

FAQs: Account Review – Financial Transactions

MSU policy: All financial transactions that post to a MSU account must be reviewed by the responsible unit regularly (at least a monthly basis). Frequent account review is suggested as this provides enhanced fiscal oversight of an account.

The University will prepare an official Monthly Operating Statement for each account. Other reports will also be available, including a Cash Reconciliation Report and a Budget Variance Report. These reports will be run in the Business Intelligence environment. On a monthly basis, all revenue and expense transactions per the Monthly Operating Statement must be verified with supporting documentation to ensure the amounts are correct and all income and charges have posted to the correct account number. In the event that errors are discovered in this review process, it is the departmental fiscal officer's (FO) responsibility to correct any errors by either 1) contacting the department that originated the error and request correction; or 2) processing an e-doc to correct the transaction(s). All corrections must be made in a timely fashion (within 30 days).

Each day, updated general ledger activity is posted in the financial system and the Business Intelligence reports noted above can be run on demand, at any time. Units are encouraged to review account activity frequently. This will allow for a timelier review of accounts and for the possibility of the correction of errors prior to the processing of an official monthly statement.

All transactions must be supported by documentation. This documentation might be attached to an e-doc; it might exist in a central document repository (e.g., Document Viewer); or it might exist in hard copy on file in the unit. For certain other transactions, while attached support is optional (at a unit's discretion), a detailed explanation, description and reference are all that is required to support a transaction and the FO's approval of the e-doc is sufficient evidence of review (e.g., a General Error Correction e-doc).

In summary, all account activity must be reviewed on a timely basis and evidence of this review must exist.

Frequently Asked Questions for Account Review

Q: What constitutes an "account review"?

A: In many cases, various approvals along the e-doc routing will serve as sufficient "evidence" that a transaction (and its supporting documentation) has been reviewed. Examples include the Internal Billing and Requisition e-docs. In these cases, additional documentation/proof of "review" is not necessary. In the cases where transactions are posted to accounts without express FO approval of an e-doc (e.g., Physical Plant charges), FO's are required to review the billing unit's record (e.g., the Physical Plant's monthly statement) to confirm agreement with charges.

Q: I reviewed my monthly Physical Plant account statement in Doc Viewer and agree with the charges applied to my account. Do I have to print and retain the monthly statement to prove this review?

A: No. The record exists in electronic format and this is sufficient for retention purposes. Yet, evidence of your review is necessary. To accomplish this, an "Account Review Checklist" has been created to assist in documenting your account review process. This Checklist need not be printed – you may choose to complete and save the document in electronic format. Use of the Checklist is not mandatory – a unit may show evidence of account review in a number of ways, including by printing or retaining the Monthly Operating Statement in electronic spreadsheet format and checking each transaction reviewed, making notes where/if appropriate.

Q: I am in a small unit and I initiate and also approve (as the FO) most transactions. Is that OK?

A: Yes. While segregation of duties is critical and must be in place to the extent possible, it is understood that certain operations do not have sufficient staff in order to fully segregate fiscal duties. Other employees in a unit, for example the Chair or a Director, must periodically review a sampling of account transactions for reasonableness. This review should be documented on the Checklist or elsewhere.