

**William D. Ford Federal Direct Loan (DL) Program – Affiliated Computer Services (ACS) Accounting Staff  
preparation of the Direct Loan Servicing System (DLSS) to the Financial Accounting and Reporting System  
(FARS) Monthly Reconciliation Worksheet**

**How do you prepare a monthly reconciliation worksheet?**

The process involves 3 steps:

1. Open the previous month's DLSS-FARS monthly worksheet file
2. Update the previous month's DLSS-FARS worksheet using this month's data
3. Check for variance in data and reflect the variances

**What does this document do?**

This document specifies the procedure for preparing the DLSS/FARS monthly reconciliation worksheet. DLSS passes data to FARS on a daily basis via the IF010 and IF020 files. This procedure is designed to ensure that data booked by DLSS is correctly processed by the FARS system. This reconciliation occurs on a monthly basis. Any discrepancies between the two systems must be identified within 20 days of the end of the period being reconciled. All corrections will be made within 60 days of the end of the period in which the discrepancy occurred.

**What is the policy on reconciling DLSS to FARS?**

The DLSS should be reconciled to FARS to verify that the transactions recorded in DLSS are being accurately posted to FARS.

**Who must follow the procedures in this document?**

All members in the Chief Financial Officer (CFO) – Accounting Division (AD) or ACS (as an agent for SFA), must comply with these procedures for the process to which it relates.

**3 Basic steps for preparing a DLSS/FARS Monthly Reconciliation Worksheet:**

**1) Open the previous month's DLSS-FARS monthly worksheet file  
As an ACS Accounting Staff member you must**

**When?**  
Monthly

- a) Locate the file, open the file, then saving it as the current month.

**2) Update the previous month's DLSS-FARS worksheet using this month's data  
As an ACS Accounting Staff member you must**

**When?**

After obtaining the month end T/Bs

- a) Take the month end DLSFB800 query and insert the beginning balances for principal balance outstanding (PBO) and interest balance outstanding (IRB). Then subtract the ending balances for PBO and IRB from the beginning balance of PBO and IRB to reflect the monthly activity.
- b) Use the prior months' Cash Analysis ending balance and add the current month's activity. Then use the month end DSLFB750 query and copy down all the corresponding transactions with an amount.
- c) Use the month end interest accrual query and insert all the amounts by transaction type.
- d) Use the month end refund JPLKCRFN query report #2 and 3 to compute the following transaction (63-01-U8, 73-11-00, 63-02-15) by using the prior month's ending balance and add the current month's activity.
- e) Use the DLSS CF020 report and insert the PBO and IRB amounts on the monthly worksheet.

**3) Check for variance in data and reflect the variances under the heading  
As an ACS Accounting Staff member you must**

**When?**

When a permanent difference has been identified

- a) If there are any variances that FARS created, an adjustment is reflected on the monthly DLSS/FARS worksheet under the heading FARS monthly variance.
- b) If there are any variances listed on the DLSS official IF010 Reconciliation received from AD/CFO via email, an adjustment is reflected on the monthly DLSS and FARS worksheet under the heading DLSS Monthly Variance.

**REPORTS REQUIRED FROM FARS:**

- JPLKCMTH - Monthly summary report of Cash Analysis Activity
- JPLKCRFN - Monthly summary report of 1166 Refund Activity
- JPLKCTRB - Monthly cumulative Trial Balance
- JPLKC705 - Monthly cumulative summary report of DLSFB705 Activity
- JPLFB800 - Monthly Loan Activity report of the DLSFB800
- JPL800MN - Monthly Interest Accrual Activity report

**REPORTS REQUIRED FROM DLSS:**

- CF051 - Monthly Month-end Database cumulative report
- CF020 - Monthly System Balancing cumulative summary report
- IF010Rec - Monthly Reconciliation between the DLSS reports: IF010, CF051, and CF020

**FILES REQUIRED:**

- Monthly Reconciliation Worksheet (Excel 97)

*Note:* The file can be found on

E:/FARS/MONTHLY/SVGFARS/FY/SV/Current Month/Calendar Year