

COST CENTER VERIFICATION: POLICIES, PROCEDURES, GUIDELINES

? UH POLICY - SAM:

http://www.uh.edu/sam/AM/Am_03q03.htm

<http://www.uh.edu/sam/>

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- [Instructions for Verifying Cost Center Transactions](#) (see Section A)
- [Asset and Liability Accounts to Verify](#)

? UHV POLICY:

<http://www.uhv.edu/fin/policy/b/b-2.htm>
under **POLICY** section, last paragraph.

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? UHV INSTRUCTIONS:

P:\IIUHV\PeopleSoft CHEATSHEETS\VerificationCostCenterStepsForUHV

Cost Center Verification Procedure

Step 1 After the accounting period has closed, run the UGL01074 Department Verification Worksheet for the cost center(s) to be verified. (See separate instructions for running the Department Verification Worksheet.)

Financial system users are notified through the FAST-Financial Listserv when the accounting period is closed. In addition, a list of accounting periods open for each campus is posted on the Finance web page (www.uh.edu/finance).

Step 2 The report title and timeframe of the Verification Worksheet are displayed top center. Additional header information includes the report option and request criteria (left) as well as the page, report id, database and run date/time (right). For combined worksheets, the ranges will be displayed while separate worksheets will list the individual cost center values.

The body of the worksheet is organized into four sections: Revenue and Budgeted Fund Balance Summary, Expenditure Summary, Fund Equity Summary and Unbudgeted Fund Equity. Each section has three columns of data: YTD/PTD Per PSGL, Adjustments as Detailed and Per Department.

The YTD/PTD Per PSGL column displays data as it exists in PeopleSoft for the reported period. The Adjustments as Detailed column is for entering corrections; **only the shaded boxes on the separate cost center worksheets can be updated.** Per Department column figures are calculated based on the data in the first two columns.

	A	B	C	D	G	H	I	J	K
1	University of Houston System								
2	Department Verification Worksheet								
3	As of July 31, 2003 (Through Period 11)								
4	-----								
5	Cost Center:	Combined				Page No.:		1	
6	Business Unit:	00730				Report ID:		UGLS1074.7	
7	Fund:	1001 to 1097				Database:		FSTST	
8	Department:	H0066 to H0066				Run Date:		December 10, 200	
9	Program:	All Program Codes				Run Time:		1:45:33 PM	
10	Project:	All Project IDs							
11									
12									
13					YTD/PTD		Adjustments		
14	REVENUE AND BUDGETED FUND BALANCE SUMMARY				Per PSGL		as Detailed		Per Departm
15									
16		Revenue Budget			-253,299.94		0.00		-253,299
17		Actual Revenue			-3,166.60		0.00		-3,166
18		Revenue to be Earned			-250,133.34		0.00		-250,133

Step 3

Click on the Asset_Liab_Fund Equity spreadsheet. Transactions are already sorted by account.

For most cost centers, you do not need to verify asset (1xxxx) or liability (2xxxx) account transactions, because they offset a revenue or expense transaction that is already being verified. However, if a department enters asset or liability accounts directly on vouchers or journals, these transactions should be verified. A list of asset and liability accounts to verify is at the following link: http://www.uh.edu/finance/Doc_Ref.html

All fund equity (3xxxx) account transactions should be verified.

In the Verified column, enter N/A (not applicable) for all asset and liability transactions that do not need to be verified. For transactions that do need to be verified, enter X in the Verified column to indicate the transaction posted to the correct cost center. If any amount is posted incorrectly, enter the adjusting amount in the Adjustment column and leave the Verified column blank.

1	A	G	H	J	K	L	M	N	O	P	Q	Ac
GL BU	Actual Account	Account Type	Journal ID	Jml Line	Jml Date	Year	Period	Actuals A/L/FE	A/L/FE Adjustments	Verified	Ac	
362	00730	21141	Liabilities	HR00001914	9898	7/23/2003	2003	11	(230.24)	0.00	N/A	
363	00730	21141	Liabilities	PAY0000001	841	7/31/2003	2003	11	259.69	0.00	N/A	
364	00730	21141	Liabilities	HR00001914	9899	7/23/2003	2003	11	(257.82)	0.00	N/A	
365	00730	21141	Liabilities	PAY0000001	856	7/31/2003	2003	11	257.82	0.00	N/A	
366	00730	21144	Liabilities	HR00001914	10092	7/23/2003	2003	11	(78.30)	0.00	N/A	
367	00730	21144	Liabilities	PAY0000001	842	7/31/2003	2003	11	78.30	0.00	N/A	
368	00730	21144	Liabilities	HR00001914	10093	7/23/2003	2003	11	(116.48)	0.00	N/A	
369	00730	21144	Liabilities	PAY0000001	857	7/31/2003	2003	11	116.48	0.00	N/A	
370	00730	21146	Liabilities	HR00001914	10295	7/23/2003	2003	11	(33.00)	0.00	N/A	
371	00730	21146	Liabilities	PAY0000001	843	7/31/2003	2003	11	33.00	0.00	N/A	
372	00730	21152	Liabilities	HR00001864	4312	7/7/2003	2003	11	(50.00)	0.00	N/A	
373	00730	21152	Liabilities	HR00001914	10339	7/23/2003	2003	11	(59.58)	0.00	N/A	
374	00730	21152	Liabilities	PAY0000001	844	7/31/2003	2003	11	109.58	0.00	N/A	
375	00730	21152	Liabilities	HR00001914	10340	7/23/2003	2003	11	(23.93)	0.00	N/A	
376	00730	21152	Liabilities	PAY0000001	858	7/31/2003	2003	11	23.93	0.00	N/A	
377	00730	33500	Fund Equity	0000683710	7	7/7/2003	2003	11	5,182.06	0.00	X	
378	00730	37400	Fund Equity	0000683707	7	7/7/2003	2003	11	(5,182.06)	0.00	X	
379	00730	37400	Fund Equity	0000686937	1	7/10/2003	2003	11	24,479.00	(24,479.00)		
380												
381												
382												

Note: Adjustments represent a needed correction and part of the verification process each month is to verify that needed adjustments identified the previous month are posted as a correction in the following month.

Expected Results: Asset, liability, and fund equity transactions have been verified.

Step 4

Insert a comment on the spreadsheet for any adjustments. Select the cell with the adjustment amount, right-click your mouse and select Insert Comment.

1	A	G	H	J	K	L	M	N	O	P	Q
GLBU	Actual Account	Account Type	Journal ID	Jrnl Line	Jrnl Date	Year	Period	Actuals A/L/FE	A/L/FE Adjustments	Verified	Ac
362	00730	21141	Liabilities	HR00001914	9898	7/23/2003	2003	11	(230.24)	0.00	N/A
363	00730	21141	Liabilities	PAY0000001	841	7/31/2003	2003	11	259.69	0.00	N/A
364	00730	21141	Liabilities	HR00001914	9899	7/23/2003	2003	11	(257.82)	0.00	N/A
365	00730	21141	Liabilities	PAY0000001	856	7/31/2003	2003	11	257.82		
366	00730	21144	Liabilities	HR00001914	10092	7/23/2003	2003	11	(78.30)		
367	00730	21144	Liabilities	PAY0000001	842	7/31/2003	2003	11	78.30		
368	00730	21144	Liabilities	HR00001914	10093	7/23/2003	2003	11	(116.48)		
369	00730	21144	Liabilities	PAY0000001	857	7/31/2003	2003	11	116.48		
370	00730	21146	Liabilities	HR00001914	10295	7/23/2003	2003	11	(33.00)		
371	00730	21146	Liabilities	PAY0000001	843	7/31/2003	2003	11	33.00		
372	00730	21152	Liabilities	HR00001864	4312	7/7/2003	2003	11	(50.00)		
373	00730	21152	Liabilities	HR00001914	10339	7/23/2003	2003	11	(59.58)		
374	00730	21152	Liabilities	PAY0000001	844	7/31/2003	2003	11	109.58		
375	00730	21152	Liabilities	HR00001914	10340	7/23/2003	2003	11	(23.93)		
376	00730	21152	Liabilities	PAY0000001	858	7/31/2003	2003	11	23.93		
377	00730	33500	Fund Equity	0000683710	7	7/7/2003	2003	11	5,182.06		
378	00730	37400	Fund Equity	0000683707	7	7/7/2003	2003	11	(5,182.06)		
379	00730	37400	Fund Equity	0000686937	1	7/10/2003	2003	11	24,479.00	(24,479.00)	

Type a brief explanation.

1	A	J	K	L	M	N	O	P	Q	R	S	
GLBU	Journal ID	Jrnl Line	Jrnl Date	Year	Period	Actuals A/L/FE	A/L/FE Adjustments	Verified	Actuals Commit	Budget Period	Sou	
362	00730	HR00001914	9898	7/23/2003	2003	11	(230.24)	0.00	N/A	0.00	BP2003	HR
363	00730	PAY0000001	841	7/31/2003	2003	11	259.69	0.00	N/A	0.00	BP2003	AL
364	00730	HR00001914	9899	7/23/2003	2003	11	(257.82)	0.00	N/A	0.00	BP2003	HR
365	00730	PAY0000001	856	7/31/2003	2003	11	257.82	0.00	N/A	0.00	BP2003	AL
366	00730	HR00001914	10092	7/23/2003	2003	11	(78.30)	0.00	N/A	0.00	BP2003	HR
367	00730	PAY0000001	842	7/31/2003	2003	11	78.30	0.00	N/A	0.00	BP2003	AL
368	00730	HR00001914	10093	7/23/2003	2003	11	(116.48)	0.00	N/A	0.00	BP2003	HR
369	00730	PAY0000001	857	7/31/2003	2003	11	116.48	0.00	N/A	0.00	BP2003	AL
370	00730	HR00001914	10295	7/23/2003	2003	11	(33.00)	0.00	N/A	0.00	BP2003	HR
371	00730	PAY0000001	843	7/31/2003	2003	11	33.00	0.00	N/A	0.00	BP2003	AL
372	00730	HR00001864	4312	7/7/2003	2003	11	(50.00)	0.00	N/A	0.00	BP2003	HR
373	00730	HR00001914	10339	7/23/2003	2003	11	(59.58)	0.00	N/A	0.00	BP2003	HR
374	00730	PAY0000001	844	7/31/2003	2003	11	109.58	0.00	N/A	0.00	BP2003	AL
375	00730	HR00001914	10340	7/23/2003	2003	11	(23.93)	0.00	N/A	0.00	BP2003	HR
376	00730	PAY0000001	858	7/31/2003	2003	11	23.93	0.00	N/A	0.00	BP2003	AL
377	00730	0000683710	7	7/7/2003	2003	11	5,182.06	0.00	X	0.00	BP2003	AC
378	00730	0000683707	7	7/7/2003	2003	11	(5,182.06)	0.00			BP2003	AC
379	00730	0000686937	1	7/10/2003	2003	11	24,479.00	(24,479.00)			BP2003	GEN

To change a comment, right-click on the cell with the comment and select Edit Comment.

Expected Results:

Explanations have been provided for the adjustments.

Step 5

Repeat steps 3 and 4 for the Revenue_Expense, Budget Journals, Open Commitments, and Soft Commitments spreadsheets. Below is an example of transactions verified in Revenue_Expense.

- a. Enter any adjustments to incorrect transactions in the blue Adjustment column and enter an X for each transaction that posted correctly in the yellow Verified column.

	A	G	H	J	K	L	M	N	O	P	Q
1	GL BU	Actual Account	Account Type	Journal ID	Jrnl Line	Jrnl Date	Year	Period	Actuals Rev/Exp	R/E Adjustment	Verified
44	00730	50106	Expense	HR00001888	632	7/18/2003	2003	11	0.00	0.00	X
45	00730	50106	Expense	HR00001894	842	7/18/2003	2003	11	3,648.00	0.00	X
46	00730	50106	Expense	HR00001901	4226	7/21/2003	2003	11	1,262.35	0.00	X
47	00730	50106	Expense	HR00001958	627	7/31/2003	2003	11	0.00	0.00	X
48	00730	50106	Expense	HR00001964	3036	7/31/2003	2003	11	1,262.36	0.00	X
49	00730	52800	Expense	0000684399	1	7/7/2003	2003	11	0.00	0.00	X
50	00730	52800	Expense	AP00686112	201	7/8/2003	2003	11	475.77	(50.00)	X
51	00730	52803	Expense	0000684743	1	7/7/2003	2003	11	0.00	0.00	X
52	00730	52803	Expense	AP00686112	301	7/8/2003	2003	11	1,008.32	0.00	X
53	00730	52805	Expense	AP00686112	435	7/8/2003	2003	11	5.50	0.00	X
54	00730	52807	Expense	AP00686112	523	7/8/2003	2003	11	12.00	(12.00)	X
55	00730	53700	Expense	AP00727749	544	7/25/2003	2003	11	328.00	0.00	X
56	00730	53700	Expense	PO00727769	96	7/25/2003	2003	11	0.00	0.00	X
57	00730	53900	Expense	AP00726965	4	7/24/2003	2003	11	115.00	0.00	X
58	00730	53902	Expense	AP00726962	242	7/24/2003	2003	11	709.10	0.00	X
59	00730	54350	Expense	AP00682408	45	7/3/2003	2003	11	71.11	0.00	X
60	00730	54350	Expense	AP00729121	39	7/30/2003	2003	11	44.89	0.00	X
61	00730	54355	Expense	0000683705	41	7/7/2003	2003	11	1,278.06	0.00	X
62	00730	54355	Expense	0000683705	43	7/7/2003	2003	11	1,367.00	0.00	X
63	00730	54355	Expense	0000683705	45	7/7/2003	2003	11	2,537.00	0.00	X
64											

- b. Enter an explanation for each adjustment with Insert Comment.

	A	J	K	L	M	N	O	P	Q	R	S	T
1	GL BU	Journal ID	Jrnl Line	Jrnl Date	Year	Period	Actuals Rev/Exp	R/E Adjustment	Verified	Actuals Commit	Budget Period	Source
44	00730	HR00001888	632	7/18/2003	2003	11	0.00	0.00	X	(1,258.91)	BP2003	HRS-EN
45	00730	HR00001894	842	7/18/2003	2003	11	3,648.00	0.00	X	0.00	BP2003	HRS
46	00730	HR00001901	4226	7/21/2003	2003	11	1,262.35	0.00	X	0.00	BP2003	HRS
47	00730	HR00001958	627	7/31/2003	2003	11	0.00	0.00	X	(4,226.34)	BP2003	HRS-EN
48	00730	HR00001964	3036	7/31/2003	2003	11	1,262.36	0.00	X	0.00	BP2003	HRS
49	00730	0000684399	1	7/7/2003	2003	11	0.00	0.00	X	(4,226.34)	BP2003	SCR-EN
50	00730	AP00686112	201	7/8/2003	2003	11	475.77	(50.00)	X	0.00	BP2003	AP
51	00730	0000684743	1	7/7/2003	2003	11	0.00	0.00	X	0.00	BP2003	SCR-EN
52	00730	AP00686112	301	7/8/2003	2003	11	1,008.32	0.00	X	0.00	BP2003	AP
53	00730	AP00686112	435	7/8/2003	2003	11	5.50	0.00	X	0.00	BP2003	AP
54	00730	AP00686112	523	7/8/2003	2003	11	12.00	(12.00)	X	0.00	BP2003	AP
55	00730	AP00727749	544	7/25/2003	2003	11	328.00	0.00	X	0.00	BP2003	AP
56	00730	PO00727769	96	7/25/2003	2003	11	0.00	0.00	X	0.00	BP2003	PO-EN
57	00730	AP00726965	4	7/24/2003	2003	11	115.00	0.00	X	0.00	BP2003	AP
58	00730	AP00726962	242	7/24/2003	2003	11	709.10	0.00	X	0.00	BP2003	AP
59	00730	AP00682408	45	7/3/2003	2003	11	71.11	0.00	X	0.00	BP2003	AP
60	00730	AP00729121	39	7/30/2003	2003	11	44.89	0.00	X	0.00	BP2003	AP
61	00730	0000683705	41	7/7/2003	2003	11	1,278.06	0.00	X	0.00	BP2003	ACS
62	00730	0000683705	43	7/7/2003	2003	11	1,367.00	0.00	X	0.00	BP2003	ACS
63	00730	0000683705	45	7/7/2003	2003	11	2,537.00	0.00	X	0.00	BP2003	ACS
64												

Note: You may add transactions for management reporting purposes to the detail spreadsheets, but you are not required to record these transactions as part of the verification process. You are only required to verify transactions that appear on the spreadsheets above.

Expected Results:

The supporting detail has been verified and adjusted for all transactions.

Step 6

Identify which category of adjustment on the Verification Worksheet to transfer the adjustment amounts from the supporting spreadsheets. The table below indicates which category on the Verification Worksheet corresponds to transactions on the supporting spreadsheets.

Category on Verification Worksheet	Asset Liability Fund Equity	Revenue Expense	Budget Journals	Open Commitments	Soft Commitments
Revenue Budget			X		
Actual Revenue		X			
Budgeted Fund Balance			X		
Expenditure Budget			X		
Actual Expenditures		X			
Open Commitments				X	
Soft Commitments					X
Beginning Fund Equity	X				
Fund Adjustments	X				

Expected Results:

The category for each adjustment has been identified.

Step 7

Enter the adjustment totals by cost center and category in the Adjustments as Detailed column. Use the same sign as the adjustment on the supporting spreadsheet (i.e., positive adjustments are entered as positive numbers on the Verification Worksheet; negative adjustments are entered as negative numbers). The adjustment amounts on the Verification Worksheet should match the adjustment amounts on the supporting spreadsheets.

Note: Only the shaded cells for individual cost centers can be updated. The shaded cells for combined cost centers are updated automatically when an individual cost center is updated.

	A	B	C	D	G	H	I	J	K
304					YTD/PTD		Adjustments		
305	EXPENDITURE SUMMARY				Per PSGL		as Detailed		Per Department
306									
307		Expenditure Budget			1,715,389.00		0.00		1,715,389
308		Actual Expenditures			887,395.71		-62.00		887,333
309		Open Commitments			86,676.63		0.00		86,676
310		Soft Commitments			0.40		0.00		0
311		Available Expenditure Budget			741,316.26		62.00		741,378
312									
313									
314					YTD/PTD		Adjustments		
315	FUND EQUITY SUMMARY				Per PSGL		as Detailed		Per Department
316									
317		Beginning Fund Equity			-406,115.02		0.00		-406,115
318		Revenue			0.00		0.00		0
319		Fund Adjustments			-1,088,962.00		-24,479.00		-1,113,441
320		Expenses			887,395.71		-62.00		887,333
321		Ending Fund Equity			-607,681.31		-24,541.00		-632,222
322									
323		Open Commitments			86,676.63		0.00		86,676
324		Fund Equity Less Open Commitments			-521,004.68		-24,541.00		-545,545
325									

Expected Results:

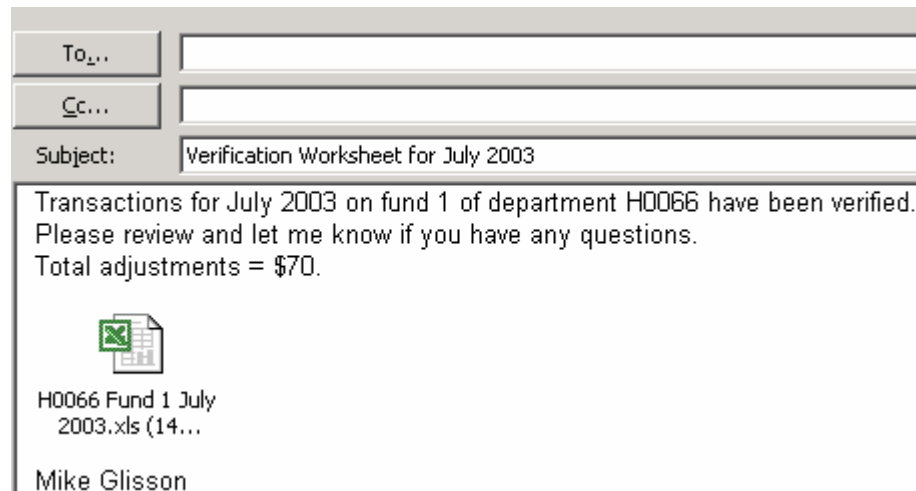
The Verification Worksheet has been adjusted for any corrections or outstanding items.

Step 8

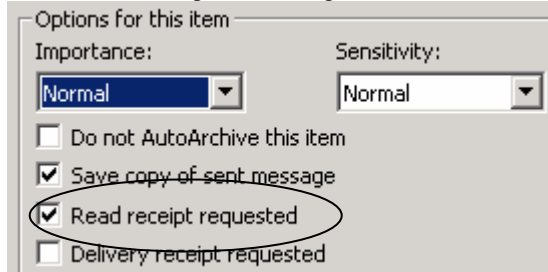
When all adjustments have been entered on the Verification Worksheet, save the updated spreadsheets and forward the document to the responsible person listed on the Verification Worksheet (Program or Project Manager) for review. There are two methods for documenting review of the Verification Worksheets:

1. Send the Verification Worksheet file as an email attachment to the responsible person listed on the Verification Worksheet (preferred method).
 - a. Include the total amount of adjustments entered for all categories in the body of the email. For instance, assume that the following adjustments were entered on the Verification Worksheet for different cost centers:

Cost Center 1:	Adjustment to Revenue Budget:	\$100
	Adjustment to Actual Expenditures:	(\$80)
Cost Center 2:	Adjustment to Fund Transfers	<u>\$50</u>
Total Adjustments		\$70



- b. Before sending the email, go to File and select Properties. Select Read receipt requested.



- c. Save a copy of the email sent to the responsible person with the Verification Worksheet and the Read Receipt Requested email that verifies the responsible person opened the email to a computer, hard drive, or CD for three fiscal years beyond the current fiscal year for audit purposes. For instance, Verification Worksheets completed in FY04 would be saved until August 31, 2007.
2. The second method is to print the Verification Worksheets and any supporting spreadsheets that contain adjustments.
 - a. Preparer and reviewer (responsible person) signs and dates each Verification Worksheet.
 - b. File all Verification Worksheets and backup indicating adjustments for three fiscal years beyond the current fiscal year.

Expected Results:

The monthly verification process is complete.