

TO: Deans, Directors, Department Heads & Chairs, Other Administrative Staff
FROM: Jeffrey J. West, Associate VP for Financial & Business Services
SUBJECT: Additional Guidelines for Policy 3-003
DATE: February 15, 2013

The University recently stopped printing and distributing monthly management reports, which present information about transactions and balances in your financial Activities and Projects. Related to this change, we have implemented a methodology, known as Evidence of Review (EOR), which provides tools that Account Executives and Principal Investigators (or their delegates) may use to review and approve these reports electronically – and to document this as well. The policy that governs this review and approval process is Policy 3-003, *Authorizations and Approvals Required for Financial Transactions*. Following is an excerpt from this policy:

III.F. A key element in the University's system for maintaining control is review and approval of the monthly accounting statements [management reports]. The statements should be reviewed and approved by a person with supervisory responsibility for the individual(s) who initiate transactions. The Account Executive or Principal Investigator should not seek to delegate this function, and may do so only when there is no practical alternative. If review and approval authority must be delegated, it is imperative that the Account Executive or Principal Investigator remain sufficiently involved to be knowledgeable about financial matters and exert meaningful oversight. Approval must be evidenced by the signature of the person who completes the review, along with the date. Approval should ordinarily be completed within one month of receipt of the management reports.

We are aware that there are various interpretations of what constitutes a review, and how often such reviews should take place. This memo comes as reminder that such reviews and the accompanying “*approval should ordinarily be completed within one month of receipt of the management reports*”. Regular reviews ensure that errors or omissions can be caught and corrected on a timely basis. Having timely and accurate information about one’s financial activity and status are something Account Executives and Principal Investigators need in order to make good decisions about financial and human resources under their jurisdiction.

Please share the information herein with those persons responsible for financial resources/budgeting (Account Executives and Principal Investigators) in your area of control or influence. Thank you.