

UCSD Audit & Management Advisory Services  
 Guidance for Self-Monitoring of Departmental Financial Internal Controls

**Legend:**

- A = All events, unless too large.
- S = A sample of events
- H = High priority monitoring responsibility
- M = Moderate priority monitoring responsibility
- L = Low priority monitoring responsibility

I want to know if...	Topic	Test Size	Query/Sort by...	Which Link report do I use?	What do I do?	Priority	How often do I review this?	Guidance
<b>High Priority</b>								
Trend of expenditures meet with expectations	Administration	S	Organization (include summarized account detail)	Expend. By Month	1) Set expectations for account activity for the period. 2) Run the Financial Link data from the Expenditures by Month queried by Organization, include summarized account detail. 3) Investigate activity (or lack of activity) that does not meet expectations set in step 1.	L	Quarterly	Administrative Responsibilities Handbook ( <a href="http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf">http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf</a> ); Principles of Financial Management
Unallowable costs are charged to department grants.	Grants	A	Warnings	Ledger Reviewer-View All	NOTE: Warnings must first be "mapped" by the dept. in order to monitor this activity with the Ledger Reviewer. 1) Run the Financial Link data from the Ledger Reviewer queried by Organization for errors and warnings only. 2) Review errors and warnings transactions and create annotations as to their correctness. *For annotations created by other users, sample for accuracy.	H	Monthly	OMB A-21; <a href="#">UC Contract and Grant Manual Guidelines for Federal Grants Management - OMB Uniform Guidance</a>
Prepayments were made with Federal funds.	Grants	A	Account Code	Ledger Reviewer-View All	1) Run the Financial Link data from the Ledger Reviewer queried by Account Code 637291 (Sub-contr-extramural funds (MODS)) and 637296 (Sub-contr-extramural funds).	H	Quarterly or near grant end date	OMB A-21; <a href="#">UC Contract and Grant Manual Guidelines for Federal Grants Management - OMB Uniform Guidance</a>
Non-payroll cost transfers were appropriate and timely.	Grants	A	Rule Class	Ledger Reviewer-View All	1) Run the Financial Link data from the Ledger Reviewer queried by Organization and Rule Class FE54 (ENPET'S OPSFS FUNDS) or FI54 (Low Risk ENPET'S W/OPAFS Funds). 2) Review all transfers (Rule Class FE54 or FI54) in grant indexes and make adjustments as necessary.	H	As needed	OMB A-21; <a href="#">UC Contract and Grant Manual Guidelines for Federal Grants Management - OMB Uniform Guidance</a>

Expenditures were within the contract period.	Contract	A	Index number, Contract or Grant period, Account Code (Exception Report)	Ledger Reviewer-View All	There is currently no Financial Link report that has a contract period field. A Financial Link Ledger Reviewer may be run for each index/fund associated with a contract for analysis.	H	Monthly	OMB A-21 <a href="#">UC Contract and Grant Manual</a> <a href="#">Guidelines for Federal Grants Management - OMB Uniform Guidance</a>
Expenditures were within the grant period.	Grant	A	Index number, Contract/Grant period, Account Code (Exception Report)	Ledger Reviewer-View All	There is currently no Financial Link report that has a grant period field. A Financial Link Ledger Reviewer report may be run for each index/fund associated with a grant for analysis.	H	Monthly	OMB A-21; <a href="#">UC Contract and Grant Manual</a> <a href="#">Guidelines for Federal Grants Management - OMB Uniform Guidance</a>
Payroll transactions were properly recorded (i.e. properly coded; aggregate payments were reasonable (e.g. overtime); etc.)	Payroll	S	DOS codes (ADL, STP, OTS, BYA, OTP, TOC)	Payroll Expense	1) Download the Financial Link data from Payroll Expense queried by Organization into a spreadsheet. 2) Sort the spreadsheet by DOS Code. 3) Review all DOS Codes and reasonableness of payments.	H	Monthly	Administrative Responsibilities Handbook ( <a href="http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf">http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf</a> )
Payroll cost transfers were appropriate and timely.	Payroll	A	DOPE Adj. Code "E"	Payroll Expense	1) Download the Financial Link data from Payroll Expense queried by Organization into a spreadsheet. 2) Sort the spreadsheet by Adj. Code. 3) Review all "E" Adj. Codes for appropriateness and timeliness.	H	As needed	Administrative Responsibilities Handbook ( <a href="http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf">http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf</a> )
Grant fund balances are available and/or PI has funds available.	Grants	A	Multiple indexes balance, PI	Overdraft Team Balance Report	Grant Funds: 1) Run the Financial Link data from the Expanded Budget Summary queried by the grant fund. 2) Review the balance to determine if there is a surplus or overdraft. 3) Make any necessary adjustments. PI Funds: 1) Assign each PI a project number. 2) Run Financial Link data from the Expanded Budget Summary queried by Organization and the PI project #.	H	As needed	Administrative Responsibilities Handbook ( <a href="http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf">http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf</a> )

**Moderate Priority**

Equipment purchases were properly classified.	Equipment	S	Amount	Ledger Reviewer-View Sample	1) Run the Financial Link data from the Ledger Reviewer queried by Account Code 63. 2) Sort the report by amount. 3) Select a sample of purchases and obtain purchase orders. 4) Determine if any purchases should be classified as equipment.	M	Quarterly	Administrative Responsibilities Handbook ( <a href="http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf">http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf</a> )
Travel is in accordance with University PPMs	Travel	S	Account Codes & Organization	Ledger Reviewer-View Sample	1) Run Financial Link data from the Ledger Reviewer queried by Organization and Account Code 65. 2) Review the online Travel Expense Form for events selected. 3) Review travel was performed in accordance with University PPMs (i.e. proper approval obtained, proper airline ticket class, proper per diem, proper support obtained, correct amount paid, etc.). 4) Investigate any questionable items and note in the Ledger reviewer.	M	Quarterly	UC Policy BFB-G-28 ( <a href="http://policy.ucop.edu/doc/3420365">http://policy.ucop.edu/doc/3420365</a> )
Budget journal vouchers were prepared.	Administration	A	Account Codes	Ledger Reviewer-View All	1) Run the Financial Link data from the Ledger Reviewer queried by Organization and Budget Account Codes (61000, 62000, 63000, etc.). 2) Review transactions to determine if the expected journal voucher was prepared.	M	As needed	Administrative Responsibilities Handbook ( <a href="http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf">http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf</a> )
Maximum limits on blanket purchase orders were enforced.	Purchases	A	Blanket Purchase Orders	Purchase Orders Report	1) Run the Financial Link data from the Purchase Order Report queried by Blanket Purchase Order. 2) Determine the purchase order limit by looking at purchase order online. 3) Determine if purchase order limit has been exceeded. 4) Investigate where payments exceed the limit.	M	Quarterly	Administrative Responsibilities Handbook ( <a href="http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf">http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf</a> )
Credit balances were properly classified.	Balances	A	Credit \$ Amounts, exclude cost transfers	Account Code Summary	1) Run the Financial Link data from the Account Code Summary queried by Organization. 2) Select credit balance accounts for review. 3) Run the Financial Link Operating Ledger Transactions queried by each account selected for review. 4) Review non-transfer credit balances for correct classification.	M	Quarterly	Administrative Responsibilities Handbook ( <a href="http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf">http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf</a> )
Overdrafts/Surpluses need to be avoided or have been corrected.	Balances	A	Operating Ledger Balances	Overdraft Team Balance Report	1) Run the Financial Link data from the Expanded Budget Summary queried by Organization. 2) Review balances for overdrafts/surpluses. 3) Develop a balanced reporting plan for significant overdrafts/surpluses.	M	Monthly	Administrative Responsibilities Handbook ( <a href="http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf">http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf</a> )

**Low Priority**

Liens were removed timely.	Administration	A	Organization	Encumbrance Ledger	1) Run the Financial Link data from the Encumbrance Ledger queried by Organization into a spreadsheet. 2) Investigate any liens exceeding 90 days.	L	Quarterly	Administrative Responsibilities Handbook <a href="http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf">http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf</a>
Express card transactions were appropriate.	Purchases	S	Organization & Document Number (A0) or Account Code 638018	Ledger Reviewer-View Sample	1) Run the Financial Link data from the Ledger Reviewer queried by Organization and a Document # "A0" or Account Code 638018. 2) Sort the report by amount. 3) Select a sample of purchases and obtain receipts. 4) Determine if any purchases are properly classified and card limits are not exceeded.	L	Quarterly	Express Card Department Administrator Responsibilities <a href="http://blink.ucsd.edu/buy-pay/ways/express-card/overview.html#responsibility">http://blink.ucsd.edu/buy-pay/ways/express-card/overview.html#responsibility</a>
Unique events have occurred.	Administration		Multiple criteria (e.g. rule class, title code, account code, PO#, commodity code, index), query tool.	Operating Ledger, Ledger Reviewer, Payroll Expense, Purchase Order	Many Financial Link reports can currently query by multiple criteria. If the criteria you would like to query by have not been developed, you will need to download the Financial Link data into a spreadsheet and sort on the desired criteria.	M	As needed	Administrative Responsibilities Handbook <a href="http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf">http://www-bfs.ucsd.edu/blink/ocbfs/arh/PDF/ARH_2008F.pdf</a>