

# THE UNIVERSITY OF TEXAS RIO GRANDE VALLEY

## SEGREGATION OF DUTIES AND RECONCILIATION OF ACCOUNT MONITORING PLAN

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### 1) Cost Center/Project Manager Responsibility and Segregation of Duties

The purpose of this plan is to reduce the instances of non-compliance with segregation of duties and reconciliation of accounts as required by

- a. UT System Administrative Policy 142 (UTS 142)
- b. HOP Section ADM 10-703 Accounting Policy
- c. Texas Penal Code 37.10 Perjury and Other Falsification
- d. Segregation of Duties

### 2) A. Operating Controls: Accounting and Reporting

1. On a monthly basis, and after the accounting period close, a month-end notification will be sent to key members with a listing of all active cost center/projects that require reconciliation and approval and will be posted to the Accounting and Reporting website.
2. The reporting for financial certification is on an annual basis for the period of September 1 through August 31.
3. The August month-end notification will also include a listing by manager and dean/director of all cost centers/projects that are subject to financial certification.

### B. Operating Controls: Cost Center/Project Reconciler

1. Once each fiscal year, complete the financial reconciliation training within 30 days of assignment.
2. Each month, conduct cost center/project reconciliations which should be finalized in the PeopleSoft account reconciliation tool (SAHARA) within 30 days following the accounting period close, but allowing sufficient time for the manager to approve within the same 30 days.
3. Notify the managers of the completed reconciliations that are pending approval in SAHARA.
4. Confirm the reconciliations are approved in SAHARA by the managers.
5. Attend inspection sessions for selected cost centers/projects.
6. Follow up with the manager to submit the financial certifications at the end of the fiscal year.

### C. Operating Controls: Cost Center/Project Manager

1. Once each fiscal year, complete the financial reconciliation training via the training tool KnowBe4 within 30 days of assignment.
2. Each month, review and approve cost center/project reconciliations within 30 days following the accounting period close.
3. Attend inspection sessions for selected cost centers/projects.
4. At the end of the fiscal year (around mid-September), complete the electronic submission of cost center/project financial certifications in SAHARA.
5. The due date for certification(s) is September 30<sup>th</sup>.

**3) A. Monitoring Controls: Dean/Director (based on HR hierarchy)**

1. Managers: Confirm all financial reconciliations and certifications for assigned cost centers/projects are completed for the annual period ending August 31<sup>st</sup>.
2. Dean/Director(s): Confirm all the cost centers/projects for the managers under their supervision have completed financial reconciliations and certifications for the annual period ending August 31<sup>st</sup>.
3. The Accounting and Reporting Office will have access to generate a report for internal use.

**B. Monitoring Controls: Divisional Executive**

1. Ensure all financial reconciliations and certifications are completed for the annual period ending August 31<sup>st</sup>.
2. Take corrective action, if any, with input from Dean/Director to bring non-compliant cost center/project managers and reconcilers to meet policy objectives based on results of the semi-annual inspections. This noncompliance with university policies and procedures related to account reconciliations and training, if any, will be managed in the same manner as all institutional compliance for the university.
3. Copy Audits and Consulting Services.
4. Copy Accounting and Reporting.

**C. Monitoring Controls: Accounting and Reporting - Training:**

1. On an annual basis, the financial reconciliation training is assigned to the Cost Center/Project Managers and Reconcilers due within 30 days of assignment.
2. Status reminders are sent on Mondays each week to the Cost Center/Project Managers and Reconcilers that are pending to complete the assigned training.

**D. Monitoring Controls: Accounting and Reporting - Reconciliations:**

1. Beginning in December, past due notices (30/60/90/120 days) will be sent to Reconcilers and Managers with past due reconciliations that remain incomplete in SAHARA.
2. A list of the outstanding reconciliations for prior accounting periods will be provided for Reconcilers, Managers and Dean/Directors.
3. Past due notices will be shared with Dean/Directors (Department Heads) at 90 days past due, and with Executive Leadership at 120 days past due.

**E. Monitoring Controls: Accounting and Reporting - Inspections:**

1. On a semi-annual basis, Accounting and Reporting will identify a sample of cost centers/projects and conduct inspections.
2. The inspections will confirm that the reconciliations are being performed and adequate supporting documentation is maintained. The inspections will be conducted using the Financial Reconciliation Inspection checklist that addresses the monthly reconciliation's accuracy, completeness, validity, reasonableness and compliance with university policies and procedures.
3. The sample will be based on a combination of a random sample and a risk-based, high-value assessment of cost centers/projects which are deemed to be high-risk.
4. Due dates for Inspection(s): 1<sup>st</sup> Semi-Annual Period due May 1<sup>st</sup>; 2<sup>nd</sup> Semi-Annual Period due Nov 1<sup>st</sup>.

**4) Evidence of Monitoring: Accounting and Reporting**

- a. Submit results of inspections to respective Executive.
- b. Copy Audits and Consulting Services.

**5) Oversight Controls: Accounting and Reporting**

- a. Evaluate the effectiveness of the monitoring plan by reviewing results from the Semi-Annual Inspection(s), and Divisional Executive's corrective actions.

**6) Evidence of Oversight: Accounting and Reporting**

- a. Follow up on corrective actions, if any, from the semi-annual inspections.

**7) Effective Date**

- a. Revised effective date 9/01/2024.