Cost Center and Project Statements

Responsible Officer: Chief Financial Officer and Vice President
Sponsoring Department: Accounting Services
Revision Date: 07 February 2018
Errors or changes to: aim@uta.edu

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PROCEDURE OBJECTIVE

This procedure provides guidance in the completion of monthly reconciliations and Cost Center and Project Statements for cost centers and projects.

SCOPE

This procedure applies to all university departments who prepare Cost Center and Project Statements.

RESPONSIBILITIES

Departments

- Maintain accurate departmental records that support the activity/transactions of each cost center or project.
- Reconcile cost center/project on a monthly basis
Head of Unit

- Ensure that there is no overspending
- Review Cost Center and Project Statements to ensure the cost center/project is reconciled on a monthly basis

PROCEDURES

Section I. Reconciling the Cost Center and Project Statements

This process is necessary to ensure expenditures and revenues were properly approved and recorded to the correct cost center or project. The process of reconciliation ensures the accuracy and validity of financial information.

A. Reconciliation is a comparison of the Cost Center and Project Statements to departmental records.

B. Reconciliation should be performed on a monthly basis.

C. Any differences revealed by the reconciliation process should be promptly pursued and resolved in a timely manner.

Section II. Evidence of Review and Supporting Documentation

To comply with internal control procedures, evidence that reconciliation was completed must be maintained by the department.

A. The Reconciler and the Head of Unit must review, sign and date the statement for each Cost Center/Project,

B. Or, the Cost Center and Project Statements Reconciliation and Acknowledgment (Form 2-12) can be completed and signed.

C. Supporting documentation provides a financial record of each event or activity, and therefore ensures the accuracy and completeness of a transaction.

1. Supporting documentation must be maintained for each transaction line.
2. Supporting documentation may come in paper (e.g. invoices, receipts, deposit slips, etc.) or electronic form (e.g. invoices or receipts attached to an "Approved" Voucher or Expense Report in UT Share).

3. It is not necessary to attach the supporting documentation to the statement, but it must be available for inspection when requested.

4. All reconciled statements must be maintained in the departmental files.

Section III. Records and Information Management

A. Supporting documentation should be kept in accordance with record retention guidelines. The reconciled Cost Center and Project Statements and the supporting documentation for non-grant accounts must be kept in the department for the end of fiscal year, plus three (FE + 3).

B. Note: The retention period for Sponsored Projects (Grants) may vary. To help determine the retention period for Grants, refer to the grant or contract or speak with Research Administration.

C. For more information about Records and Information Management, visit the following web page: http://www.uta.edu/rim

Section IV. Corrections to the Cost Center and Project Statements

A. If corrections (adjusting entries) are necessary, you must provide specific details about the correction request and send the request to the appropriate department or individual. The correction request should include the following information:

1. The Transaction Type and the Reference number. The Transaction Type identifies the form/document used to generate the transaction (i.e. AP Voucher, Expense Report, etc.). Depending on the transaction type, the reference number may be an 8 to 10 digit number (all digits are required).

2. The incorrect and the correct Cost Center or Project to be charged/credited.

3. The incorrect and the correct General Ledger Account (e.g. 63003Office Supplies) to be charged/credited.

4. The amount of the correction.

5. Any special considerations for the adjustment (i.e. partial corrections).

6. The reason for the correction.
B. Send the correction request to:

1. For corrections involving Cost Centers (non-payroll related), send the request to Accounting Services at acctserv@uta.edu.

2. For corrections involving Plant Fund/Capital Projects (non-payroll related), send the request to Jo Ann Jackson (jajack@uta.edu) in Accounting Services.

3. For corrections involving Grants/Sponsored Projects (non-payroll related), send the request to Research Administration at postaward@uta.edu for approval and also to Grant Accounting at gca@uta.edu to process the request.

4. For Payroll corrections involving prior fiscal year, send the request to Research Administration at postaward@uta.edu for approval and also to payroll@uta.edu to process the request. If correcting payroll entries for the current fiscal year, process the appropriate UTA Flow form.

5. For corrections involving IDT Journal Entry send the request to the charging department (i.e. Facilities). The charging department will work with Accounting Services to process the request.

**FORMS AND TOOLS/ONLINE PROCESSES**

- *Cost Center and Project Statements Reconciliation and Acknowledgment (Form 2-12)*

**RATIONALE**

Accurate record keeping and regular review of statements of account help university department unit heads manage departmental spending.

**RELATED STATUTES, POLICIES, REQUIREMENTS OR STANDARDS**

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<thead>
<tr>
<th>UT System Administration Policies and Standards</th>
<th>Other Policies and Standards</th>
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<tbody>
<tr>
<td><em>Establishing Operation Accounts (Procedure 2-1)</em></td>
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**APPENDICES**

N/A

**CONTACTS**

If you have any questions about this procedure, contact the following departments:
<table>
<thead>
<tr>
<th>Subject</th>
<th>Office Name</th>
<th>Telephone Number</th>
<th>Email/URL</th>
</tr>
</thead>
<tbody>
<tr>
<td>All topics in Procedure</td>
<td>Accounting Services</td>
<td>817-272-2194</td>
<td><a href="mailto:acctserv@uta.edu">acctserv@uta.edu</a></td>
</tr>
<tr>
<td>Website access</td>
<td>Administrative Information Management</td>
<td>817-272-0222</td>
<td><a href="mailto:aim@uta.edu">aim@uta.edu</a>, <a href="http://www.uta.edu/aim">http://www.uta.edu/aim</a></td>
</tr>
</tbody>
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WEBSITE ADDRESS FOR THIS PROCEDURE

https://www.uta.edu/policy/procedure/2-3