THE UNIVERSITY OF TEXAS AT EL PASO
Business Process Guidelines

Account Review

Updated: 7/01/2016

Purpose

Account Review procedures describe the one to one match of a department's supporting documentation to actual charges against the Cost Center's Budget Overview Account Categories (e.g.A4000, B4100). This ensures that expenditures are properly authorized and charged to the correct account and also identifies any discrepancies or errors that need to be resolved. This process assures University administration and external parties that fiscal resources are monitored and maintained in accordance with University of Texas System and University policies and procedures.

Policy

Departments must review cost center activity on a monthly basis. The cost center's administrator may designate a full-time managerial staff member to complete the review process as long as there is a separation of duties between the cost center review and transaction approval functions; however, the cost center's administrator may not delegate the fiduciary responsibility of assets to another individual. Department cost center balances are to be reconciled to the PeopleSoft System (PS). Any discrepancies should be identified and corrected within 60 days or before the fiscal year end, whichever is sooner.

- Authority
  - University of Texas System Policy 142.1, Sections 4 and 5
  - The University of Texas at El Paso Handbook of Operating Procedures, Sec. 7, Chapter 5, requires all account administrators to review accounts for which they have signature authority on a monthly basis.

Procedures

The cost center administrator or designee should review expenditures for reasonableness by comparing the Monthly Reconciliation Report to supporting documentation. This procedure provides evidence that expenditures are accurate, complete, and valid. It also ensures that reconciling items are researched and corrected.

As a department expends funds from their cost centers, they will issue different types of documentation. Supporting documentation is available for all expenditures including purchases, salaries, fringes, wages, operating expenses, travel, and equipment. Supporting documentation is the authorization to charge expenses against the departmental cost centers and comprises the bulk of the back-up documentation required for the account review process.

The following are examples of the expenditures or income transactions that may occur and the recommended types of documentation likely to support the expenditure/income:

- Purchases - purchase orders (MM), purchase requisitions, PRO Card transactions, should have attached copy of receipts, transaction log, or payment voucher (AP voucher), etc.

- Salaried accounts will only show a dis-encumbrance and associated expenditure. Other documentation includes:
    - Budget page with salary roster
    - Print screens of electronic appointment document
    - Employment requisition
    - Request & Authorization memos
- Fringe benefit GL budget category normally have an encumbrance and a dis-encumbrance processed against the GL line. Charges to these categories are centrally controlled.
- Wage GL budget category expenditures should match the daily time record for the number of hours processed.
    - Print screens of the electronic timesheet or copies of manual timesheets processed for payment
    - Employee daily time record
- For operating GL budget category:
    - Print screens of the Payment Request Voucher with copies of receipts
    - Print screens of Inter-departmental Charges and associated Purchase Requisition
    - Print screens of Pro Card Payment Voucher, Pro Card Transaction Logs and detailed receipts
- Travel category (B4100):
    - A Copy of the Travel Payment Voucher and copies of receipts to support charges to the GL category
    - Mileage reports and associated Payment Request Voucher print screen
- Income category (TOTRV):
    - Print screens of the Regular Deposit screen for deposits along with copies of checks and deposit slips
    - Print screens of Journal Vouchers for adjustments or corrections
- Balance forward categories (A9000)-These categories are centrally controlled and there is no documentation for the initial and adjusted balance forward entries.

Once all categories have been reviewed, the Cost Center administrator should sign and date each reconciliation. If a department has several cost centers a summary sheet that details cost center activity for each category is acceptable. The summary sheet must match activity being reviewed and contain, at a minimum:

- Month being reviewed

- Cost center categories being reviewed
- Beginning balance
- Total expenditures/income
- Ending Balance
- Signature line for approval and date

All Reconciliations and their supporting documentation must be retained for a period of one fiscal year within the department.

Applicability

This policy applies to all departments.

Definitions

Monthly Reconciliation Report – The report that all departments will utilize in processing the monthly reconciliations. Steps to access the Monthly Reconciliation Report: "Main Menu>UTZ Customizations>General Ledger>Reports>Reconciliation Report".

PeopleSoft – The University's newest accounting system.

Fiscal Year – The University operates on a fiscal year from September 1st to August 31st.

Responsible Party

Office of the VPBA / Comptroller

Training and Support

Additional training and Support is provided by the PeopleSoft team, through periodic training classes, presentations and quick guides, located in the PS website http://admin.utep.edu/Default.aspx?tabid=73836 , under Training, Documents, Account reconciliations.