



*How to Complete
the Financial
Review Checklist*

Yale *Finance*

FRC Process

It is important to establish a process in your department for how you will complete the Financial Review Checklist (FRC).

Whether you, as a lead administrator, are completing the step yourself or you are delegating that task to someone on your team.

If delegating, you need to be able to verify that the work has been completed and should have a process in place for doing so.

- *It is necessary to be able to verify and have confidence that the step was completed in order to certify that the checklist has been completed for the FRC Certification.*

How To Fill Out The FRC

The following outlines how the FRC should be filled out for your records and for monitoring purposes.

- 1) **Required:** Input the cost centers that the FRC applies to.
- 2) **Required:** Input the fiscal period that the FRC applies to.
 - a) Monthly: FY22-MONTH
 - b) Quarterly: FY22-September (Q1) / FY22-December (Q2) / FY22-March (Q3) / FY22-June (Q4)
- 3) **Optional:** Any department comments regarding specific procedures can be included in this column.
- 4) **Optional:** Any comments pertaining to the current month's review can be included in this column
- 5) **Required if N/A:** If the step is N/A for your unit, you will need to mark that particular step as such in the "Activity is N/A" column. *Please note, the step, **in its entirety**, should be N/A if marking it so. I.e. your department does not have any subawards.*
- 6) **Required:** For the person who is completing the step, they will need to mark this column with both their initials/name and date. If the step is completed by FRMS, you will need to mark that as well. *It is important to know when the step was completed and by whom.*

Dept / Org Unit (s):		1 [insert cost center(s) here]			Fiscal Period:	2 [insert fiscal period here]						Completed By:		
Area	Subarea	Pre/Post Close	#	Activity Description	Objective	Focus on	Related Resources	Compliance Topic Area	Recommended Workday Reports & Other Tools	3 Dept. Specific Procedural Comments	4 Current Month Review Comments	5 Activity is N/A	6 Completed By (initials and date)	
													Completed By Department (initials and date)	Completed By FRMS (initials and date)

Scenarios 1 & 2

Here are scenarios for two steps from the FRC:

Step: Review Open Advances and Spend Authorization:

- After reviewing the “*Find Spend Authorizations/ Cash Advances – Yale*” report, one \$400 outstanding advance over 90 days was identified. Department has communicated with the individual to submit an expense report.

Step: Review Subaward Invoices in Progress:

- Overall, the process for subaward invoices involves the Department approving invoices, with FRMS assisting the Department in resolution of issues. However, after reviewing the “*Subaward Invoices In Progress – Yale*” and “*Invoice Aging In Progress – Yale*” reports for this current month, it has been determined that there are no subawards in the Department’s portfolio.

See how these should be included in the FRC on the next slide.

Cost Center and Fiscal Period are both filled out

Scenarios 1 & 2

Dept / Org Unit (s):		Cost Center 1234			Fiscal Period: FY22-JULY					Completed By:					
Area	Subarea	Pre/Post Close	#	Activity Description	Objective	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 Department (initials and date)	Completed By FRMS (initials and date)	
1	Statement of Financial Position	Assets and Liabilities	Advances and Spend Authorizations	Pre	1	<p>Review Open Advances and Spend Authorization</p> <p>To verify the accuracy of open advances and spend authorizations. To ensure timely clearance in accordance with Policy, proper return of unspent cash advance, and proper decrementing of balances in the general ledger.</p>	<p>1. Aged spend authorizations outstanding - A) open study participant authorizations past 90 days start date; B) open T&E authorizations past 10 business days after end date of travel; C) uncleared advances on sponsored funds. (FD=02,28,29)</p> <p>2. Proper repayment of unspent advances.</p> <p>3. Inaccurate spend authorization or advance balances that may require adjustments. (Refer to related resources for appropriate actions to take)</p>	<p>Policy 3305 Expense Advances</p> <p>Procedure 3417 PR.01 Human Research Study Participant Remuneration</p> <p>Accounting Manual - Advances and Spend Authorizations</p>	CBPQ - Clinical Trials and E-Commerce Section	1. Find Spend Authorizations/ Cash Advances - Yale	One \$400 spend auth is outstanding and is 92 days old. We have reached out to the owner and requested that they submit an expense report to clear the liability.	N/A	SLV 8/14/21		
	2	Grants and Contracts	Grants and Contracts	Subrecipient Activity	Pre	19	<p>Review Subaward Invoices in Progress</p> <p>To ensure invoices for subrecipients, particularly those under a federal prime award, are paid within 30 calendar days after receipt, unless believed to be improper.</p>	<p>1. Invoices for subrecipients (Supplier Group = Sponsored Sub Award Group) that need to be charged timely, particularly for grants that may be ending.</p> <p>2. Resolving invoice content issues, if applicable.</p>	<p>1307 PR.03 Monitoring Subrecipient Activity Associated with Sponsored Programs</p>	CBPQ - Sponsored Projects Section	<p>1. Subaward Invoices In Progress - Yale</p> <p>2. Invoice Aging In Progress - Yale</p>	<p>Department: Department approves invoices.</p> <p>FRMS: Assists Department in resolution of issues.</p>	No subawards currently in portfolio.	N/A	SLV 8/12/21

Scenario 3 - FRMS

Step: Perform Reconciliation for Subaward Prepaid Expenses

- Overall, the process for reconciliation of subaward prepaid expenses involves the Department doing invoice review and approval, and reconciliation of advances. FRMS reviews the closeout. The department completed their review and confirmed with FRMS that they reviewed the subawards that were closing.

Cost Center and Fiscal Period are both filled out

Scenario #3

Dept / Org Unit (s):		Cost Center 1234			Fiscal Period: FY22-September (Q1)							Completed By:				
Area	Subarea	Pre/ Post Close	#	Activity Description	Objective	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 Department (initials and date)	Completed By FRMS (initials and date)		
Grants and Contracts	Grants and Contracts	Subrecipient Activity	Post	7	Perform Reconciliation for Subaward Prepaid Expenses in a timely manner. Reconciliations should be completed within 10 days of quarter-end close.	To verify the accuracy, completeness, and validity of subrecipient prepaid balances included in the Statement of Financial Position. (Ledger Account 17008 - Prepaid Expenses and Spend Category SC658 - Prepaid Expenses)	1. Reconcile between the general ledger balance and the supporting documentation, including previously issued prepayments, expenditures received to clear the prepayment, and any subsequently issued prepayments.	1307 PR.02 Managing Subrecipient Activity Associated with Sponsored Programs	CBPQ - Sponsored Projects Section	1. Assets and Liabilities - Yale 2. Trial Balance by Cost Center - Yale	Department: Invoice review and approval, and reconciliation of advances. FRMS: Review for closeout.	Department has reviewed invoices. Confirmed that FRMS has reviewed the subawards that are closing. No issues.		SLV 10/11/2021	RS 10/14/2021	

FRC Quarterly Certification

Please use the following examples as to what should be reported in the comment box of the certification:

1) We are still in the process of completing step(s) (insert #) for period(s) (insert month) due to (insert reason). Completion will be done within the next 10 business days.

2) We are still in the process of completing step(s) (insert #) for period(s) (insert month) due to (insert reason). Completion will be done within the next 15-30 business days.

3) During our completion of step(s) (insert #) we identified material balances and/or transactions that require adjustment which are (insert details). As such, we will perform the following (insert details).

4) We are having difficulty completing the checklist activities and would like some guidance in the following areas, (insert details).

Contact

If you have any questions relating to the Financial Review Checklist, please contact:

[Financial Compliance Office](#)