

Review of Fiscal Activities

FIN-BUD-II-20



About This Policy

Effective Date:

10-01-1990

Last Updated:

10-01-1990

Responsible University Office:

Financial Management Services

Responsible University Administrator:

Vice President and Chief Financial Officer

Policy Contact:

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Related Information

* I-1, Role of Fiscal Officer, Account Manager, and Account Supervisor

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Scope

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Policy Statement

Fiscal Managers will review, on a regular basis, the financial activities for which they are responsible to ensure that these activities are carried out properly and in a manner that is consistent with and contributes to the overall plans and goals of Indiana University.

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Reason For Policy

To emphasize the need for review as a most important aspect of ensuring fiscal responsibility.

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Procedure

Assessment of a Problem

One of the major applications developed to be used as a review and assessment tool by management is the quarterly fiscal analysis. This analysis is focused mainly on activity at the responsibility center level of operation and it is distributed to upper management (vice-chancellors and above).

At the account level, fiscal managers can use the monthly Statements of Account, Cash Reports, monthly Budget Report, On-line Statements of Account Inquiry System (TOSS), Current Budget Ledger and other university and departmental reports to review the status of accounts with respect to confirmation to the budget plan. In the case of cash control accounts, the cash balance is the review point.

Notification and Correction

As a part of year-end closing, particularly with respect to source document processing, the University Budget Office will, in the event of budget overdraft or cash deficit problems, notify the campus administration, the responsibility centers and other appropriate parties. The notification includes a request for remedial action, such as a request for a budget transfer, correction of charges, or an infusion of income.

In some cases, the campus administration may believe the status of the account is satisfactory and remedial action unwarranted. The appropriate response then is to provide an explanation of the reason why remedial action is unnecessary.

The University Budget Office will not process transactions (e.g., budget management transfers, transfers of funds) against a budget level overdraft or a cash deficit (cash control accounts) until remedial action is taken or an appropriate response to the problem has been received.

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Fiscal Managers include Fiscal Officers, Account Managers, Account Supervisors, RC Business Managers and Campus Business Officers.

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This policy was established on October 1, 1990.