How to Complete the Financial Review Checklist
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.
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.
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.
<table>
<thead>
<tr>
<th>Area</th>
<th>Subarea</th>
<th>Pre/ Post Close</th>
<th>Close #</th>
<th>Activity Description</th>
<th>Objective</th>
<th>Focus on</th>
<th>Related Resources</th>
<th>Compliance Topic Area</th>
<th>Recommended Workday Reports &amp; Other Tools</th>
<th>Dept. Specific Procedural Comments</th>
<th>Current Month Review Comments</th>
<th>Activity is N/A</th>
<th>Completed By Department (initials and date)</th>
<th>Completed By FRMS (initials and date)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>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.</td>
<td>SLV 8/14/21</td>
</tr>
<tr>
<td></td>
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<td>Review Open Advances and Spend Authorization balances to ensure they are accurate and cleared in a timely manner.</td>
<td>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.</td>
<td>1. Aged spend authorizations outstanding - A) open study participant authorizations past 90 days start date; B) open T&amp;E authorizations past 10 business days after end date of travel; C) uncleared advances on sponsored funds. (FD=02,28,29) 2. Proper repayment of unspent advances. 3. Inaccurate spend authorization or advance balances that may require adjustments. (Refer to related resources for appropriate actions to take)</td>
<td>Policy 3305 Expense Advances</td>
<td>Procedure 3417 PR.01 Human Research Study Participant Remuneration</td>
<td>CBPQ - Clinical Trials and E-Commerce Section</td>
<td>1.Find Spend Authorizations/Cash Advances - Yale</td>
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<td>Review Subaward Invoices in Progress to ensure subaward invoice payments are processed accurately and in a timely manner.</td>
<td>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.</td>
<td>1. Invoices for subrecipients (Supplier Group = Sponsored Sub Award Group) that need to be charged timely, particularly for grants that may be ending. 2. Resolving invoice content issues, if applicable.</td>
<td>1307 PR.03 Monitoring Subrecipient Activity Associated with Sponsored Programs</td>
<td>CBPQ - Sponsored Projects Section</td>
<td>1. Subaward Invoices In Progress - Yale 2. Invoice Aging In Progress - Yale</td>
<td>Department: Department approves invoices. FRMS: Assists Department in resolution of issues.</td>
<td></td>
<td></td>
<td>No subawards currently in portfolio.</td>
<td>SLV 8/12/21</td>
</tr>
</tbody>
</table>
**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.

<table>
<thead>
<tr>
<th>Cost Center and Fiscal Period are both filled out</th>
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<table>
<thead>
<tr>
<th>Dept / Org Unit(s):</th>
<th>Fiscal Period:</th>
<th>Activity</th>
<th>Objective</th>
<th>Focus on</th>
<th>Related Resources</th>
<th>Compliant Topic Area</th>
<th>Recommended Workday Reports &amp; Other Tools</th>
<th>Dept. Specific Procedural Comments</th>
<th>Current Month Review Comments</th>
<th>Activity is N/A</th>
<th>Completed By Department (initials and date)</th>
<th>Completed By FRMS (initials and date)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Grants and Contracts</strong></td>
<td><strong>Subrecipient Activity</strong></td>
<td><strong>Post</strong></td>
<td><strong>7</strong></td>
<td><strong>Perform Reconciliation for Subaward Prepaid Expenses</strong> in a timely manner. Reconciliations should be completed within 10 days of quarter-end close.</td>
<td>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)</td>
<td>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.</td>
<td>1307 PR.02 Managing Subrecipient Activity Associated with Sponsored Programs</td>
<td>CBPQ - Sponsored Projects Section</td>
<td>1. Assets and Liabilities - Yale</td>
<td>2. Trial Balance by Cost Center - Yale</td>
<td>Department: Invoice review and approval, and reconciliation of advances.</td>
<td>Department has reviewed invoices.</td>
</tr>
</tbody>
</table>
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) \((\text{insert #})\) for period(s) \((\text{insert month})\) due to \((\text{insert reason})\). Completion will be done within the next 10 business days.

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

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

4) We are having difficulty completing the checklist activities and would like some guidance in the following areas, \((\text{insert details})\).
If you have any questions relating to the Financial Review Checklist, please contact:

Financial Compliance Office