Transaction-Level Matching – The Key to Effective Reconciliation

Confused by conflicting definitions of transaction-level matching in reconciliation and financial close processes? True transaction-level matching is at the detail level, rather than the summary (or balance) level. With true transaction-level matching, you can see the numbers behind your financial statements and you can identify specifically where the exceptions are, which minimizes financial exposure. An effective reconciliation and certification solution should provide true transaction-level matching capabilities.

Here’s how true transaction-level matching works:

- **95%** match rate
- Write-offs reduced by **75%**
- Risk of errors cut by **50%**

Transactions are matched at a detail level based on criteria specified by the financial institution – with unlimited fields.

Data is imported in any format from internal sources such as a general ledger or accounts payable system, or externally from a bank, card processor, message network (i.e., SWIFT) or other data source.

Exceptions are identified and the source of the discrepancy is pinpointed.

A highly scalable platform offers flexible transaction volumes – anywhere from 7,000 to 70 million transactions processed and matched per day.

With a balance-level reconciliation solution, exceptions require time-consuming manual research to bring to closure – with no audit trail. A comprehensive reconciliation and certification solution brings transaction-level and balance-level data together into a single system that forms a complete account reconciliation picture, helps resolve exceptions and provides an audit trail.

Matching capabilities include one-to-one, one-to-many and many-to-many.

Criteria can be established based on any type of monetary or non-monetary item – Federal Reserve Reconciliation (Fed Rec) debits to credits, check processing, position recons, trade settlement recons, fx, deposits, credit cards, ACH domestic and international wires, etc.

Documented result from Frontier Reconciliation customers:

85% of large banks (when reporting either in CMS-like reports or when using wavelet-based technology) achieved a success rate of 95% or higher in true transaction-level matching and exception resolution of financial reconciliations. Beyond this significant milestone, the customer continues to leverage this solution for additional value, such as verifying trade settlement statuses and FX reconciliations in a single system. 

Frontier Reconciliation from Fiserv is an end-to-end account reconciliation and certification solution that integrates both transaction and balance-level data and automates the entire reconciliation process from data acquisition and matching through period-end approvals and reviews. Click here to learn more or contact us to schedule a demo.

About Frontier™ Reconciliation