East Carolina University  
Monthly Departmental Review of Financial Transactions Guidelines

General:

The following guidelines have been developed to assist campus users in understanding the requirements for reviewing and monitoring financial transactions at a departmental level on a monthly basis. In addition, these guidelines provide suggested steps that departmental reviewers may follow along with those reporting tools available.

Purpose:

The purpose of the monthly departmental review process is to ensure that adequate funding sources have been identified and that all transactions (including revenues, payroll, and expenses) are accurate and properly classified to the correct Banner account and applied to the correct Banner fund and organization. The review process at the departmental level is an important control to ensure that departments are credited for all appropriate revenues. The monthly review also allows a department to watch for potential problems such as: employee pay charged to the wrong department, former employees still on the payroll, expenses charged to the wrong department, and charges not showing in the department’s expenses.

Responsibility:

University managers of departments and other cost centers are responsible for the proper management of University resources. This includes performing monthly reviews of cash balances, budgets, and revenue and expenditure activity that affect the departmental operations and the operations of the University as a whole. Each month, activity in every fund/organization should be reviewed within thirty days of month end.

Suggested Steps for Performing the Monthly Departmental Review:

Note: Other Banner reporting tools such as ODS queries developed in the departments may be substituted for the reports that are listed in the following steps. Departments may choose to perform review procedures on a daily or weekly basis so that there is not a large volume of activity to review at month end.

STEP 1 Gather Documents / Access Banner e-Print and ODS
Gather the supporting departmental records to begin the monthly review process between the Banner e-Print reports and the departmental documentation. This documentation is used to verify the amount and FOAP (credited/debited) are accurate for all transactions.

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Refer to the University Fund Types Report (www.ecu.edu/cs-admin/financial_serv/customccf/fund_types.xls) as needed along with these guidelines.

Log onto Banner e~Print (https://eprint.ecu.edu/cgi-bin/eprintr.cgi) to review the following reports: (The designated reviewer will need Banner Finance security access to view e~Print reports.)

- **FGRODTA** ~ Organization Detail Activity (use for steps 2, 3 and 5)
- **FYDG138** ~ Open Encumbrances (use for step 4)
- **FYDA240** ~ Invoices Not Yet Received (use for step 4)
- **FYMG500** ~ Employees with Changes in Gross Pay
- **FRRGITD** ~ Grant Inception to Date (report is used for the life of the grant; use for step 8)
- **FYMR208** ~ Grant Fund Transactions in an Incorrect ORGN/PROG (use for step 8)

Go to System Coordination’s website at www.ecu.edu/syscoord to access the following ODS Quick Query Reports.

- **ODS Banner Revenue/Expense Transactions** (may be used as a substitute for the FGRODTA e~Print report)
- **ODS Payroll History** (use for step 5)
- **ODS Banner Cash Balances by Orgn** (use for step 7)

Log onto Internet Native Banner to access the following form:

- **FGITBAL** ~ General Ledger Trial Balance (optional report for step 7)

**STEP 2 Revenue Review**

Compare all revenue documentation (departmental deposits, IDT – Interdepartmental Transfers [J60’s, J63’s, J51’s], and Receipt Adjustments) to the transactions listed on FGRODTA for all accounts that begin with the number five. The designated reviewer should verify revenue transactions for accuracy and correct classification of the Banner FOAP. Automated transactions such as Banner auto feeds, patient payments, STIF interest, J60’s, J63’s, and J51’s should be reviewed for reasonableness and unusual items. If an error is found or a transaction is listed without documentation, the reviewer must research and correct as needed. The reviewer will create a Banner Journal Voucher Entry Form for corrections. The Banner Journal Voucher Entry Form and relevant documentation is forwarded to the next level of approval for processing.

**STEP 3 Expense Review**

Compare expense documentation to the expense transactions listed on FGRODTA, with all accounts that begin with the number seven or eight. Expense transactions are verified for accuracy and correct classification of the Banner FOAP. If an expense transaction is not listed on FGRODTA, the expense documentation will remain in the file

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to be checked the following month. If an expense transaction is listed without documentation, the reviewer must research. If an error is discovered, the reviewer must create a Banner Journal Voucher Entry Form for corrections. The Banner Journal Voucher Entry Form and relevant documentation are forwarded to the next level of approval for processing. Routine Journal Voucher Entries (J51’s Internal billings), such as telecommunications, mail services, etc., are compared to departmental documentation including emails or online information if available. For routine monthly charges, review transactions for reasonableness and request documentation for any large or unusual items.

STEP 4   Encumbrance Review
Compare the Banner e-Print report FYDG138-Open Encumbrances (indexed by ORGN) to the open departmental purchase orders documentation. If a purchase order is listed on FYDG138 and the reviewer determines that the purchase order is complete, the reviewer must contact Materials Management to request that the Purchase Order be manually liquated in PORT and Banner Finance. Log onto PORT, select desired Purchase Order under Action Items, click “Available Action”, select “Add a Comment”, then click go, next, type an explanation in the comment box including the reason why manual liquidation is needed, click “Add Comment”. The reviewer may also call Materials Management at 328-6434. Banner ePrint report FYDA240 lists purchase orders that are waiting to be paid for which the invoice had been keyed and the receiving process is not complete. Complete the receiving process in PORT if needed.

STEP 5   Payroll Review
Payroll review includes:
- Regular Pay for Permanent EPA and SPA and CSS personnel.
- Miscellaneous Pay such as Overtime, Shift Differential, Beeper Pay, Call Back Pay, Longevity, etc.
- Students, Graduate Assistants, and Temporaries.

Compare Banner ePrint report FYMG500-Employees with Changes in Gross Pay to departmental documentation to review amounts for reasonableness where all accounts begin with the number six. This ePrint report will provide changes in employees pay from the previous payroll, review employee names to ensure that no one was paid who should not have been paid, including terminated employees. A comparison can be made to the prior month’s totals and the differences, if any, should be reasonable based on the departmental documentation. Use the ODS Payroll History quick query located at www.ecu.edu/syscoord to view detailed transactions.

Additional research may be required for Grant funds and Auxiliary funds to ensure the labor distribution to the Banner FOAP is correct and within the fund’s expiration date.

If an error is found or a payroll transaction is listed without documentation, the designated reviewer must research by communicating with the departmental payroll clerk. If a Banner FOAP error is discovered, the designated reviewer will create a Banner HR-Payroll Redistribution Form for any corrections and forward to the next level

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of approval for processing. The required form and detailed instructions are provided at www.ecu.edu/syscoord.

STEP 6  Review State Funds Budget
This step only applies to departments with State Funds. For State Funds only, review for negative balances at the pool account level. Start a Self Service Banner “ECU Budget” Query with Fund/Org. Check the “Include Revenue Accounts” box if your department processes revenue transactions. The query will return balances for all account lines as well as account pools. Look for negative balances under the “Available Balance” column. The account pools are in a teal green color. For any negative balances at the pool account level, create a B22 Temporary Budget Transfer and transfer budget from another pool account with a positive balance to correct the negative.

STEP 7  Monitor Institutional Trust Funds for Deficit Cash Balances
This step only applies to departments with Institutional Trust Funds. Go to System Coordination’s website at www.ecu.edu/syscoord and click on the ODS Quick Query for Banner Cash Balances by Orgn. An alternate approach is to log into Internet Native Banner and use the FGITBAL screen for each Institutional Trust Fund. Review the claim on cash balance (account 10010). A credit balance in this account indicates it is negative and there is deficit cash. Identify a funding source and prepare a corrective entry. Contact the Institutional Trust Fund Office for guidance.

STEP 8  Grant Funds Review
This step only applies to departments with Grant and Contract funds. Review Banner ePrint report FRRGITD Grant Inception to Date. This monthly ePrint report lists columns for Adjusted Budget (budget authorized to date), Current Period Activity (revenues and expenditures for the month), Inception To Date Activity (cumulative revenues and expenditures to date for the life of the fund), and Available Balance for each account code in Banner. Use this ePrint report to compare expenditures with budgets authorized. Grant guidelines will determine if a sponsor’s approval is necessary to realign grant budget to cover any account budget deficits. Please review each award’s specific terms and conditions for guidance and/or consult with the responsible Grants Financial Analyst.

The FRRGITD report and the FYMR208 report both identify transactions that have posted to an incorrect ORGN code. (The default FOAP is on the left of the report and the error FOAP is listed in the center section.) Please review the FYMR208 report for potential errors by reviewing Grant funds listed, as well as doing a search for departmental ORGN codes. (A search will identify any transactions with ORGN that may have posted incorrectly on another department’s fund). Any ORGN code errors should be identified and corrected. (This likely will require contacting the Department whose ORGN is listed on the transaction.) The FYMR208 report should also be used to identify and correct PROG errors.

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STEP 9  Imprest Cash Funds
This step only applies to departments with imprest cash funds; please complete the
Imprest Cash Fund Monthly Reconciliation Report. Submit the completed form to
Financial Services Bldg, Accounts Payable, Mailstop #203. Detailed instructions are
listed at the following website: www.ecu.edu/cs-admin/financial_serv/acc/Imprest-Cash-
Funds-and-Change-Funds.cfm

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### Monthly Departmental Review of Financial Transactions
#### Completion Log

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