INTERNAL CONTROLS & ACCOUNTABILITY
What is Internal Control?

- A process within an organization designed to give reasonable assurance:
  - That information is reliable, accurate, and timely.
  - Of compliance with policies, plans, procedures, laws, regulations, and contracts.
  - The assets (including people) are safeguarded.
  - Of the most economical and efficient use of resources.
  - That overall established goals and objectives are met.

- Intended to prevent errors of irregularities, identify problems, and insure that corrective action is taken.
Components of Internal Control

- Internal control is composed of a number of interrelated components that work together to achieve the University’s goals:
  - The control environment
  - Risk assessment
  - Control activities
  - Information and communication
  - Monitoring
Internal Controls & Risk Management

- Management needs to: establish goals, identify risks, estimate significance, assess likelihood of occurrence, develop action plans to reduce the risk to an acceptable level, monitor results.
Internal Control Pyramid

- **Control Environment**: Overall tone from management (people, integrity, ethics, values, competence)
- **Control Activities**: e.g., approvals, completeness, accuracy, reconciliation, segregation of duties, security, error handling, validity
- **Risk Assessment**: Identify the things that “keep me up at night”
- **Monitoring**: Is it working?
What is the control environment?

- Personal and professional integrity and ethical values of management and staff.
- Official communication on compliance and individual responsibility.
- The administration’s operating style and attitude toward controls.
- The commitment to competence at all levels.
- Organizational structure
- Human Resource Policies
- It is established at all levels of the organization.
Control Activities

- Control activities are actions, supported by policies and procedures that, when carried out properly and timely, manage or reduce risks.

- Managers are not only responsible for identifying the financial and compliance risks for their operations, but also have responsibility for designing, implementing and monitoring their internal control system.
Internal Controls should be proactive, value-added, and cost-effective.

Some categories of control activities include:
- Physical control of assets
- Segregation of duties
- Authorization of activities
- Adequate documentation
- Independent performance review
Physical Control of Assets

- Preventive or Detective Control
- Security of assets entails the establishment of procedures to prevent the loss of physical or intellectual assets/records.
- Asset control activities include:
  - Periodic asset counts
  - Use of perpetual records
  - Periodic comparisons of the accounting records to the perpetual records
  - Investigation of discrepancies
  - Periodic summaries of inventory usage
  - Physical safeguards against theft and fire
  - Proper authorization of purchases
Preventive Control

No one person controls all parts of a transaction:
  • Initiating
  • Authorizing
  • Recording
  • Reconciling
  • Controlling

Segregation of duties is a deterrent to fraud because it requires collusion with another person to perpetrate a fraudulent act.
# Segregation of Duties Examples

<table>
<thead>
<tr>
<th>Transaction Type</th>
<th>Who</th>
<th>Controls (Custody)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Initiates</td>
<td>Authorizes</td>
</tr>
<tr>
<td><strong>Purchase of Goods</strong></td>
<td>Issues Requisition</td>
<td>Approves P.O./Invoice</td>
</tr>
<tr>
<td></td>
<td>Person A</td>
<td>Person B</td>
</tr>
<tr>
<td></td>
<td>Issues Requisition</td>
<td>Approves P.O./Invoice</td>
</tr>
<tr>
<td></td>
<td>Person A</td>
<td>Person B</td>
</tr>
<tr>
<td><strong>Cash Receipts</strong></td>
<td>Opens Mail, Lists Checks, Restrictively Endorses</td>
<td>Make Deposit</td>
</tr>
<tr>
<td></td>
<td>Person A</td>
<td>Person B</td>
</tr>
<tr>
<td><strong>Patient Care Payments</strong></td>
<td>Registers/Pre-certifies/Collects co-payment deductible, co-insurance or past due balances</td>
<td>Make Deposit</td>
</tr>
<tr>
<td></td>
<td>Person A</td>
<td>Person B</td>
</tr>
</tbody>
</table>
Authorization of Activities

- Preventive Control
- Authorization involves the following:
  - Transactions should be limited by management
  - Signature authority or delegation of that authority should be limited to a “need to have” basis
  - Access to, and use of, computing resources is restricted to appropriately authorized users
  - Written procedures outlining the delegation guidelines should be developed
  - “Rubber stamping” documents circumvents this control – question what you sign!
Approval of a transaction means that the approver has reviewed the supporting documentation and is satisfied that the transaction is appropriate, accurate and complies with applicable laws, regulations, policies and procedures.

Approvers should review supporting documentation, question unusual items, and make sure that the necessary information is present to justify the transaction.
Risk Assessment

- Risk assessment is the evaluation to determine those areas and functions within the university and each department that have risk of errors, noncompliance, and fraud.

- Controls may then be put in place to help mitigate the risks identified during risk assessment.
Monitoring

- Monitoring involves evaluating internal control performance over time to determine whether controls are adequately designed, properly executed, and effective.
- Monitoring activities can be preventive or detective by using various types of controls:
  - **Preventive**
    - Have a control conscious environment
    - Segregation of duty
    - Authorization and Approval limits
    - Physical security of assets and records
    - Reminders of policies, procedures, and expectations
  - **Detective**
    - Physical inventory counts
    - Reconciliations
    - Performance reviews
    - Internal Audits
    - Self Assessments
Information and communication are essential to affecting control. Reliable and relevant information, from both internal and external sources, must be identified, captured, processed, and communicated to the people who need it in a form and timeframe that is useful.

- Communicate policies and procedures up, down, and across the organization in a timely manner.
The Internal Control Process

- Establish Goals
- Perform Risk Assessment
- Monitoring Function
- Complete Implementation Plan
- Identify Controls to Manage Risk

Accountability
Establish Goals

- There are certain activities which are significant to all departments:
  - Budgeting
  - Purchasing goods and services
  - Hiring employees and evaluating employees
  - Accounting for vacation/sick leave
  - Safeguarding of property and equipment.

- Thus, all departments are expected to have appropriate goals and objectives, policies and procedures, and internal controls for these activities.
The central theme of internal control is to
• Identify risks to the achievement of an organization’s objectives and
• Do what is necessary to manage those risks.

Risk is the possibility that the University will NOT:
• Achieve its goals
• Operate effectively and efficiently
• Protect itself from loss
• Provide reliable financial data (reports)
• Comply with applicable laws, regulations, policies, and procedure
Responsibility & Accountability

- **Responsibility** – authority to use resources to perform an activity, function, or action to achieve a goal or objective.
- **Accountability** – reporting of the results of the use of resources

Responsibility and accountability are linked. Management can delegate some of the duties they are responsible for, but *cannot* delegate responsibility or accountability.

Managers review and monitor their operations on a day-to-day basis. They know their operations better than anyone else and are in a position to best assess and manage all their risks, including financial and compliance risk.
Limitations on Internal Control

- Internal control can provide only reasonable assurance – not absolute assurance – regarding the achievement of an organization’s objectives.
- Effectiveness depends upon the competency and dependability of individuals (or systems) executing the controls
  - Internal control can be less successful due to collusion among employees, employee mistakes, poor judgment, or inappropriate overriding of established policies and procedures by management.
Fraud, Errors & Omissions

- What is fraud?
- What are the rules?
- Who is responsible?
- Why/How does it happen?
- What are the warning signs?
- What if I suspect fraud?
What is fraud?

Definition: *intentional* wrongdoing, error, omission, inefficiency, waste, ineffectiveness, or conflict of interest
What are the rules? (Click on the titles to view document)

- **UT System Fraud Policy** requires prompt identification and internal investigations of any suspected instances of fiscal irregularities.

- **Texas State Governor's Office Executive Order RP36** relating to preventing, detecting, and eliminating fraud, waste and abuse at state agencies.
Who’s responsible?

- The minimization of fraud, waste, and abuse is every employee’s responsibility.
- Fraud forces everyone to pay more for goods and services.
- Each employee is responsible for knowing and understanding the technical requirements associated with the performance of his or her job duties and for taking steps to prevent errors and omissions.
- Every department is responsible for maintaining a strong system of internal controls that will reduce the risks of fraud, errors, and omissions.
Examples of Fiscal Irregularities

- Forgery or alteration of checks, time cards, billings, medical charts or prescriptions, student grades, transcripts or loan documents;
- Billing for services that were not furnished and/or supplies that were not provided;
- Signing someone else’s name on a document;
- Wrongfully taking or using funds, supplies, or any other asset;
- Illegal or fraudulent handling or reporting of money transactions; and
- Acceptance or solicitation of any gift, favor, or service that might influence the employee.
- Offering, soliciting, or accepting bribes, kickbacks, or discounts for the referral of patients or order of services or items
Why and how does it happen?

- Poor or weak internal control system
- Lack of monitoring of internal controls
- High employee turnover
- Employees are tempted to commit fraud due to financial crisis, family problems, gambling/drinking/drugs, or just living beyond their means. They may justify their actions by pointing out that their bosses or co-workers sometimes don’t go by the rules in other situations. Be aware and set an example!
What are the warning signs?

- An employee won’t take a vacation
- Accounting transactions and reports are not being reviewed
- Reports/documents are missing
- One employee “does it all”
- Documentation for payments is not the originals
What if I suspect fraud?

If you suspect fraud, contact your supervisor, the UTMB Fraud, Abuse and Privacy Hotline:
1–800–898–7679

Office of Internal Audit or
Office of Institutional Compliance
Understanding Internal Controls

Summary

What does all this have to do with me?

- **The University of Texas System Policy 142.1 Section 3.2** requires that all account (cost center) owners sign a Sub-certification Letter testifying that adequate segregation of financial duties exist and that all deficiencies in the design or operation of internal controls over financial reporting have been appropriately addressed.

- By knowing the internal control policies and procedures and complying with all laws and regulations, **YOU** can help UTMB achieve its goals.
Where can I learn more?

- Your supervisor
- Office of Internal Audit at ext. 73273
- Office of Institutional Compliance at ext. 78700
- Office of Finance at ext. 77233
- Effectively Controlling Risks Manual
  (http://www.utmb.edu/auditservices/resources.htm)
- UT System Action Plans to Enhance Internal Controls
  (http://www.utmb.edu/auditservices/resources.htm)
- COSO Internal Control – Integrated Framework
  (http://www.coso.org/IC.htm)
Next Steps

- Annual Certification of internal controls and reconciliation activities
- Establishment of an on-going monitoring program
Questions?
Reconciliation
What is a reconciliation?

- A reconciliation is a comparison of departmental accounting records with the official financial records held by the Finance Department. It is similar to balancing your personal checkbook.
Why is a reconciliation needed?

- Reconciliations are an integral part of the internal control environment. They are a detective control and help reduce the risks of fraud, errors & omissions by:
  - Assuring adherence to accounting policies
  - Identifying accounting errors that should be corrected
  - Ensuring the validity, appropriateness & adequacy of financial transactions & support
    - Transactions are in compliance with regulations & requirements
    - Financial statements are accurately represented
How is a reconciliation done?

- Compare the transactions in the official financial reports (i.e. Hyperion reports, Datamart reports) to departmental supporting documentation. All transactions should be accounted for. Differences are usually due to timing differences. However, there may be transactions for which you don't have supporting documentation. Entries of this type should be researched for accuracy and validity and documentation should be obtained.

- Should a discrepancy be due to something other than a timing difference, more investigation will be necessary. Information about a transaction becomes vital in tracking it down: voucher number, record date, P.O. number, etc. Reconciling items should be handled as quickly as possible and should be cleared within sixty days.
What reports & documents are needed?

- Monthly Financial Review & Reconciliation Checklist
- Hyperion Statement of Revenues, Expenses and Changes in Net Assets (SRECNA) CY vs Bud vs PY Comparison
- PeopleSoft Financial Datamart Detail Transactions Report
- PeopleSoft Financial Datamart Telecomm Report(s)
- HCM General Ledger Salary and Hours Detail Report
- KRONOS Payroll Verification Report
- Receipts, requisitions, purchase orders, etc. to support expenditures
- Hyperion SRECNA Rolling 12

NOTES:

- Your area financial representatives may choose to use different reports than the ones specified in this training.
- Information on where and how to access the above reports will be covered later in the training.
What is my role?

- The Financial Controls, Monthly Review and Reconciliation Policy goes into detail and explains roles and responsibilities pertaining to ongoing maintenance as well as the monthly review and reconciliation.

- The policy is an integral part of the reconciliation process and should be reviewed by anyone with financial duties. It can be accessed online at http://intranet.utmb.edu/accounting/polproc/default.htm
Reconciliation Process
This is the Monthly Financial Review and Reconciliation Checklist.

I have analyzed the above financial information and, except for any corrections so noted, have determined that expenses being charged to the above department and class(es)/project(s) are appropriate.

Date

Monthly Financial Review and Reconciliation Approved by:

Date
The Checklist will be utilized throughout the reconciliation and review process. The completed Checklist must be approved by Department management. It should be maintained by the Department and be available for review upon request.

I have analyzed the above financial information and, except for any corrections so noted, have determined that expenses being charged to the above department and class(es)/project(s) are appropriate.

_________________________________  Date

Monthly Financial Review and Reconciliation Approved by:

_________________________________  Date
Hyperion Reporting

- The trusted requestor must submit an IRAM request for access to Hyperion Reporting.

- It is STRONGLY recommended that Hyperion Reporting training be completed. There are both classroom and online options for the training. The following slides assume that basic training has been completed.

- Additional information on training and other job aids can be obtained at http://mytraining.utmb.edu/adminsystems/hyperion/index.htm.
The SRECNA CY vs Bud vs PY Comparison can be located under 1.0 Financials in the SRECNA folder.

Enter the appropriate criteria and select “OK.”
In HTML Preview, a drill down can be completed on any amount that is underlined by left-clicking on the amount.

NOTE: To print from Hyperion, you will need to be in PDF Preview.
Salaries & Benefits Expense

- Salaries and benefits expense is considered high risk since this category represents the majority of the total expenditures for any given department. As a result, this category should be reconciled at a very detailed level.

- A detailed reconciliation can be completed by obtaining two reports: the Hyperion SRECNA CY vs Bud vs PY Comparison Report (and related drill downs) and the HCM General Ledger Salary and Hours Detail Report.
Thoroughly review the Salary and Hours Detail report, as well as the Payroll Verification Report to confirm that the employees listed are correct and the salary and hours are reasonable. If not, contact your area finance representative.

Compare the amounts on the salaries and benefits drill downs to the amounts on the Salary and Hours Detail report by account. They should be equal.
Go to: http://intranet.utmb.edu/datamart/.

Click on PeopleSoft HCM.
PeopleSoft HCM Datamart
GENERAL LEDGER SALARY & HOURS DETAIL REPORT

- Log on to HCM DataMart using your UTMB USERS-M username and password.

UTMB Information Services
Administrative Information Systems

Please enter your UTMB- USERS-M user’s name and password to access the site.
Select the Payroll: General Ledger Salary and Hours Detail Report under My Reports and run. Choose “Open” when the File Download dialog box asks if you want to: Open, Save, or Cancel.

From Within "DataMart Reports and Queries" go to "My Reports" and then Choose: “Payroll: General Ledger Salary and Hours Detail Report”, then click on the "Run Report" button to initiate.
Highlight “Begin_Date” in the Parameters Fields and select the first day of the period you are reporting on from within the Discrete Value Field.

Select the “End Date” in the same manner.
PeopleSoft HCM Datamart
GENERAL LEDGER SALARY & HOURS DETAIL REPORT

- Highlight Acct_Cd” in the Parameters Fields and enter “ALL” (all caps) within the Discrete Value Field and then click the “Add” button.
Highlight “Dept_ID” in the Parameters Fields and enter your six digit PeopleSoft Department ID number within the Discrete Value Field and then click the “Add” button.
Highlight “Operating_Unit” in the Parameters Fields and enter “ALL” within the Discrete Value Field and then click the “Add” button.

Click on the “OK” button to run the report.
Once all amounts have been reconciled, transfer the current month and year to date amounts to the Monthly Financial Review & Reconciliation Checklist. Document any necessary corrections and proceed with corrective action.

Monthly Financial Review and Reconciliation Checklist

Department #________________
(Class(es)/Project(s) #________________

For the Month Ended ________________

Total Current Month Expenses $___________
Total Year-to-Date Expenses $___________

Salary & Benefits: Current Month $___________
Y-T-D $___________

Compared current month expenses per Hyperion to HCM General Ledger Salary and Hours Detail Report

Reviewed the employees being paid on the department for accuracy (correct chartfield, hours, salary, etc.)
Travel & Entertainment Expenses

- To reconcile these expenses, use the Hyperion SRECNA CY vs Bud vs PY Comparison Report (and related drills), PeopleSoft Financial Datamart Detail Transactions Report and receipts, etc. to support the expenditures.

- Confirm that the correct Datamart report is being used by verifying the total of the expenses to the total found on the SRECNA.

- For each item found on the Detail Transactions Report, verify that the expense is appropriate for your department. Research items that are unfamiliar.
There should be a receipt and/or support for each of these items.

<table>
<thead>
<tr>
<th>Account</th>
<th>Travel In State - Mileage</th>
<th>Travel In State - Meals</th>
<th>Travel In State - Lodging</th>
</tr>
</thead>
<tbody>
<tr>
<td>512030-00</td>
<td>514020</td>
<td>514030</td>
<td>514035</td>
</tr>
<tr>
<td>General Services</td>
<td>D234100-Finance</td>
<td>F230-Other Designated</td>
<td>80</td>
</tr>
<tr>
<td>Other Prof Serv</td>
<td>D234100-Finance</td>
<td>F110-Education and General</td>
<td>3,059</td>
</tr>
<tr>
<td>Travel In State - Mileage</td>
<td>D234100-Finance</td>
<td>F230-Other Designated</td>
<td>141</td>
</tr>
<tr>
<td>Travel In State - Meals</td>
<td>D234100-Finance</td>
<td>F230-Other Designated</td>
<td>36</td>
</tr>
<tr>
<td>Travel In State - Lodging</td>
<td>D234100-Finance</td>
<td>F230-Other Designated</td>
<td>85</td>
</tr>
</tbody>
</table>
There are two detail transactions reports. One is for department or class and the other is for projects.
Travel & Entertainment Expenses CONT’D.

- Once all amounts have been reconciled, transfer the current month and year to date amounts to the Monthly Financial Review & Reconciliation Checklist. Document any necessary corrections and proceed with corrective action.

<table>
<thead>
<tr>
<th>Travel &amp; Entertainment:</th>
<th>Current Month $_________</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Y-T-D $_________</td>
</tr>
</tbody>
</table>

☐ Compared current month expenses per Hyperion to documentation (i.e. receipts, requisition, purchase order)
A detailed reconciliation of these expenses can be performed by utilizing the Hyperion SRECNA CY vs Bud vs PY Comparison Report (and related drill downs) and the PeopleSoft Financial Datamart Telecomm Report(s). There are five various Datamart reports available for both classes and projects. The reports are available in Datamart once the expense has been posted for the month.

- Compare the total from the Hyperion SRECNA drill down(s) to the Datamart report(s). They should be equal.
- Thoroughly review the Datamart report(s) to confirm that the items being charged are appropriate and correct for the department. If not, contact the telecommunications department.
There are several items that can be used for verification. Are the building, floor & room correct? Does the line belong to the department? Is the line still being used?
There are five different reports available for department or class. Those same five reports are available for projects as well.

- Project Telecomm Call Detail by Project Years
- Project Telecomm Cellular Usage and Equipment by Project Years
- Project Telecomm Equipment by Project Years
- Project Telecomm One Time Charges by Project Years
- Project Telecomm Pager Charges by Project Years
- Service Center (ISC) Custodian Mix Detail
- Service Center (ISC) Custodian Mix Summary
- Telecomm Call Detail by Department or Class
- Telecomm Cellular Usage and Equipment by Department or Class
- Telecomm Equipment by Department or Class
- Telecomm One Time Charges by Department or Class
- Telecomm Pager Charges by Department or Class
Telecommunication / Desktop Support Expenses CONT’D.

- Once all amounts have been reconciled, transfer the current month and year to date amounts to the Monthly Financial Review & Reconciliation Checklist. Document any necessary corrections and proceed with corrective action.

**Telecommunication/Desktop Support:**

- Current Month $________
- Y-T-D $________

[ ] Compared current month telecomm expenses per Hyperion to PeopleSoft Financial Datamart Telecomm detail reports

[ ] Reviewed the equipment/support being paid on the department for accuracy (correct chartfield, etc.)
Other Expenses

- Use the Hyperion SRECNA CY vs Bud vs PY Comparison Report (and related drills) and PeopleSoft Financial Datamart Detail Transactions Report to perform a financial review and trend analysis.
- Verify that large and/or unusual expenses are correct. There should be a receipt, purchase order, etc. to support the expenditure.
- Complete the Monthly Financial Review & Reconciliation Checklist once other expenses have been reviewed, noting any corrections that need to be made. Proceed with corrective action.

<table>
<thead>
<tr>
<th>Other Expense(s):</th>
<th>Current Month $________</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Y-T-D $________</td>
</tr>
</tbody>
</table>

- Performed detailed analysis of transactions with unfamiliar or questionable authorizers
- Reviewed large transactions
- Reviewed miscellaneous expenses
- Confirmed that monthly recurring expenses posted
Total Expenses

- When the checklist has been completed, the itemized expense totals for the month and year-to-date should equal the totals listed at the top of the checklist.

Monthly Financial Review and Reconciliation Checklist

Department #
(Class(es) / Project(s) #
For the Month Ended ______/____/____
Total Current Month Expenses $________
Total Year-to-Date Expenses $________
Financial Review
Financial Activity Review

- Review the current activity compared to past trends using the Hyperion SRECNA Rolling 12 Report.

- The report shows the current month plus the previous twelve months side by side. Significant increases or decreases from one month to the next should be reviewed.

<table>
<thead>
<tr>
<th>Operating Revenues:</th>
<th>PY May</th>
<th>PY Jun</th>
<th>PY Jul</th>
<th>PY Aug</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants and Contracts</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$193,688</td>
</tr>
<tr>
<td>Other Operating Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Operating Revenues</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>193,688</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Expenses:</th>
<th>PY May</th>
<th>PY Jun</th>
<th>PY Jul</th>
<th>PY Aug</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>138,973</td>
<td>115,283</td>
<td>122,074</td>
<td>(26,452)</td>
</tr>
<tr>
<td>Benefits</td>
<td>17,182</td>
<td>15,696</td>
<td>15,507</td>
<td>14,021</td>
</tr>
<tr>
<td>Supplies</td>
<td>862</td>
<td>3,041</td>
<td>2,516</td>
<td>1,144</td>
</tr>
<tr>
<td>Services and Other</td>
<td>22,392</td>
<td>21,971</td>
<td>25,016</td>
<td>26,547</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>179,409</td>
<td>155,991</td>
<td>165,113</td>
<td>15,333</td>
</tr>
</tbody>
</table>

This is an example of a line item that would need to be reviewed.
The SRECNA Rolling 12 can be located under 1.0 Financials in the SRECNA folder.

Enter the appropriate criteria and select “OK.”
In HTML Preview, a drill down can be completed on the line items by clicking on the right-facing arrow to the left of each line.

<table>
<thead>
<tr>
<th>Operating Expenses:</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>138,973</td>
</tr>
<tr>
<td>Benefits</td>
<td>17,182</td>
</tr>
<tr>
<td>Supplies</td>
<td>862</td>
</tr>
<tr>
<td>Services and Other</td>
<td>22,392</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>179,409</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Expenses:</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>138,973</td>
</tr>
<tr>
<td>Regular Salaries</td>
<td>137,756</td>
</tr>
<tr>
<td>All Other Regular Salaries</td>
<td>137,756</td>
</tr>
<tr>
<td>Contract</td>
<td>-</td>
</tr>
<tr>
<td>Paid Time Off</td>
<td>1,217</td>
</tr>
<tr>
<td>Benefits</td>
<td>17,182</td>
</tr>
<tr>
<td>Supplies</td>
<td>862</td>
</tr>
<tr>
<td>Services and Other</td>
<td>22,392</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>179,409</td>
</tr>
</tbody>
</table>
Significant findings should be reported to executive management.

Once the financial review has been completed, update the Monthly Financial Review & Reconciliation Checklist. Document any necessary corrections and proceed with corrective action.

**Other Financial Activity:**

- [ ] Reviewed current activity compared to past trends
- [ ] Reviewed asset and liability balances, if applicable
- [ ] Reviewed fund balances (including grant award balances) and cleared non-E&G fund deficits. Alerted executive management about significant deficits
Reports & Documents
How To Access and Where To Find
Monthly Financial Review & Reconciliation Checklist

- The checklist, along with other helpful tools can be found on the UTMB website at the following location:

  http://intranet.utmb.edu/accounting/forms/default.htm
PeopleSoft HCM Datamart

- The trusted requestor must submit two IRAM requests for access to the HCM Datamart, one for reports and the other for department information.

- Detailed information can be found at http://intranet.utmb.edu/Datamart/GeneralInfo.asp
The trusted requestor must submit an IRAM request for access to the Financial Datamart.

Information can be found at http://intranet.utmb.edu/datamart/GeneralInfo.asp.
Next Steps
Get the access required to obtain the reports necessary for reconciling.
Begin reconciling your department(s) immediately.
Maintain the reconciliation and supporting documentation.
Be prepared to provide the reconciliation and support to the individuals who are monitoring the reconciliations and/or the auditors.
This training presentation can be found online at
http://intranet.utmb.edu/accounting/training.htm
Questions?