



Financial Review Checklist (FRC)

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Financial Review Checklist (FRC)

Why is it important?

Financial reviews are essential components of an integrated system of Internal Control activities.

- Detective financial reviews are intended to identify errors, anomalies, potential compliance issues, and inaccurate accounting. Along with preventive controls, detective financial reviews provide reasonable assurance (but not absolute assurance) to individuals with financial oversight roles that financial activity is accurate, valid, and complete.

Details the minimum required financial review activities that must be performed to achieve the above; including maintaining proper accounting, Internal Controls, and adherence to University policies and procedures.

Contains certain other Internal Control activities that are not strictly financial review activities but are included in the completion and certification requirements.

For each activity, the checklist identifies the area of focus and the recommended report(s), tool(s), and/or other resources available to assist with the review.

1) Go to It'sYourYale (your.yale.edu).

2) Hover over the *Policies & Procedures* tab at the top of the page, then click on the *University Policies, Procedures, Forms, and Guides* link from the dropdown.

It's Your Yale

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University Policies, Procedures,
Forms, and Guides

3) From this main *University Policies, Procedures, Forms, and Guides* page, click on *Forms*.

4) The Financial Review Checklist can be found at **1101 FR.01** Financial Review Checklist.

How to Access the FRC

POLICIES

PROCEDURES

3

FORMS

GUIDES

Forms

NUMBER	EXTENSION	FORMS
1000	FR.01	Policy Proposal
1001	FR.01	Request for Provostial Pre-Approval for Faculty Extra Compensation
1101	FR.02	Manual Journal Entry Request
4 1101	FR.01	Financial Review Checklist

FRC Components

1 Two tabs to distinguish monthly vs. quarterly activities

2 Areas and subareas that tie back to:

- University Financial Statements
- Grants and Contracts
- Internal Controls

3 Identification of “pre” and “post” close timing

- Based on the Month End Calendar

4 Descriptive guidance on why each step is required

Dept / Unit (system)	Account	Account Description	Pre/Post Close	Frequency	Activity Description
Statement of Financial Position	Assets and Liabilities	Advances and Spend Authorizations	Pre	1	<u>Review Open Advances and Spend Authorization</u> balances to ensure they are accurate and cleared in a timely manner.
		Assets and Liabilities	Post	2	<u>Perform Reconciliation For All Balance Sheet Ledger Accounts</u> in a timely manner. Monthly reconciliations should be completed within 10 days of month-end close.

1 Monthly Activities Quarterly Activities

FRC Components Continued...

5 “Focus On” column to provide guidance on key items for each activity

6 Links to related resources (policy, procedure, accounting manual, etc.)

7 Connection to compliance by referencing the applicable section of the CBPQ

8 Recommended Workday Reports & Other Tools to help aid in the completion of the step

9 Additional columns to log in department specific comments

10 Completed by column should include

- Initials and date of completion
- For both business office and those delegated to perform the activity (outside of DBO, such as FRMS or YSS)

5

6

7

8

9

10

Completed By:

Focus on

Related Resources

Compliance
Topic Area

Recommended Workday
Reports & Other Tools

Dept. Specific
Procedural Comments

Current Month
Review Comments

Activity is N/A

Completed By (initials
and date)

Key Points and
Responsibilities in
1101 PR.02
*Financial
Transaction Review
and Budget
Monitoring*

The FRC (Financial Review Checklist) details the **minimum required** financial review activities that must be performed.

Every school, department, unit, or other organizational unit with authority to process and approve financial transactions **must utilize the FRC** and complete the listed activities at their specified frequencies (e.g., monthly, quarterly).

The Controller's Office

- compiles the requirements and activities for the FRC;
- publishes the current version;
- monitors completion of the FRC certification process; and
- assesses the FRC's effectiveness.

Key Points and
Responsibilities in
1101 PR.02
*Financial
Transaction Review
and Budget
Monitoring*

Continued...

Departmental
Business Offices
("DBOs") are
responsible for

- completing and
maintaining signed
FRCs.

Lead Administrators
must

- certify the
completion of the
FRC and its
activities for their
respective
organizational units
on a **quarterly basis**.

The Controller's
Office is responsible
for

launching and
monitoring the FRC
certification process.

May also conduct
independent reviews
of FRCs at its
discretion.

See [Financial Review
Checklist Certification –
Salesforce Training
Document](#)

Activity Training

Training videos have been created to help walk through particular FRC activities. Highlighting the step's *Objective*, *Focus On*, and the *Workday Reports*.



The walkthrough of the reports will include:

The parameters used to run the report in Workday.

The results that you would expect to see.

How the report should be used in your analysis to operationally finish the objective of the step.

Contact Page

Financial Compliance

*(for questions on the FRC, this
training, or internal control
matters)*

financial.compliance@yale.edu

Controllers Office

*(for policy and procedure
interpretation, questions, and
exception requests)*

controllers.office@yale.edu