Monthly Review of GM Project or Award Activity

Procedure Steps

Scope

This procedure covers reviewing and certifying transactions processed against projects and awards administered through Oracle Funds Management (GM). The purpose of the Monthly Review is to identify and correct mistakes in a timely manner. Any unusual transactions should be reported promptly to the appropriate dean, department head, principal investigator, or central financial office.

This procedure does not cover reconciling accounts administered through the Oracle General Ledger. (See Financial Procedure 1-5, "Monthly Review of GL Project Activity")

System References [Top]

Oracle Reports Using Discoverer

Policy [Top]

Policy I.A.1, "Internal Controls"
Policy II.B.2, "University Reviews and Reconciliations"
Policy II.C.1, "Records Retention and Disposition"

Responsibility [Top]

The Project Reviewer is responsible for reviewing each expenditure charged to a Project/Task/Award (PTA) combination in the University's Integrated System to ensure its accuracy, and to ensure that sufficient source documentation, in the form of paper, or data residing in Oracle or supporting systems, is available.

The Project Manager acts as an approver and is responsible for verifying the legitimacy, appropriateness and necessity of transactions recorded against their Project/Task/Award combinations in the University's Integrated System. In other words, for each unique PTA combination, two separate signatures are required: that of the reviewer and of the approver.
The Award Manager is responsible for monitoring the budget and actual balances for their Awards in the University's Integrated System.

For Sponsored Programs projects or awards, the fiscal contact is responsible for reviewing expenditures, and the Principal Investigator is responsible for approving expenditures. The Principal Investigator is responsible, on behalf of the University, for the sound fiscal management of the project or program in accordance with both University and sponsor requirements. Principal investigators are responsible for ensuring that expenditures are made for the intended purpose of the grant/contract in accordance with sponsor requirements as well as University policies and procedures.

To summarize, two separate signatures are required for each unique sponsored program PTA combination:

1. the reviewer or preparer and
2. the approver or Principal Investigator.

Distribution [Top]

- Project Reviewer
- Project Manager
- Award Manager
- Principal Investigator

Ownership [Top]

The Director of Accounting Services is responsible for ensuring that this procedure is necessary, reflects actual practice, and supports University policy.

Activity Preface

These reviews should be performed at least once a month (by the 10th working day of each month) for the previous month's activity. The review should be conducted for each Project/Task/Award (PTA) combination, or Award, for which you are responsible.

Project Reviewer

1. Gather and review the following information:
   - prior month expenditure reports with any notations for corrections, etc.
   - department records related to expenditures for this Project/Task/Award combination

2. Log on to Oracle Discoverer and run the following reports:

   **IS.FM_Project BBA by Expenditure Type**
   *Purpose:* Comparing Budget to Actual and Commitment Amounts at the Project level. You can review current budgeted amounts and compare them to actual and commitment amounts. This report may be run for any accounting period range.

   **IS.FM_Expenditure Detail by Project**
**Purpose:** Review of actual and commitment expenditure transactions at the Project level. You can review actual and commitment transactions for a Project funded by one or more award(s). This report may be run for any accounting period range.

See **hints** on selecting parameters for printing these reports.

**Note:** This is the minimum number of reports needed to conduct the review activity. Many additional Predefined Reports are available in Discoverer to assist in conducting further activity analysis.

3. Use the checklist provided below to organize your review. Links connect to policies and more detailed information, and will open in a separate browser window. This checklist is provided as a resource. It does not need to be completed for each PTA combination, nor does it need to be signed. It is recommended that one printed copy be kept each month for all projects in an area, but this is not required. (If some checklist questions do not apply, simply mark them as n/a.) A **printer friendly version** of this checklist is also available.

4. When conducting a review, the Oracle Discoverer reports should be printed, and all detail transactions should be checked for appropriateness, accuracy, and the existence of supporting documentation. The Reviewer should verify that all transactions are correct and sign and date the report(s). The Reviewer is also responsible for following up on any transactions that remain outstanding for more than one accounting period.

**Note:** In some departments, different people may be responsible for different aspects of this review. Where appropriate, more than one person may sign off on the detail transactions by initialing the report next to the line item(s) they reviewed.

Projects that have no activity (meaning no transactions) during the month should be printed, signed, and dated by the Reviewer. The Reviewer (also) is responsible for filing by PTA, or in such a manner that the report relating to a particular accounting period can be readily retrieved and presented when requested for audit review. These records should be maintained in accordance with the University record retention policy. No second supervisory or PI review is needed of these reports, but they do need to be reviewed by someone in a responsible position to ensure that no inappropriate activity occurred on the account.

**Project Manager**

1. University policy requires that a separate individual (the Approver), who has authority and responsibility for the funds, also sign and date the report(s) to certify that the reports are accurate, and that the transactions are reasonable and necessary.

**Note:** For Sponsored Program projects, the Principal Investigator must sign and date the report as the responsible person. However, in the absence of the Principal Investigator, the Department Chair may sign on their behalf.

2. Once the review is completed, the report(s) and supporting documentation
should be assembled and filed by PTA, or in such a manner that all material relating to a particular transaction, or accounting period, can be readily retrieved and presented when requested for audit review. These records should be maintained in accordance with the University’s record retention policy.

**Award Manager**

1. Gather and review the following information:

   - documentation for any deposits or other transactions which may require adjustments to award budgets or installments
   - the actual grant or contract award notice, or other information noting any specific requirements or restrictions for this award (if applicable)

2. Log on to Oracle Discoverer and run the following report:

   **IS.FM_Award BBA by Award Manager [History]**
   
   *Purpose:* Summary of Project activity at the Award level. You can review Budget, Actual and Commitment totals at the Award level for all projects funded by an Award. This report may be run for any "Closed" (History) accounting period range.

   **Note:** This is the minimum number of reports needed to conduct the review activity. Many additional Predefined Reports are available in Discoverer to assist in conducting further activity analysis.

3. Review budget and actual totals and take corrective action as necessary. This is not a mandated activity, but Award Managers are expected to monitor their awards and to manage to established budgets.

4. Sign, date and file the reports by accounting period, along with notes on any corrective actions. This information may be requested as part of an audit review.

| Accounting Period: ____________________________ |
| Organization: ________________________________ |
| Reviewed by: ___________________ Date: __________ |
| Approved by: ___________________ Date: __________ |

**WHAT TO LOOK FOR ON ANY AWARD**

<table>
<thead>
<tr>
<th></th>
<th>YES / NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Does the budget match the project budget information that you have submitted (to OSP or UBO) and baselined?</td>
<td></td>
</tr>
<tr>
<td>2. Does total funding to projects equal my award installment? (If not, the award manager may need to adjust the project funding to equal the award installment)</td>
<td></td>
</tr>
</tbody>
</table>
### 3. Does my award budget equal the project funding?
(If not, the project manager may need to adjust the award budget lines. Not until the award budget lines are adjusted will increases to an installment show up on the BBA reports.)

### 4. Is the date of the baselined project budget after the date of the award budget?

### 5. Is re-budgeting or installment adjustment required?
If so, are there actions you need to take?

### 6. Is this award, nearing its "close date"?
If so, are there actions you need to take? [See IS.FM_Award Ending Dates Report]

### WHAT TO LOOK FOR ON ANY PROJECT

<table>
<thead>
<tr>
<th></th>
<th>YES / NO</th>
<th>NOTES AND EXPLANATIONS WHERE ACTION IS REQUIRED</th>
</tr>
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<tbody>
<tr>
<td>7.</td>
<td>Has appropriate documentation been retained including receipts for purchases made with a Purchasing Card, and does it match to the charges?</td>
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<tr>
<td>8.</td>
<td>Has all documentation been retained for non-travel and non-petty cash expenditures?</td>
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<tr>
<td>9.</td>
<td>Are there any unusually large or small expenditures in relation to the budget, prior months' trends, or other expectations?</td>
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<tr>
<td></td>
<td>A) Do you see any unexpected charges?</td>
<td></td>
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<tr>
<td></td>
<td>If so, has follow up action been taken?</td>
<td></td>
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<tr>
<td></td>
<td>B) Are there expected charges which are NOT here?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>If so, has follow up action been taken?</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Have all LPO's been recorded, or if not, have you contacted the purchaser for the information?</td>
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<tr>
<td>11.</td>
<td>Have the correct PTAEO's been used?</td>
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<td></td>
<td>If not, have corrections been initiated?</td>
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<tr>
<td></td>
<td>[See Cost Transfer Procedure]</td>
<td></td>
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<tr>
<td>12.</td>
<td>Do you see any unallowable costs based on University procurement regulations or OMB-A21 guidelines (e.g. improper recording of</td>
<td></td>
</tr>
</tbody>
</table>
13. Are travel expenses reasonable and allowable (e.g., pre-approved where necessary, lowest available fares, US air carriers, correct per diems or receipts for reasonable and actual expenses)?
   Has all original documentation been sent to Procurement Services?

14. Are petty cash expenses reasonable and allowable?
   Has all original documentation been sent to Procurement Services?

15. Have appropriate credits been recorded properly (e.g., expense transfers or credits, sales of surplus property, program income)?

16. Have salaries been charged appropriately?
   If not, have corrections been initiated through Labor Distribution?
   [See Modifying an Existing Labor Sched]

17. Have charges from internal service providers been recorded properly?
   If not, have corrections been initiated?
   [See policy VI.A.6]

18. Is this project headed for a deficit condition?
   If so, are there actions you need to take?

19. Is this project nearing its "close date"?
   If so, are there actions you need to take?
   [See IS.FM_Project End Dates Report]

**WHAT TO LOOK FOR ON RESEARCH PROJECTS**

20. If the PI is rebudgeting, does the sponsor allow that?

21. If cost sharing was committed to the sponsor for this project, has the award that contains the cost share funds provided funding to the project?

22. If it appears that there are administrative
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<td>charges, are they in compliance with UVA policy?</td>
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<tr>
<td>23.</td>
<td>If charges on this project or award have been allocated, is the allocation basis documented?</td>
<td></td>
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<tr>
<td>24.</td>
<td>Does effort for &quot;Key Personnel&quot; appear to match award? If not, are sponsor notifications required?</td>
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<tr>
<td>25.</td>
<td>Does the NIH salary cap apply to any of these charges? If so, was it properly treated?</td>
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<tr>
<td>26.</td>
<td>Has equipment been pre-approved (if necessary)?</td>
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<tr>
<td>27.</td>
<td>Are the F&amp;A rates or the Infrastructure Charge rates correct? Have they been applied to the correct base?</td>
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