

## Monthly Financial Oversight

Financial oversight at every Departmental Unit is fundamental for the administration of business and financial activities at the University. Financial reviews and budget monitoring are essential components of an integrated system of control activities. Along with preventative controls, after-the-fact financial reviews provide reasonable assurance that financial activity is accurate, valid and complete. Time and effort for a financial review should be proportionate to the associated risk, and not exceed the expected benefits. Reviewers should focus on high-risk activities.

## Key Objectives

An essential component of the financial review process is to identify errors, anomalies, potential compliance issues and significant budget variances in a timely manner and review them with those in financial oversight roles.

- All reviewers have a duty to question, research and correct (if necessary) the potential issues discovered during the review process.
- Corrective actions taken and explanations of significant variances should be documented.
- Issues that cannot be expeditiously resolved should be escalated to the appropriate level.
- Numerous standard reports are available to assist units with financial oversight tasks.

## Minimum Requirements

All individuals who are involved in business transactions within the University have a fiduciary responsibility to safeguard the assets of the institution and ensure the integrity of its accounting records. Accountability and responsibility cannot be delegated even when tasks are delegated. The following areas will help comprise a sound financial review process:

- Payroll Expense Review
- Review Financial Results
- Budget Monitoring
- Non-Payroll Transaction Review
- Employee Exiting Procedures
- Balance Sheet Transaction Review
- Signing Authority Changes

To help ensure that the financial oversight process occurs in a consistent and high-quality manner, every unit that has authority to process and approve financial transactions must submit the Monthly Financial Oversight Checklist which outlines the minimum transaction review and budget monitoring activities the unit should perform, including the frequency with which those activities are to be performed. This checklist is not inclusive of all departmental fiscal oversight activities to be performed.

Completed monthly checklists must be submitted to the Director, Financial and Administrative Services by the 25<sup>th</sup> of the following month. A copy should also be maintained in department files with supporting documentation. Units must be able to provide evidence that financial review checklist activities are being effectively performed at an appropriate frequency.

Departmentalized campuses and faculties (e.g. Marine Institute, Grenfell Campus, Faculty of Science and Faculty of Humanities & Social Sciences) should report on a consolidated basis to the Director, Financial and Administrative Services. The Senior Financial Officer must monitor their individual departments to ensure an appropriate review has been performed.

The effectiveness of, and compliance with, this checklist will be monitored by the Director, Financial and Administrative Services (or delegate). If you have questions, or need assistance please contact: Ms. Heather Whelan at (709) 864-4391.

**Departmental Unit** \_\_\_\_\_

**Procedures performed for the Month of** \_\_\_\_\_

Topic	Description	Completed	
<b>Minimum Transaction Review</b>			
<b>Payroll Expense Review</b>	Reviewed the <b>Banner Expense Distribution Report (FWRDIST)</b> for each pay period during the month to confirm all individuals listed are appropriate and identify any missing employees; review amounts paid for accuracy (i.e. unusual pay items, inconsistent pay rates, appropriate earning codes, quantity of hours paid); review FOAPALs for accuracy; and review position codes for accuracy.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Reviewed the <b>Banner Salary Cost Report (FWSALC)</b> for the month to confirm all individuals listed are appropriate and identify any missing employees; review account groupings for errors; review pay grades and steps for accuracy; review status and job class; review annual salary amounts for accuracy; review projected fiscal year cost for errors; and review budget type.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Reviewed the <b>Banner Department Action Notice Report (PWRRDAN)</b> to identify upcoming Human Resource requirements, including expiring job assignments/ contracts, expiring default earnings, upcoming scheduled step increases, employees on leave, expiring work visa and expiring SIN.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Reviewed the <b>Banner Department Position Listing Report (PWRRDPL)</b> for each pay period during the month to ensure the listing is complete and accurate. This will confirm that Personnel Action Forms have been processed accurately and timely.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>Non Payroll Transaction Review</b>	Reviewed the <b>Organizational Detail Activity Report (FGRODTA)</b> for the month to review the accuracy and completeness of all revenue and expense transactions processed (i.e. are all journal vouchers posted appropriate, are any journal vouchers missing, are all account redistributions complete, are all invoices recorded and coded correctly, are all sources of revenue recorded).	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>Employee Exiting</b>	Ensure all <b>Employee Exiting processes</b> have been submitted (i.e. Form 1 upon receiving notice of employee exit and Form 2 on employee last day worked).	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>Overall</b>	<b>Based upon review of the above items, submitted any required journal vouchers, expense redistributions and other outstanding revenue or expense documents for processing.</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>Other Recommended Financial Oversight</b>			
<b>Financial Results</b>	Reviewed the <b>Summary Audit Report (FWSAUD)</b> for the month ending to review the budget summary by hierarchy level and investigated any unusual or unexpected results.		
<b>Budget Monitoring</b>	Reviewed the <b>Budget Status Report (FGRBDSC)</b> for the month ending to assess actual results vs budget by account code and took any action deemed necessary.		
<b>Balance Sheet Review</b>	Reviewed the <b>General Ledger Detail Transaction Activity Report (FGRGLTA)</b> for the month to review the accuracy and completeness of balance sheet account transactions processed for any GL accounts you are responsible for and submitted any monthly fund reconciliations to FAS (if applicable).		
<b>Signing Authority</b>	Ensure departmental signing authority changes have been submitted to FAS for update (when required).		

## Departmental Unit Certification

I confirm that the procedures identified have been performed as noted.

Prepared By: \_\_\_\_\_  
*Senior Administrative Officer/Manager of Finance*

Date: \_\_\_\_\_

<b>Comments</b>	
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