Tools



Spreadsheet software (Excel)

Accounting software/Business Intelligence Systems

Reconciliation management software


Data import/export tools

Document management systems





Tools – Federal IHS specific examples

 RPMS-UFMS Reconciliation		Month -Year	Jan-2024		
Sno	Item	Pre-Requisite	Action	Status	Notes
1	RPMS Errors	RPMS Invoice/Adjustment/Receipt Error FBIS Reports	<input checked="" type="checkbox"/> Errors <input type="checkbox"/> No Errors		
2	RPMS-HUB File Reconciliation	RPMS Grand Total Report/ HUB Emails/HUB Reports	<input checked="" type="checkbox"/> Reconciled <input type="checkbox"/> Un-Reconciled		
3	HUB-UFMS File Reconciliation	HUB Reports/FBIS Reports	<input checked="" type="checkbox"/> Reconciled <input type="checkbox"/> Un-Reconciled		
4	RPMS USM Balance vs UFMS Open Balance	RPMS USM Reports/ FBIS Reports	<input checked="" type="checkbox"/> Reconciled <input type="checkbox"/> Un-Reconciled		
5	RPMS Allotment/Allowance Reconciliation	HUB Reports/FBIS Reports/Allowance CSV File	<input checked="" type="checkbox"/> Reconciled <input type="checkbox"/> Un-Reconciled		

* Please attach the supporting documentation via attachments to this document

Certification

Preparer Name	Designation	Reviewer/Approver Name	Designation

Signature		



Tools – Federal IHS specific examples (continued)

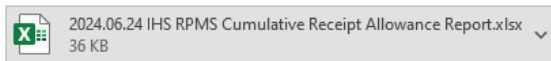
	HUB File Name	RPMS File Name
RCV	RECEIPTS	
06/03/24	IHS_AR_RPMS_INV_C_20240604_120059.dat	IHS_AR_RPMS_RCV_2845_102101_20240603_163230_1.08.35.DAT
06/04/24	IHS_AR_RPMS_RCV_C_20240605_120057.dat	IHS_AR_RPMS_RCV_2845_102101_20240604_124418_1.08.35.DAT
06/05/24	IHS_AR_RPMS_RCV_C_20240605_120057.dat	IHS_AR_RPMS_RCV_2845_102101_20240605_120815_1.08.35.DAT
06/06/24	IHS_AR_RPMS_RCV_C_20240607_120056.dat	IHS_AR_RPMS_RCV_2845_102101_20240606_130009_1.08.35.DAT
06/07/24	IHS_AR_RPMS_RCV_C_20240608_120139.dat	IHS_AR_RPMS_RCV_2845_102101_20240607_151007_1.08.35.DAT
1st WK TOTAL		

RCV	COUNT	MEDICAID	COUNT	MEDICARE	COUNT	OTHER	COUNT	PVT INS	COUNT	VET
06/03/24	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00
06/04/24	65	\$46,735.00	41	\$5,612.02	0	\$0.00	455	\$60,840.84	0	\$0.00
06/05/24	10	\$7,190.00	52	\$2,654.46	0	\$0.00	56	\$5,294.85	0	\$0.00
06/06/24	0	\$0.00	35	\$2,517.72	0	\$0.00	16	\$10,035.68	0	\$0.00
06/07/24	0	\$0.00	9	\$4,357.48	0	\$0.00	17	\$722.46	0	\$0.00
1st WK TOTAL	75	\$53,925.00	137	\$15,141.68	0	\$0.00	544	\$76,893.83	0	\$0.00

RCV	TOTAL		RPMS STAGING		RPMS vs HUB	
	COUNT	AMOUNT	COUNT	AMOUNT	COUNT	AMOUNT
06/03/24	0	\$0.00	0	\$0.00	0	\$0.00
06/04/24	561	\$113,187.86	561	\$113,187.86	0	\$0.00
06/05/24	118	\$15,139.31	118	\$15,139.31	0	\$0.00
06/06/24	51	\$12,553.40	51	\$12,553.40	0	\$0.00
06/07/24	26	\$5,079.94	26	\$5,079.94	0	\$0.00
1st WK TOTAL	756	\$145,960.51	756	\$145,960.51	0	\$0.00



Tools – Federal IHS specific examples (continued)



Good afternoon,

The Weekly Collections Report is attached for 06/18/2024 to 06/24/2024. The allotments were received from Headquarters on 06/24/2024 and the allowances were approved in UFMS on 06/24/2024.

Prior Year RPMS Reimbursements – Area does not receive Allotments from HQ for prior year expired funds; HQ makes the funds available to the appropriate Service Unit Locations at the end of the month as part of the month end process.

Thank you,



Tools – Federal IHS specific examples (continued)

IHS RPMS Cumulative Receipt Allowance Report				
Location_BAP				
06/18/2024 to 06/24/2024				
Sum of Amount				
Location Code	Location Description	BAP	BAP Description	Total
45202NDH0000	ABERDEEN-BELCOURT SERVICE UNIT	7120450121	ABERDEEN-MEDICARE	\$570,726.82
		7122450222	ABERDEEN-MEDICAID	\$131,700.53
		7132450515	ABERDEEN-PRIVATE INSURANCE COLLECTION	\$95,771.44
		7170450000	IHS and VA Dual-eligible Beneficiaries	\$8,364.48
45203NDH0000	ABERDEEN-FT. YATES SERVICE UNIT	7120450121	ABERDEEN-MEDICARE	\$32,045.21
		7122450222	ABERDEEN-MEDICAID	\$102,817.00
		7132450515	ABERDEEN-PRIVATE INSURANCE COLLECTION	\$36,105.83
		7170450000	IHS and VA Dual-eligible Beneficiaries	\$7,784.26
45203SDC01000	ABERDEEN-MCLAUGHLIN HEALTH CENT	7120450121	ABERDEEN-MEDICARE	\$2,755.68
		7122450222	ABERDEEN-MEDICAID	\$63,866.79
		7132450515	ABERDEEN-PRIVATE INSURANCE COLLECTION	\$4,208.83
		7170450000	IHS and VA Dual-eligible Beneficiaries	\$979.58
45207SDC01000	ABERDEEN-WANBLEE HEALTH CENTER	7120450121	ABERDEEN-MEDICARE	\$2,926.87
		7122450222	ABERDEEN-MEDICAID	\$48,591.34
		7132450515	ABERDEEN-PRIVATE INSURANCE COLLECTION	\$5,054.78
		7120450121	ABERDEEN-MEDICARE	\$6,967.72
45207SDC02000	ABERDEEN-KYLE HEALTH CENTER	7122450222	ABERDEEN-MEDICAID	\$129,235.52
		7132450515	ABERDEEN-PRIVATE INSURANCE COLLECTION	\$24,041.73
		7120450121	ABERDEEN-MEDICARE	\$43,410.91
		7122450222	ABERDEEN-MEDICAID	\$908,793.91
45207SDH00000	ABERDEEN-PINE RIDGE SERVICE UNIT	7132450515	ABERDEEN-PRIVATE INSURANCE COLLECTION	\$56,312.84



Tools – Federal IHS specific examples (continued)



Comparison: RPMS Export to UFMS Remit						
FY24						
RPMS AR CSH SUP PRT VSF GRAND TOTAL	MAY	JUNE	JUNE	JUNE	JUNE	
MEDICAID						MEDICAID
UFMS Transaction Range	5/29/24 - 5/30/24	5/31/24 - 06/05/24	6/6/24 - 6/10/24	6/11/24 - 6/17/24	6/18/24 - 06/24/24	FY24 TO DATE
UFMS Posted Date	5/30/2024	6/5/2024	6/10/2024	6/17/2024	6/24/2024	TOTAL
Weekly UFMS Remit	39,874.00	58,893.00	53,925.00	239,653.24	106,827.40	4,843,399.32
Weekly RPMS export	39,874.00	105,628.00	7,190.00	239,653.24	106,827.40	4,780,264.32
Difference	-	(46,735.00)	46,735.00	-	-	63,135.00
MEDICARE						MEDICARE
UFMS Transaction Range	5/29/24 - 5/30/24	5/31/24 - 06/05/24	6/6/24 - 6/10/24	6/11/24 - 6/17/24	6/18/24 - 06/24/24	FY24 TO DATE
UFMS Posted Date	5/30/2024	6/5/2024	6/10/2024	6/17/2024	6/24/2024	TOTAL
Weekly UFMS Remit	8,314.55	3,390.94	15,141.68	19,891.18	1,998.24	655,908.23
Weekly RPMS export	8,314.55	9,002.96	9,529.66	19,891.18	1,998.24	606,051.09
Difference	-	(5,612.02)	5,612.02	-	-	49,857.14
PRIVATE						PRIVATE
UFMS Transaction Range	5/29/24 - 5/30/24	5/31/24 - 06/05/24	6/6/24 - 6/10/24	6/11/24 - 6/17/24	6/18/24 - 06/24/24	FY24 TO DATE
UFMS Posted Date	5/30/2024	6/5/2024	6/10/2024	6/17/2024	6/24/2024	TOTAL
Weekly UFMS Remit	-	9,679.91	76,893.83	11,408.49	5,314.66	629,569.18
Weekly RPMS export	-	70,520.75	16,052.99	11,408.49	5,314.66	597,576.60
Difference	-	(60,840.84)	60,840.84	-	-	31,992.58
VA						VA
UFMS Transaction Range	5/29/24 - 5/30/24	5/31/24 - 06/05/24	6/6/24 - 6/10/24	6/11/24 - 6/17/24	6/18/24 - 06/24/24	FY24 TO DATE
UFMS Posted Date	5/30/2024	6/5/2024	6/10/2024	6/17/2024	6/24/2024	TOTAL
Weekly UFMS Remit	-	-	-	-	-	42,121.29
Weekly RPMS export	-	-	-	-	-	41,467.29
Difference	-	-	-	-	-	654.00
TOTAL						TOTAL
UFMS Transaction Range	5/29/24 - 5/30/24	5/31/24 - 06/05/24	6/6/24 - 6/10/24	6/11/24 - 6/17/24	6/18/24 - 06/24/24	FY24 TO DATE
UFMS Posted Date	5/30/2024	6/5/2024	6/10/2024	6/17/2024	6/24/2024	TOTAL
Weekly UFMS Remit	48,188.55	71,963.85	145,960.51	270,952.91	114,140.30	6,170,998.02
Weekly RPMS export	48,188.55	185,151.71	32,772.65	270,952.91	114,140.30	6,025,359.30
Difference	-	(113,187.86)	113,187.86	-	-	145,638.72



Tools – Federal IHS specific examples (continued)

DATE	RPMS File Name	MCd	Medicaid	MCR	Medicare	Ot	Other	PI	PVT INS	VA	VAMB	Tot	Total	
10/5/2023	IHS_AR_RPMS_RCV_2261_101701_20231005_110003	135	\$ 92,613.93	226	\$ 31,979.71	0	\$ -	290	\$ 69,181.22	6	\$ 1,520.85	657	\$ 195,295.71	
10/6/2023	IHS_AR_RPMS_RCV_2261_101701_20231006_110229	1	\$ 25.08	158	\$ 19,089.41	0	\$ -	81	\$ 10,321.73	0	\$ -	240	\$ 29,436.22	
	RPMS Total		\$ 92,639.01	384	\$ 51,069.12	0	\$ -	371	\$ 79,502.95	6	\$ 1,520.85	897	\$ 224,731.93	
10/10/2023	BFY Collections		\$ 25.08		\$ 19,089.41		\$ -		\$ 10,321.73		\$ -		\$ 29,436.22	
	Difference		\$ (92,613.93)		\$ (31,979.71)		\$ -		\$ (69,181.22)		\$ (1,520.85)		\$ (195,295.71)	Balanced 12/26/2023
10/10/2023	IHS_AR_RPMS_RCV_2261_101701_20231010_112154	3	\$ 1,962.00	88	\$ 13,985.17	0	\$ -	90	\$ 20,624.59	0	\$ -	181	\$ 36,571.76	
10/11/2023	employee leave											0	\$ -	
10/12/2023	IHS_AR_RPMS_RCV_2261_101701_20231012_112408	109	\$ 71,286.00	30	\$ 6,681.99	0	\$ -	9	\$ 2,219.52	0	\$ -	148	\$ 80,187.51	
10/13/2023	IHS_AR_RPMS_RCV_2261_101701_20231013_110550	1	\$ 654.00	86	\$ 15,522.68	0	\$ -	17	\$ 8,511.89	0	\$ -	104	\$ 24,688.57	
	RPMS Total	\$113.00	\$ 73,902.00	\$204.00	\$ 36,189.84	\$0.00	\$ -	\$116.00	\$ 31,356.00	\$0.00	\$ -	\$433.00	\$ 141,447.84	
10/16/2023	BFY Collections		\$ 73,902.00		\$ 36,189.84		\$ -		\$ 31,356.00		\$ -		\$ 141,447.84	
	Difference		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10/16/2023	IHS_AR_RPMS_RCV_2261_101701_20231016_111245	6	\$ 3,924.00	0	\$ -	0	\$ -	2	\$ 502.80	4	\$ 5,196.64	12	\$ 9,623.44	
10/17/2023	employee leave											0	\$ -	
10/18/2023	IHS_AR_RPMS_RCV_2261_101701_20231018_110120	140	\$ 73,498.15	144	\$ 18,515.65	0	\$ -	100	\$ 15,584.09	0	\$ -	384	\$ 107,597.89	
10/19/2023	IHS_AR_RPMS_RCV_2261_101701_20231019_110438	0	\$ -	27	\$ 2,471.44	0	\$ -	2	\$ 171.38	0	\$ -	29	\$ 2,642.82	
10/20/2023	IHS_AR_RPMS_RCV_5074_101701_20231020_110152	5	\$ 2,634.31	75	\$ 8,659.01	0	\$ -	110	\$ 27,597.91	0	\$ -	190	\$ 38,891.23	
	RPMS Total	151	\$ 80,056.46	246	\$ 29,646.10	0	\$ -	214	\$ 43,856.18	4	\$ 5,196.64	615	\$ 158,755.38	
10/23/2023	BFY Collections		\$ 80,056.46		\$ 29,646.10		\$ -		\$ 43,856.18		\$ 5,196.64		\$ 158,755.38	
	Difference		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



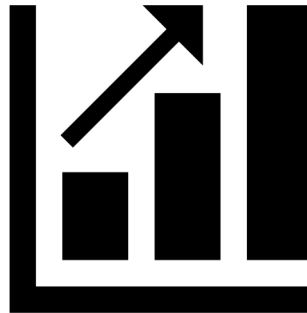
General Best Practices

Regular ongoing performance

Use software

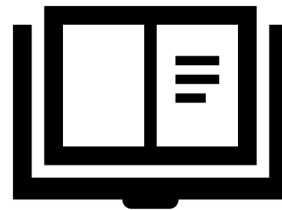
Segregate duties

Review and approve



Federal Business Office Manager Specific Best Practice

Learn to reconcile the weekly 3rd party UFMS collections allotments from HQ to your service unit by comparing the RPMS VSF Grand Total report against the weekly UFMS Cumulative Receipts Allowance report every week when the allotment is issued. Do it yourself as a tool for managing/overseeing the overall RPMS-HUB-UFMS reconciliation process at your service unit.



Conclusion – ready, set, engage

Quotable quote (says me)

Now... go forth... and reconcile.



The End – Thanks for joining me today.



