



PRAIRIE VIEW A&M UNIVERSITY

A Member of the Texas A&M University System

October 2, 2007

OFFICE OF BUSINESS AFFAIRS MEMORANDUM No. FY08-10

Distributed via Campus Email

MEMO TO: President Wright, Vice Presidents, Deans, Department Heads and Account Managers

FROM: Mary Lee Hodge
Vice President for Business Affairs

RE: Monthly Review of Statements of Account

To improve accountability, starting with the September 2007 statement, departments must perform monthly reviews of the Statements of Accounts provided by the Financial Accounting Reporting and Procurement Office (FARP). The review will provide an opportunity to ensure accuracy of revenues and expenditures and provide an audit trail.

The review process will consist of the following:

1. All Departments/Units/Account holders must maintain a three-ring binder for each fiscal year. The binders should contain dividers for each month of the fiscal year plus the thirteenth closing month. Each section should have the appropriate monthly Statements of Account and related documentation.
2. The first step in the monthly review is to look at the beginning balance and match it with the ending balance of the previous month. Then the reviewer must initial and date the beginning balance signifying it as accurate.
3. The reviewer must mark each line item if the date, vendor name, amount and the account to be charged is correct. Any back-up document, such as receipts and invoices, should be placed behind the applicable Statement of Account for that month.
4. All discrepancies must be investigated in a timely manner. Written evidence of corrective action must be attached to the applicable Statement of Account and placed in the appropriate month/section.
5. Verify that discrepancies from the prior month have been corrected.
6. Upon completion of the review, the reviewer must sign and date each page of the Statement of Account.
7. The Department Head must perform a final review by the 20th day of the month and sign and date each page of the Statement of Account.

This review is required for each account under the Department/Unit/Account Holder. Please be aware that our Compliance Office will visit selected departments each month to determine if reviews are being performed in a timely manner. A flowchart depicting the new Statement of Account review process is attached for your

convenience. We have scheduled training sessions to help you learn this new review process. Please see the attached schedule.

We appreciate your efforts to enhance the University's compliance with state and system regulations. If you have questions, please contact Mary Lee Hodge at 936-261-2150 or e-mail at mlhodge@pvamu.edu or Tasmina A. Quddus at 936-261-2154 or e-mail at taquddus@pvamu.edu.