

## Financial Review Guide

This document sets out the minimum monthly/quarterly checks that should operate in all departments where relevant to their activities. These checks should take around five hours per month to complete, and may either be carried out as a separate exercise or as part of the month-end process. The report(s) recommended to complete each check are shown in the 'Report(s)' column. The earliest stage in the month/quarter end process that these reports can be run is shown in the 'Timing' column.

The [Reports Library](#) has instructions for running and using Oracle reports in 1-6. It is recognised that some departments use alternative reports; if these provide the information required to complete the checks, they may be used in place of the reports recommended below.



Objective	Action	Report(s)	Timing	What to look for/check
<b>1. Confirm that pay expenditure for the month is accurate</b>	<b>Review the employee profile reports for departmental and project coded staff</b>	UO GL Employee Profile Report UO Projects Employee Profile Report	Final working day before month end	<ul style="list-style-type: none"> <li>The cost of any leavers and joiners is in line with expectations.</li> <li>All staff on the report are known and have the expected grade and cost coding.</li> <li>Any month-on-month changes in costs or coding which are not expected by reference to personnel files or other supporting information.</li> </ul>
<b>2. Review research awards activity in the department</b>	<b>Monitor expenditure and management across the department's research awards</b>	UO Project Portfolio with Spend Report UO Projects Management Overview	Second working day after month end, after 1pm	<ul style="list-style-type: none"> <li>Where projects are within 3 months of their end date, preparation for this is in hand.</li> <li>Preparation is underway to deal with changes required for projects where there is less than 10% of the total budget available.</li> <li>Expenditure during the month was at expected levels for each project.</li> <li>Requested changes to budgets have been actioned.</li> <li>New grants have been set up as expected and any pre-award or suspense expenditure relating to them has been transferred to the correct project.</li> <li>For grants where expenditure is significantly less than expected levels, the PI has been alerted and an agreed plan of action is in place.</li> </ul>
<b>3. Understand variances from budget and confirm that any action required is taken promptly</b>	<b>Review income and expenditure report and investigate variances</b>	Inc & Exp FCAST-Detail UO GL Transaction Listing Report	Fifth working day after month end	<ul style="list-style-type: none"> <li>Run the FSG detailed expenditure report "Inc &amp; Exp FCAST-Detail" by cost centre and for the A and B reporting levels in total. These reports show balances. Then use the detailed transaction report "UO GL Transaction Listing by Period-Cost Centre-Account" and format the transactions using Excel so that there is a subtotal for each account in each cost centre for the same period as the balances report.</li> <li>Investigate significant and unexpected variances for income and non-pay expenditure between the year-to-date actuals and the budget on the reports showing balances. Refer to the transactions making up the actuals in the first instance and review supporting documentation as necessary in order to complete the investigation of variances. It may be useful to refer to prior year reports and data.</li> <li>Unless a variance is found to be caused purely by phasing, it will need to be taken into account as part of the next quarterly forecast.</li> </ul>
<b>4. Understand the reason for significant Purchase Order (PO) expenditure items</b>	<b>Review POs that were raised by the department</b>	UO Purchase Requisition Activity	First working day after month end	<ul style="list-style-type: none"> <li>Ensure that all POs raised over £10,000 were from the expected supplier, and related to expenditure which was necessary. Check that appropriate purchasing procedures were followed.</li> <li>Select a random sample of POs under £10,000 and carry out the same checks as above. The number of items sampled should be at least 1% of the number of items on the report during the month or five items in total, whichever is the greater number.</li> <li>If a new or non-standard supplier has been used for any of the POs, the rationale for the choice of the supplier should be established.</li> <li>Unless the expenditure is one of the authorised exceptions, the PO should have been raised in advance of making any commitment to the supplier.</li> </ul>

Objective	Action	Report(s)	Timing	What to look for/check
<b>5. Understand the reason for significant non-PO transactions, including expense claims</b>	<b>Review detailed non-PO expenditure transactions incurred by the department and receivable amounts to the department</b>	UO GL Transaction Listing Report	First working day after month end	<ul style="list-style-type: none"> <li>Using filters in excel, review non-pay expenditure items greater than £1,000 without a purchase order reference in the 'additional info' column, and consider whether they relate to expected or standard activity. Look into the reasons for items which appear unusual and obtain an explanation.</li> <li>Review all employee expense claims charged to the department in the month using a filter on the transaction number column to show transactions with an 'EXP' suffix. Confirm that the amount claimed and the claimant is as expected. If this is not the case, obtain a copy of the expense claim and investigate in more detail. Take follow up action with the expense claimant and the reviewer if necessary.</li> <li>Review all receivable amounts to the department in the month using a filter on source column to show transactions with Receivables. Confirm that all income has been received for remittance advices, grants schedules and other agreements which are in place where income is transferred (rather than by invoices raised) by agreed schedule dates.</li> </ul>
<b>6. To ensure that departmental Oracle access is appropriate to user's jobs, and that leavers have been correctly dealt with</b>	<b>Review Oracle user access report</b>	UO User Access Report	Quarterly	<ul style="list-style-type: none"> <li>Purchasing approval limits are appropriate to the user's job and the department's budget.</li> <li>Staff who have left the University or the department do not appear on the report.</li> <li>Roles and responsibilities held are appropriate to the user's job.</li> </ul>
<b>7. Review John Fell awards activity in the department</b>	<b>Monitor expenditure and management across the department's John Fell awards</b>	UO Project Portfolio with Spend Report UO Projects Management Overview	Second working day after month end, after 1pm	<p>For each John Fell award:</p> <ul style="list-style-type: none"> <li>Confirm that expenditure has occurred if the start date of the award was before month end.</li> <li>Confirm that the figure in the total column is not positive, which would indicate an overspend on the project.</li> <li>Check that expenditure is not lower than expected for awards within 6 months of their end date.</li> </ul> <p>Where exceptions are identified to the above checks, the award(s) in question should be further investigated to establish the underlying reasons, and remedial action should then be taken.</p>
<b>8. Review Trust Fund activity in the department</b>	<b>Monitor expenditure and management across the department's Trust Funds</b>	Trust Fund Financial Statement (issued quarterly by Financial Reporting Team)	Quarterly on receipt of report	<ul style="list-style-type: none"> <li>New Trust Funds have been included and expenditure that can be funded is charged to the fund.</li> <li>Where prior year surpluses exist, a plan is in place to ensure these are spent in addition to annual available income.</li> <li>Where expenditure does not match available income on a YTD basis, the reasons for this are understood.</li> </ul>