2012-2013 Assessment Report
Department/Unit: Facilities Financial Services

Asst. VP Facilities

Facilities Financial Services

Expected Outcome 1: Cost Reports should be reconciled every 30 days or less.
Project Cost Reports should be reconciled to the Banner Finance system every 30 days or less. This will ensure that information on project budgets, funding, spending, encumbrances, and available balance is accurate and timely for Facilities management.

Assessment Method 1: Analysis of Cost Report reconciliation timing through audits
Assessment Method Description
Each time that a Financial Services accountant reconciles a Cost Report (in Excel) under his/her responsibility, he must enter the date in a specific cell in the spreadsheet. This date is linked to another Excel file (G:\Financial Services\Projects\AA_Current Projects.xlsm) that accumulates various data from every active project Cost Report.

Monthly audits were performed on the reconciliation dates in "AA_Current Projects" to ensure that every project's reconciliation date was within the past 30 days.

Findings
For 2013 - 395 project dates were audited. Of those dates, 395 (100%) were found to have been reconciled within 30 days of the audit date.

How did you use findings for improvement?
The results of the audits were discussed with the accountants who reconciled the Cost Reports. This facilitated discussion on the importance of reconciling the Cost Reports to Banner as often as possible.

Additional Comments
Expected Outcome 2: Vendor Vouchers should be accurate.
Vendor Vouchers for invoices should be completed with little to no errors. This will ensure that financial reporting and vendor payments are more accurate.

Assessment Method 1: Analysis of Vendor Voucher accuracy through audits
Assessment Method Description
Vouchers must be initially reviewed and approved by a manager with signature authority. The manager must determine if the invoices have been vouchered accurately and then return for revision if otherwise.

Random audits were conducted on vouchered invoices completed during 2013. The audits were used to determine if the procedure above was followed and also to determine what type of errors were occurring. Specific areas of concern that were audited were:

- Vendor name
- Invoice amount
- Invoice number
- FOAP coding
- Purchase Order (PO)
- Invoice scan attachment
- Bid scan attachment
- Vendor statement scan attachment
- Remit-to address

Findings
For 2013 - 911 invoices were randomly audited. Of those 911 invoices, 884 (97% of random sampling) were accurate. 27 (3% of random sampling) contained errors. The 97% accuracy rate was 2 percentage points better than the 95% accuracy rate for 2012. In the random sampling, 100% of the errors were caught by the approving manager and returned for revision to the initiator.

The types and number of errors found and corrected were:

- Incorrect vendor entered - 0 (0% of random sampling)
- Incorrect amount entered - 2 (7% of random sampling)
- Incorrect invoice number - 1 (4% of random sampling)
- Incorrect FOAP coding - 23 (85% of random sampling)
- PO number not listed or incorrect - 0 (0% of random sampling)
- Incorrect scan attachment - 0 (0% of random sampling)
- Bid scan not attached - 0 (0% of random sampling)
- Vendor statement not attached - 0 (0% of random sampling)
- Incorrect Remit-to address - 1 (4% of random sampling)
- Other Misc. - 0 (0% of random sampling)

**How did you use findings for improvement?**
The results of the audits were discussed with the vendor voucher creators and also the approving managers. This facilitated discussion on what are the most common types of errors and where to focus improvement efforts going forward.

**Additional Comments**