Best Practice
For Departmental Reconciliation of Payment and Receipt Transactions in myUFL

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Introduction

Purpose of the Reconciliation:
The reconciliation of payment and receipt transactions to the accounting system (myUFL) is one of many internal controls in place to:
• Verify the accuracy of transactions posted to the accounting system.
• Identify errors.
• Process corrections.

Other Internal Controls:
The University has many internal controls in place to ensure the accuracy of transactions and the appropriateness of charges. For example, the Purchasing Card system requires timely review of all purchases and reconciliation to the source documents by the site manager. This review is independent of the reconciliation to the campus accounting system.

Departmental Reconciliation Guidelines:
These guidelines provide the necessary steps required in reconciling payment and receipt transactions to the accounting system.

The reconciliation can be performed using the departmental ledger that lists transactions posted to the campus accounting system (See below for more details on running the report).

• Review the report for large or unusual dollar amounts and review for appropriateness of the transaction. Note: what is considered “large” will vary by situation and needs to be determined by the department.
• Scan for duplicate payments by looking for repetitious dollar amounts or multiple payments to the same vendor.
• Scan for unfamiliar vendor/payee names.
• Scan for unusual account codes or types of expenditures. The department determines what an unusual transaction is; for example, a federal grant that does not allow foreign travel should not have any transactions on that account code.
• Scan for unusual requisition numbers (numbers out of sequence) that may not belong to your department.
• Scan purchasing card transactions for posting to the correct funding string and for unauthorized cardholders.
• Match all non-salary and salary charges to the department’s source documentation.

Frequency of Reconciliations:
Reconciliations should be performed monthly in order to ensure the accuracy of the charges that have posted to the general ledgers and commitment control.

What do we mean by reconcile?
Reconcile means “to bring into agreement or harmony.” The reconciliation process we are discussing in this manual involves making sure the reports provided in myUFL and the department’s source documentation are in agreement.
Departmental Reconciliation
Flow Chart for Departmental Reconciliation

Payroll has occurred

Purchased Items are Received

Payroll and Purchases are Paid and the Accounting Entries go to the General/Department Ledger

Department Ledger must be Reconciled to Source Documents

Source documents are the original Invoices And Payroll Cost Distributions

Reconciler and Supervisor document that the Reconciliation has Been Completed
The following three questions are included in the Budgeting, Accounting and Financial Reporting section of the Internal Control Checklist (from Internal Control Class, PRO303). The checklist can be found on the Office of Audit and Compliance Review website at http://oacr.ufl.edu/internal_control.html.

1. Are departmental ledgers reviewed and reconciled to supporting documentation at least monthly?

   It is required by the University Directives and Procedures 1.4.2.5.A.2 http://www.fa.ufl.edu/uco/handbook/handbook.asp?doc=1.4.2.5 that this be done monthly.

2. Is the staff performing the reconciliation separate from the staff initiating and finalizing transactions?

   Staffs that are creating the transactions should not be responsible for the reconciliation as well, remembering that a supervisor could be the second person needed for this reconciliation. If this is not possible please contact the University Controller’s Office at 392-1321 for assistance.

3. Are reconciling differences, negative balances, and/or unsupported transactions investigated and corrected timely?

   Timely is within two weeks of the date of the report. (This is not the date the report was run). This is so the error is corrected before the close of the next month. For example if the report is run on June 10th but the date of the report is June 5th, you should correct the error within two weeks from June 5th.

The following four questions are included in the Purchasing and Disbursements section of the Internal Control Checklist (from Internal Control Class, PRO303). The checklist can be found on the Office of Audit and Compliance Review website at http://oacr.ufl.edu/internal_control.html.

1. Are the duties for initiating requisitions, receiving purchased items, processing of invoices for payment, and reconciliation of the departmental ledgers separated between two or more employees?

   ***See below flow chart of recommended separation of duties.***
Recommended Separation of Fiscal Duties

It is recommended that there be four separate people performing these duties when purchasing items.

Minimum Required Separation of Fiscal Duties

However, some departments can not separate all duties due to staffing issues. Above is the minimum required separation of fiscal duties.
2. Does management review charges recorded on the departmental ledger and inquire about unfamiliar charges?

Management should review the charges that are recorded on the departmental ledger and ask for more information of charges that are unfamiliar as a part of the monthly departmental reconciliation.

3. Is management’s review of the departmental ledger, reconciliation, and supporting documentation appropriately documented?

Management’s review should be documented with a signature (either electronically or by pen).

4. Are encumbrances and disbursements reconciled with the departmental ledger?

Encumbrances and disbursements should be reconciled with the departmental ledger. The disbursements are the vouchers that are created during the spending of funds from the departmental chartfields. Encumbrances are commitments created when a purchase order has been issued.

What are the reports that I need to do the departmental reconciliation?

There are different reports that a department can run to reconcile their ledger. The recommended reports to use are the delivered departmental reports that are found in myUFL. All fiscal personnel should be receiving an email that states when these ledgers are ready to print after month end. If fiscal personnel do not receive this email information is provided at http://fa.ufl.edu/ga/listserv-ufacc.asp on how to be added to the list serve. Another report needed for the reconciliation of projects is the Department Ledgers Actuals Expenditures Detail by Project.

Note – you can also use FIT Cube reports that you can customize to your department needs. To learn how to run these reports please attend the Reporting: PowerPlay Class, PST117.

**To learn more about running the reports needed please attend the Departmental Reconciliation Class, PST130. **
Reconciliation of Appropriation Cost Centers

The reports needed for reconciliation of appropriations and cash-based funds that are not in the 200 fund series are found in the link for the New Department Reports.
The Delivered Reports list shows the various reports available for the period selected. For this example September 2010 is used. However, a different period can be selected when needed.
The Appropriations Summary gives a high overview of the transactions that occurred in funds 101-103, the state appropriated funds, for the month.
The Appropriation Summary is a good place to identify accounts that you will need to research in order to reconcile the Transaction Detail report which lists a detailed description of the transactions that have occurred for the month. For this example the travel that occurred for out of state on the 771200 account code will be examined.

To reconcile the MTD (Month to Date) Expenses for Out of State Travel shown on the Appropriations Summary, verify the total dollar amount against the individual transactions listed under Out of State Travel on the Transaction Detail report. The detail of this report shows individual transactions related to out of state travel, providing specific information in the description and also providing the UFID, travel authorization and expense report information if applicable. These individual transactions should be matched with the department’s travel files.

For this example, the account code on the Transaction Detail report for out-of-state travel, lists the employees ID and the transaction information needed to be able to reconcile this travel. For the last travel transaction a description titled SuperShutt Taxi for Tillet Travel that can be easily found filed under the travel file for the employee. Next match the total amount being reimbursed to the employee from the travel file to what actually is shown on the transaction ledger.
Reconciliation of Cash-Based Cost Centers

For cash-based funds, you will also select New Department Reports.
The Delivered Reports list shows the various reports available for the period selected. For this example September 2010 is used. However, a different period can be selected when needed.
The Cash Summary gives an overview of the transactions that occurred in cash based funds 131, 141-186, 251, 901, 910 and 991. Remember that spending authority, amount available to spend, for a cash-based fund is revenue minus expense. So by recording a revenue transaction, departments will automatically have more money to spend; by recording expenses, the departments will have less money to spend.

On the Cash Summary report, note that you will find the cost center for the report is at the top. First, verify if this is the correct Cost Center you are reconciling.

Also note that the total operating revenue that has been collected is listed at the beginning of the report. By continuing you will find all other cash-based reports for the Department ID within the single PDF file.
In this same pdf file there are reports for fund 179, 211, 212, and 213

**Be careful to notice the top of each page. Some of the cash based funds have various sources of funds. Example fund 171, has source of funds that start with F, which represent a Foundation account. Each source is a different cost center that will need to be reconciled.**
The Cash Summary is a good place to identify accounts that you will need to research in order to reconcile the Transaction Detail report which lists a detailed description of the transactions that have occurred for the month. For this example we will reconcile the total amount listed on the Cash Summary for Office Supplies to the transactions on the Transaction Detail for Office Supplies.
Looking at the individual transaction you can tell if the charge was a Pcard charge if the Transaction ID begins with “PC”. If the charge was paid through the regular Accounts Payable module, the Transaction ID will begin with a V#UFLOR”, followed by the voucher number. If a payment was paid off of a Purchase Order, the Purchase Order information will be listed under the Encumbrance ID column. Any payments with a Pcard should be matched with the Pcard Monthly Aging reports and other payments matched to Purchase Orders or unencumbered vouchers.
Reconciliation of Grant Cost Centers

What are the needed reports for department report reconciliation of projects in funds 201-209?

The reports needed for the reconciliation of sponsored projects in funds 201 - 209 are the New Sponsored Programs Reports in Enterprise Reporting. These are listed the same as way as the New Department Reports.
If you don’t know the PI and/or the Project number, you find your department ID as you normally would and the reports would be listed under each specific PI in your department. You can scroll down and select by College or Major Unit.
For Example: To Find Department ID 60850000, Click on the High Level College Department ID Code.
Find your department ID.
There you will find a detailed listing of all PI’s that have projects (or grants) that need to be reconciled. Select the PI that you are preparing to reconcile.
Once the PI is selected, all projects belonging to the PI will be listed. You can then select the project that you are reconciling.
The Delivered Reports list shows the various reports available for the period selected. Select the appropriate period. For this example we will look at April 2008, Grant Summary. However, a different period can be selected when needed.
The Grant Summary gives a high overview of the transactions that occurred for the month:

The Grant Summary is a good place to identify accounts that you will need to research in order to reconcile the Transaction Detail report which lists a detailed description of the transactions that have occurred for the month. For this example, the purchase of courier service that occurred on account code 794200 will be examined. We will compare the Grants Summary total MTD to the Transaction Detail individual transactions.
The account code on the transaction detail report for computer supplies lists the transaction ID, the encumbrance ID, the Employee ID, and a description of the purchase. You would then match the total amount charged to the source documents of this transaction. Remember your source documents are your Pcard Monthly Aging Report, travel files, Purchase Orders, unencumbered voucher files, etc.
Is there an easier way to find a project (funds 201-209) instead of going through the selection of a department ID?

Yes. When you go into the New Sponsored Programs Report link you will notice at the top of the screen there is a search engine for both a project and a PI’s employee ID. To Search for a project number type in the project number and hit search. To search for a PI, type in the PI’s employee ID and hit search.
For this example we will search by project number. To use this option, it is best if you have a list of all project numbers for which you are responsible.
This will guide you directly to the reports you need to do the reconciliation.
What reports do I use to reconcile residual/overhead projects in funds 211, 212, and 213?

The reports needed for the reconciliation of sponsored projects in funds 211 - 213 are the Residual/Overhead Reports in Enterprise Reporting. These are listed the same as way as the New Department Reports.
The options for these reports are funds 211, 212, and 213. Each fund is an option to choose for finding the report needed for your reconciliation. Unlike the new Sponsored Program reports for funds 211-213, the Residual/Overhead Reports are not listed by PI. It is recommended that you know your project numbers. If you do not know the project number, you must go through the entire list of projects in the particular fund code, which includes projects for the entire university.
Type in the project number and click search. This directs you to the exact location of the project report needed. The search results list the different reports available for the period selected.
The Cash Summary gives a high level overview of the transactions that occurred for the month. September 2010 is used for this example.
There are month-to-date expenditures in payroll charges. For this example, select the Transaction Detail report for account code 655110.
The Transaction Detail report for account code 655110 provides further information on the charge such as the Transaction ID and Description. This is a payroll charge so further research is needed.

A payroll reconciliation section is included later in this best practice manual.
Questions and Answers (Q&A) for Reconciliations:

What if there is a transaction for a regular voucher on my reports that I did not create?

A department can pull up the voucher ID in myUFL under Accounts Payable like as if creating a payment but instead you are searching for one. The path is Accounts Payable > Vouchers > Entry > Regular Entry > Click on find an Existing Value tab and type in the voucher number in the box for “Voucher ID”; make sure to include all leading zeros. Press search and the detailed voucher information will appear on the screen. For more information on this task please attend Paying Vendors class PST071. The required backup documentation is attached to vouchers so it will be by easy to find the purpose of the transaction and who entered it. Click on the voucher image to get the information.
What if a transaction hits my departmental ledger but it belongs to another department?

Contact the department that created the charge and ask them to create an expense to expense transaction (E2E Voucher) through the system to remove the charge.

**Please attend the Paying Your Vendors class if you do not know how to input an expense to expense transfer.**

What do I do if there is a payroll transaction for an employee that is not in my department?

Refer to the Payroll Reconciliation portion of this manual. Contact Payroll at 392-1231 for help in getting this error resolved. A retro to move the employee out of your department to the correct department must be processed.

Why do I have to use source documents and not excel spreadsheets or my shadow system to reconcile my departmental ledgers?

Source documents are a guaranteed source of information for reconciling the departmental ledgers. Any shadow system or Excel spreadsheet may have inaccuracies in the information due to human error.

What are the source documents I should use to compare payroll charges?

The source documents for payroll are the reconciled Payroll Cost Distribution reports. See payroll section for procedures on reconciling the cost distributions.
General Ledger to Commitment Control Reconciliation
(KK to GL Summary Comparison)
**What is the difference between the general ledger (GL) and commitment control (KK)?**

In the myUFL system there are different checks performed for each transaction. One of the checks is in commitment control which provides budget checking capabilities, encumbrance information, and real-time available balance. However, if a transaction gets backed out of commitment control, it will never hit the general ledger. The general ledger is the University’s official accounting record and it is the last stop for a transaction whether it is payroll or an operating expense.

**Why do I have to balance the commitment control to the general ledger?**

Sometimes a transaction may get hung up in the system and not make it to the general ledger or will bypass the commitment control and go straight to the general ledger. This is very rare but if it happens the ledgers are out of balance. Since the general ledger is UF’s official accounting record, it is important that when a transaction occurs in commitment control, it also occurs in the general ledger so that it can be officially documented and counted in your department’s expenses. If a transaction bypasses commitment control and goes straight to the general ledger, this also causes a problem because commitment control offers departments a real time balance. A transaction that bypasses commitment control will not show the department the real time balance as it should.

**How do I reconcile commitment control to the general ledger?**

The delivered report that departments can use to do this reconciliation is titled KK to GL Summary Comparison.

**To learn more about running the reports needed please attend the Departmental Reconciliation Class, PST130.**
Click on the pdf version for a detailed comparison of the YTD amounts that have hit KK and GL.
It also shows you if you have a variance between the two.

**How often should I run the reports to show variances (if there are any) between KK and GL?**

This comparison should be done monthly as part of the departmental reconciliation. Keep in mind that a variance may be a timing issue. It is recommended that no action be taken unless the variance continues for more than one month.
What does a variance look like?

Notice the last column must equal zero for everything to be ok. See highlighted section for a variance in computer supplies that should be watched. If it does not correct in the next month then research needs to be done to find out which transaction is causing the variance.

What do I do if there is a variance between KK and GL?

The first step would be to identify the account. If it is a payroll transaction (accounts that begin with 6), identify the employee that is involved and contact Payroll with the information at 392-1231. If it is a voucher, identify the specific voucher number or numbers and amount and call Disbursements at 392-1241. Each office will be able to help you identify what caused the variance and will be able to handle the correction of the problem.
**How do I reconcile the encumbrances with the departmental ledger?**

To reconcile encumbrances you need the Open Encumbrance Summary. The Open Encumbrance Summary report can be found by clicking on the New Department Reports Link. Then select your college.
At this screen, select your department.
Click on the Open Encumbrance Summary Report.

*Note this report is only available in pdf format.*
For more information about this encumbrance click on the blue hyperlink.

Note – If you have an encumbrance that has more than one account code, it will be separated by the account codes and not totaled by the encumbrance. This report is summed by account code.

Compare the Open Encumbrance Summary to the Transaction Detail report, Cash Summary report, or the Appropriations Summary report.
**May I reconcile my departmental reports electronically?**

Yes. According to the Office of Audit and Compliance Review:

“As you know, from control perspective, it is not how a control procedure is performed but if it is performed by the right person and if a trace is left to determine that it in fact has happened. If the unit’s management (dean director etc) is willing to perform the monitoring function in an electronic format and his/her review will leave a trace, then there is no issue.”

See Appendix A for a detailed idea from the College of Fine Arts of how to reconcile electronically including an electronic signature. This is a great idea to save paper and think green!

**Are descriptions I am using in my journal entries, budget transfers, or voucher entries helping me reconcile my department reports?**

It is essential that a good detailed description be used when entering your department’s transactions in the myUFL system. For example, you could not find out what a particular computer software was if you just typed “computer software”. Giving a description of Microsoft Office software or Dr. Gator would help you to remember a purchase.
Payroll Reconciliation
Overview of Payroll Reconciliation

Understanding the integration of the Human Resources Management System (HRMS) and the Financials systems can be challenging. In summary, as each pay cycle is confirmed in the HRMS system (meaning that paychecks are generated), payroll expenditure files are sent to the Financials system and the EPM Detailed Payroll Reporting table is updated. This detailed Payroll information is then posted to the General Ledger. Payroll must be reconciled to ensure the accuracy of the employees receiving a paycheck from the myUFL system. Use the report titled Payroll Cost Distribution Run Date Detail to perform this reconciliation. Additionally, the Preliminary and Final Paylists should be reviewed to ensure that paychecks are accurate. The Final Paylist is then used to verify the amount shown on the department reports. The best practices manual is meant to be a quick reference guide to questions that you may have that are not answered in normal training classes.

Timing and Other Activities

Departments need to consider the following in their efforts to reconcile Payroll costs between the HRMS and the Financials Systems:

• Prior period adjustments in HRMS will be reflected in the current pay cycle.
• Adjustments to the General Ledger (Spreadsheet Journals, SSJs, etc.) are not reflected in either HRMS or the Detailed Payroll or HR Accounting Line tables.
• Adjustments to the General Ledger are reflected in the Journal Transaction and GL Balance Reporting tables.
• Payroll information is available in the system following each payroll closing.
Payroll Reconciliation using Enterprise Reporting

The following reports can be used in the reconciliation of HR Payroll (PR) Entries to the General Ledger (GL) payroll accounting entries.

- **Report 1 – Preliminary Payroll Paylist Report**
  - Use this report to see all employees’ preliminary pay report to verify that employees will be paid appropriately.
  - Requires access to the Enterprise Reporting Human Resource Reports

- **Report 2 – Final Payroll Paylist Report**
  - Use this report to verify that employee will be receiving an accurate paycheck.
  - Requires access to the Enterprise Reporting Human Resource Reports

- **Report 3 – Projected Payroll Cost Distribution**
  - Use this report to review projected payroll expenditures for the fiscal year. This may help with budgeting throughout the fiscal year.
  - Requires access to Enterprise Reporting

- **Report 4 – Payroll Reconciliation Detail**
  - Use this report to see how detailed payroll entries break down, employee totals and chartfield charged to compare against expected pay.
  - Requires access to Enterprise Reporting

- **Report 5 – Transaction Detail**
  - Use this report to compare payroll expenditures that have occurred on the general ledger and the payroll cost distribution report.
  - Requires access to Enterprise Reporting
The following questions are included in the Payroll section of the Internal Control Checklist (from Internal Control Class, PRO303). The checklist can be found on the Office of Audit and Compliance Review website at http://oacr.ufl.edu/internal_control.html.

1. Are staff members with responsibility for payroll familiar with the Finance and Accounting Directives and Procedures relating to payroll?

   If not, please refer to http://www.fa.ufl.edu/uco/handbook/handbook.asp?doc=1.4.15 for a listing of all the directives and procedures as they relate to payroll.

2. Have employees charged with payroll and distribution responsibilities been appropriately trained?

   Proper training enables the correct use of Time Reporting codes and assures accurate pay and leave accruals/usage. More information on classes that can be taken and instruction guides available are on the Human Resource Services website http://www.hr.ufl.edu/training/.

3. Does the payroll processor review the Preliminary Paylist to ensure that employees will be paid correctly?

   It is a best practice that the Preliminary Paylist be reviewed by the payroll processor before the final pay has been completed to ensure that employees will be paid correctly. Preliminary Paylists are available Wednesday, Thursday, and Friday during the week of payroll closing.

4. Does management review, sign, and date the Final Paylist reviewed in a timely manner so Payroll can be notified by the appropriate deadlines of any advices requiring EFT cancellation?

   The Final Paylist runs after payroll has been processed and finalized. The report must be reviewed timely every pay period so that any errors will be caught and corrected before the next pay period. Some errors (ie. payments to terminated employees, emergency checks) can be corrected before Friday pay day. The payroll processor should initial the report indicating the report was reviewed. Management should document their review and approval of the Final Paylist. This approval can occur subsequent to pay day. Final Paylists are available on the Monday following the payroll closing and represent the confirmed hours and any Additional Pay that an employee will receive for that pay period.

5. Are over or underpayments dealt with promptly?

   Overpayments can be prevented with timely terminations/job actions and careful review and correction of employee Time & Labor records. Several tools are available to help departments review paychecks such as the Preliminary Pay lists and Final Pay lists. If the overpayment occurs due to an employee termination, Payroll Services will need to be contacted immediately. With timely communication, the payment can be cancelled before the employee receives the erroneous amount. For more information visit http://www.fa.ufl.edu/uco/handbook/handbook.asp?doc=1.4.15.10.
**Reconciling Questions:**

**How do I reconcile the Preliminary Paylist Report?**

Most departments keep an Excel spreadsheet of all employees for whom they are responsible and how much they expect them to be paid. Once the Preliminary Paylist report is ready, run the pay list and compare it to the list of employees that you expect to be paid. It is reviewed to confirm current employees, estimated amount of hours, and estimated pay amount. If there are any variances you can make sure they are corrected. Be sure to document the review has been completed. Corrections are typically made by employee or HR Manager.

**Where is the Preliminary Paylist found?**

When it is ready it is in Enterprise Reporting: Public Folders>Human Resources Information > Pay Information > Current Pay Cycle > Delivered Payroll Pay list Reports > Preliminary Payroll Listings.

**After the Preliminary Paylist is reconciled and payroll runs, what do I do next?**

After the payroll is processed the next step is to run the Final Paylist for review.
**How do I reconcile the Final Paylist?**

The Final Paylist should be reviewed much like the Preliminary Paylist report. It is reviewed to confirm current employees, amount of hours for hourly employees, and the exact pay amount. If there are any variances you can then ask to make sure they are corrected by the appropriate HR Manager before the next pay cycle runs. Be sure that the appropriate manager documents that this review has been completed. Corrections are typically made by employee or HR Manager.

**Where is the Final Paylist found?**

The final pay list is reviewed when available in Enterprise Reporting: Public Folders>Human Resources Information > Pay Information > Current Pay Cycle > Delivered Payroll Pay list Reports > Final Payroll Listings.

**How does this tie to the Payroll Expenditures on the Department Reports?**

The final paylist is run biweekly. Each of the totals of the cost center combinations for the bi-weekly amounts must be added to compare to the total amount of payroll charges on the department reports. This amount should match. If they do not then there is an addition error, or there is something unexpected that needs to be addressed.
What are some tips on reconciling payroll?

- One department runs the Payroll Cost Distribution report to confirm payroll costs as soon as it is available after payroll runs. This adds an added level of security. This can be found in Enterprise Reporting at: Public Folders> Human Resource Information > Pay Information > Payroll Cost History > Payroll – Fellowship Cost Distribution by Cost Center and Person including Off Cycles.

- Another idea is to keep a running total from the Final Paylist on a spreadsheet so that when it comes time to reconcile the department report you have a document that you can support with your source documents (Final Paylist) to review the expenditures.

- If there are transactions that show up in Commitment Control during the month that cannot be explained by the Payroll Cost Distribution report, then Queries will need to be run to try to determine the cause. If the Query does not answer the question, contact Payroll. In Query Viewer, Financial People Tools, Query Name > UF_GL_RETRO_RUN_DATES.

- Review the Projected Payroll Cost Distribution as soon as it is available and match it against unit expectations.

What is the Projected Payroll Cost Distribution report?

The Projected Payroll Cost Distribution report lists the projected payroll remaining in the fiscal year for each employee in a budgetary cost center. This report should assist in understanding the cost of each employee’s employer paid payroll earnings, benefits, and taxes. This report should help budget for employee payroll for the reminder of a fiscal year.

Note: Please be aware that the benefit projection is based on the last pay period, and the report does not include vacant positions that you may hire in the future. The delivered report will always relate to the monthly reports and not necessarily to the last payroll. However, the prompted report will relate to the last payroll so you have to be careful. If you run the report before payroll has completed, it will not give you accurate projections! Also, if you have summer faculty, the projections will not be reflected until late April. Finally, a word of caution – projections for OPS employees are based on their FTE which may not always be the same as the hours they normally work.
Appendices
Appendix A

Electronic Account Reconciliations

(Provided by the College of Fine Arts, contact Victoria Masters if you have any questions at vickiwho@ufl.edu)

Advantages

- No more copier machine abuse- everything is stored electronically.
- Able to quickly share information, along with provide (paper-free) copies to multiple people.
- Comes directly from People Soft so errors are easy to see.
- Able to add comments, emails, general information, and other details to ANY transaction.
- Moves towards UF’s sustainability policy regarding a paper free office.

What do you need?

- Adobe Acrobat Professional- you need to be able to download reports and then edit them.
- A scanner- you need to be able to scan in p-card receipts, voucher back ups, and other information you wish to preserve with the monthly reports.
- Paint application- makes cropping or re-naming files much easier.
- Access to monthly financial reports.

Step One: Save Reports

- Enterprise Reporting now allows you to save reports in different ways- each individual report, a whole chartfield, or an entire department. Saving by chartfield is often less confusing and the data is easier to share. For example, save all the reports for 13010000, 13010100, 13010200, etc separately so if Technology (13010200) needs information about their resources, they can have a copy of just their chartfield reconciliation.

- Save the reports in a logical place on your computer- a folder labeled with the month and fiscal year- and add a separate folder within (or several) into which you can download or scan your back up documents.

Step Two: Verify Information

- Within each chartfield there can be the following reports: Appropriations Summary, Cash Summary, KK to GL Comparison, Open Encumbrance Summary, Payroll Cost Distribution, Projected Payroll, and the Transaction Detail.

- You can check the KK to GL comparison within PeopleSoft- make sure that you have no exceptions and if you do, add a note to explain why there is a difference.

- Use the Comment Toolbar to highlight the variance amount (use one color for OK and another color for some issue that needs further explanation).

- Check the Open Encumbrances and make sure they all belong to the correct chartfield (CRRNT, correct flex, etc) and that the amount left open on them is correct. Add a note using
the note tool (select the checkmark option) to show it is accurate and if more details are necessary, add them within the note.

- Check the people being paid (Payroll Cost Distribution) from your chartfield- is everyone there (and are they distributed properly)? You can double check their salary, FTE, etc. here too.

- This can be done as a double check- spot checking a couple of people every month after verifying everything is correct the first month.

- Catching errors like incorrect FTE or Distribution Percentages may be easier to see in the ER chart format.

- When used to its fullest, this report can track an individual area budget’s personnel budget.

Step 3: Attaching Vouchers (Transaction Detail Report)
- There are two ways to attach vouchers to the transaction detail: downloading or scanning.

- To download you must go to quick links~admin menu~view vouchers. To scan, you select the most pertinent bits of what you saved before faxing originals to Elmore Hall and scan them into your computer.

- When saving these images, select .jpeg because .tif files are not always able to be opened by other computers and they take up a lot of memory. If you download the vouchers from PeopleSoft, convert the .tif files to .jpeg by opening them in Paint and then saving as an appropriate file name and choosing .jpeg.

- When naming files, include the voucher number for easy attachment when looking at the reports.

- This may become a moot point for future reconciliations because rumor has it that the voucher images will be tagged with the reports, but for now, attaching back-up electronically is a must.

Step 4: Attaching P-card Receipts (Transaction Detail Report)
- Just like vouchers, the back up receipts for p-card transactions should be used to verify each charge on the account.

- The easiest way to do this is when you do your monthly p-card aging report, scan the receipts in at the same time you are making copies BEFORE everything is stapled or paper clipped together. This saves a bit of time rather than making you redo everything a couple of weeks later after pulling everything apart to scan it.

- An easy way to name the files is “Last name P-card $Amount” so it is easy to match them up with charges on the transaction detail report.

Attaching everything on the Transaction Detail Report to ensure accuracy…
- The same system of green check mark next to correct items can be used.

- Attach the image of the voucher or p-card next to the transaction with a tack (or some other visual cue that there is a file attached there) and add comments if necessary.
• When someone rolls the mouse over the paperclip, the title of the attachment is displayed. If there was a comment (such as Dean’s Office paid half and the College of Journalism paid the other half) to explain something about the charge, it can be written within the checkmark and it too will be displayed when the mouse rolls over it.

• Double click on the attachment and it open, allowing you (or anyone else) to review the back up documentation.

• The point is to verify EACH charge’s accuracy with back up documentation.

All done? Almost…

• There is a wonderful tool within Acrobat Professional- the stamp tool. Our system is that I stamp “Verified” and Acrobat tags it with the time, date, and my name. Kim then open the completed monthly reconciliations and, if she is satisfied that there are no discrepancies or issues, she then stamps “Approved” next to the verified and, again, Acrobat tags it with the time, date, and her name.

• This gives a history of who has touched the reports (because there are other stamps that allow a personalized response such as “Reviewed” etc so that more than one person can add information.

• You can even create custom stamps like “pending.”

• I stamp on the last page of each report and on the first page that includes the table of contents.
Appendix B

Specific Criteria for Expenses by Fund

_Suggestion – Attend Color of Money Class, PRO302 to understand the sources of funds for the Fund codes._

**Fund 101, 102 and 103: State Appropriations**

According to the University Directives and Procedures, state appropriations must be expended in accordance with State Guidelines found at [http://www.fldfs.com/aadir/reference_guide/reference_guide.htm](http://www.fldfs.com/aadir/reference_guide/reference_guide.htm). Generally these funds can be spent for a variety of relevant operating expenses – salaries, office supplies, travel, etc. No purchases can be made for the personal convenience of employees. A clear business purpose must exist.

**Fund 201 – 209, 211 - 212: Sponsored Projects**

The funds 201 – 209 are generally more restrictive in that the expenditures must meet specific sponsor guidelines. Expenses that would normally not allowed in state appropriated funds, such as food purchases, and may be allowed if the research requires such purchases to be made. Expenditures in fund 201 should also be in compliance with Cost Accounting Standards (CAS). For more information, please visit [http://fa.ufl.edu/costanalysis/accounts-not-charged.asp](http://fa.ufl.edu/costanalysis/accounts-not-charged.asp) that lists accounts that are not to be direct charged to federal awards.

Funds 211 – 212 are cash based funds. 211 funds are indirect costs returns and 212 fund residuals are funds that were not needed to fully execute the requirements of the sponsored project. These funds are restricted and may be used only to support research.

**Fund 221 – 222: IFAS Federal Funds**

The Institute of Food and Agriculture Sciences also receives federal appropriations that are much like state appropriations. These funds are allocated by the appropriate dean within IFAS. The use of these federal funds must comply with federal guidelines. You must contact the appropriate IFAS Dean Office for more information on these funds.

**Fund 141 – 163: Auxiliary Funds**

Auxiliaries’ money is generated by sales and services of an approved business type activity of the University. Auxiliary funds can be used for any goods and services necessary to fulfill the programmatic mission of the auxiliary. However, there are some funds that are restricted to certain purchases as identified in the funds title.

Fund 162 – This fund is used to deposit revenue from the material and supply fee established and charged on select courses. Departments will expend these revenues for the sole purpose of material and supplies specific to the courses charged.

Fund 163 – This fund is used to deposit revenue from the equipment use fee established and charged on select courses. Departments will expend these revenues for the sole purpose of equipment purchase, replacements, and repairs for equipment specific to the courses charged.

There are those items that may not be purchased with any of these funds, such as alcohol, congratulatory telegrams, entertainment for visiting dignitaries, first class travel, and flowers and/or telegraphic condolences.
**Fund 171: Component Unit**

*What is a component unit?*

A component unit is also known as a direct support organization or an affiliated organization. This is an entity organized and operated exclusively to receive, hold, invest and administer property and to make expenditures to or for the benefit of the University. These organizations cannot exist by themselves without the University.

The expenditures in these funds are guided by a Memorandum of Understanding and donor-specific restrictions as to how the funds can be used. All expenditures must have a written justification that reflects purpose and benefit. Generally, expenditures need to be reasonable and benefit the University and its mission.

**Funds 179 – 186: Miscellaneous/Incidental**

Fund code 179 is other miscellaneous. This is a cash-based fund that does not have a standard funding source. Use of these moneys should follow the same guidelines as appropriations and must be expended in accordance with the State guidelines established in the UF Directives and Procedures. If the revenue is donated use, it must comply with any donor-specific restrictions.

Fund Codes 181 and 182 are IFAS incidental funds. These are for revenues made from sales of certain goods and services. Research related revenues would be in fund 181 and extension related revenues would be in fund 182. These funds are for IFAS only.

Fund Codes 185 and 186 are Health Science Center Trust Funds. These are also used for revenues collected from the sales of certain goods and services. Fund Code 185 is used by all six colleges in the Health Science Center and Fund code 186 is reserved for only the Vet Med Teaching Hospital’s use. The spending rules that apply to these funds are those of auxiliary spending.

**Fund 279: Restricted Incidental Fund**

This fund is used when the donor/grantor provides the funds for a specific purpose and the transactions need to be recorded as restricted.

**Fund 910: AEF**

This fund is no longer be used after June 30, 2009 and transactions will be in Fund 171. The source of funds beginning with HSC will have the same restrictions as below.
Appendix C

Fund Matrix

Provided to give information about the purpose of certain UF funds.

Decision Matrix for Determination of Educational Business Activity

Activity must support the University’s mission of teaching, research and public service as well as maintain cost effectiveness

LEGEND

IR – Incidental Revenue Fund 179, 181, 182, 185, 186
(Subject to Tax Review – see UBIT and/or Sales Tax)

*Expected to exceed 12 months or similar services to be provided to multiple customers

*If scholarship, money need to be transferred to fund 251

PLEASE COMPLETE REQUEST TO OPERATE AN EDUCATIONAL BUSINESS ACTIVITY APPLICATION AND SUBMIT IT TO GENERAL ACCOUNTING OFFICE P.O. BOX 113202
Appendix D

Monthly Check List for Reconciliations

Departmental reports were run for the month

Source documentation was compared to the expenditures for the month

Errors were corrected before the month closed

Preliminary Paylists were reviewed before payroll was run

Final Payroll Paylists were reviewed after payroll was run

Final Payroll Paylists were reviewed by manager and signed documenting the review

All variances between General Ledger and KK were documented

Completed by: ____________________________ Date: _______________

Supervisory Review by: ____________________________ Date: _______________