POLICY STATEMENT

Accurate, complete, and timely accounting and financial reporting relies on departments reviewing, reconciling, and adjusting their Level Reports in a timely manner by an individual knowledgeable of the account.

Transactions detailed in the Level Reports should be reviewed for accuracy and reasonableness and should be reconciled to source documents as well as subledgers or subsystems.

Revenues and expenses should be matched so that the expenses that give rise to the revenues are recorded in the same account and in the same accounting period.

Adjustments made to properly record financial accounting transactions are to be completed in a timely manner for financial and governmental accounting and reporting purposes.

Segregation of the authorization, posting, and reconciliation functions should be established where possible. At a minimum, the reconciliation should be reviewed and approved by someone independent of the posting and processing of transactions.

REASON FOR POLICY

To communicate responsibilities for the review and reconciliation of Level Reports and the timely processing of any required adjustments or correcting entries.

DEFINITIONS

Level Reports – on-line reports that provide summary and accounting transaction detail of financial activity within a PRISM account.
MTDC – Modified Total Direct Cost, or MTDC, is a federal term utilized in the Office of Management and Budget (OMB) Uniform Guidance to designate a cost or grouping of costs as subject or not subject to the application of Facilities and Administrative (F&A), or indirect, costs in a sponsored project account (Entity 05) in the general ledger of the University.

Source Document – an accounting document or set of documents supporting a financial transaction.

Reconcile – the process of validating financial accounting transactions to source documents to ensure that transactions are valid, accurate, complete, and timely.

ENTITIES AFFECTED

All University Departments

WHO SHOULD READ THIS POLICY

All University Departments

RESPONSIBILITIES

University Departments

• Download, review, and reconcile Level Reports in a timely manner
  o Review activity for overall reasonableness and to ensure that no unauthorized or inappropriate charges are applied to the account
  o Review account activity to ensure that all costs belong in the account to which they are recorded
  o Identify any unusual fluctuations or balances
  o Identify and explain any material variances from the budget
  o Reconcile activity from the Level Reports to source documents such as cash reports, disbursements, Travel and Business expense reports, labor distribution reports, P-Card statements, etc. and resolve discrepancies
  o Review appropriateness of labor distribution
  o Review appropriate subcode usage
  o Review appropriate allowability, allocability, reasonableness and consistent treatment of like costs for Entity 05 sponsored project account transactions
  o Review appropriate MTDC inclusion/exclusion for Entity 05 sponsored project account transactions including subcontract payments
  o Review and take appropriate action on any account which is inactive
Monitor gift and endowment accounts to ensure appropriate use in accordance with donor/sponsor intent

- Review appropriate application of fringe benefit rates and, in the case of Entity 05 sponsored project accounts, indirect or F&A rates
- Review Entity 05 sponsored project account budgets to ensure they agree to the award or related modification in total and by line item. Monitor actual costs compared to the detail line item budgets for sponsors that require prior approval before line item budgets are exceeded by a certain percentage which varies by sponsoring agency.

- Process any adjustments in a timely manner
  - Correction of errors or omissions via non-salary cost transfers must be completed monthly, but no later than 90 days of the end of the month in which the error or omission occurred
  - Salary cost transfers should be accomplished in accordance with Policy 11-01-07, Effort Reporting and Certification

### CONTACTS

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<tr>
<th>Subject</th>
<th>Contact</th>
<th>Phone</th>
<th>Email</th>
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<tbody>
<tr>
<td>Accessing or changing access to Level Reports</td>
<td>Peter DeNardis</td>
<td>412-624-1092</td>
<td><a href="mailto:pld7@pitt.edu">pld7@pitt.edu</a></td>
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### UNIVERSITY POLICIES, PROCEDURES, AND OTHER RESOURCES

#### Policies
11-01-07, Effort Reporting and Certification

#### Other Resources
- Understanding Level Reports - [http://www.cfo.pitt.edu/ga/ulr.html](http://www.cfo.pitt.edu/ga/ulr.html)
- Accessing or changing access to Level Reports - [http://www.cfo.pitt.edu/olr](http://www.cfo.pitt.edu/olr)

### HISTORY

New policy as of April 2015