

Memo to: All UH-Downtown/PS Holders
From: Max Castillo, President
Subject: Verification of Account Activity

UH-Downtown/PS 05.A.14
Issue No. 3
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1. PURPOSE

In order to minimize the risk of unauthorized use of funds, entries in the financial system must be monitored monthly by all University of Houston - Downtown (UHD) departments. This PS sets general guidelines to be followed to insure financial system verification of account activity.

2. POLICIES/PROCEDURES

2.1 Departments shall verify all financial system cost center activity, on a monthly basis, against departmental records to insure accuracy and propriety of all entries. Cost centers are to be monitored each month through the preparation of a verification report. A complete verification will include the following steps:

2.1.1 Verification that each entry (expenditures, revenues, budget encumbrances, etc.) on the UGLS1074 report is correct in accordance with the documents processed by the department.

2.1.2 Identification of transactions not yet processed by the financial system. If these transactions have been outstanding for more than two months, inquire with the department to which the documentation was submitted.

2.1.3 Preparation and transmittal of requests for correction, in case of discrepancies, to the appropriate department (See PS 05.A.12, Expenditure Allocations and Adjustments Policy, for additional information.).

2.1.4 Close scrutiny of encumbrance items against actual expenses to insure a proper release of encumbrances.

2.2 The Business Affairs Department will conduct training for all authorized signatories and employees responsible for preparing verification reports. The training will be offered bimonthly and upon request. Authorized signatories and employees responsible for preparing verification reports should attend the training. Attendance records will be submitted to Human Resources and maintained in each employee's file.

2.3 Authorized signatories are responsible for reviewing and approving monthly verification reports.

2.4 Verification reports shall be retained by all departments and made available to internal auditors upon request. Monthly verification reports for each fiscal year shall be retained for a minimum of 3 years after the fiscal year ends.

3. REVIEW AND RESPONSIBILITIES

Responsible Party (Reviewer): Vice President for Administration and Finance

Review: Biennial



President

Policy History

Issue #1: 09/03/94