

**BW Job Aid: Funds Management (FM) Reports and Month-end / Year-end Reconciliation and Closing**

**Introduction**

Reconciliation at the end of a period – whether it is at the end of a month or a fiscal year – requires careful examination of balances and the corresponding transactions that posted during that period. This document recommends a set of questions that should be asked and answered for any period-close. For each question, analysis steps are suggested and Funds Management Business Warehouse reports are recommended for use in the process of analyzing and answering the question.

**Procedure**

1. Examine all period activity at the summary level to identify anything unusual (apply a “reasonableness test”). This requires a good sense of expected revenue and expense amounts, by category, for a given period.
2. If anything unusual is identified, bring in additional detail to shed light on suspect transactions.

Question	Review and Analyze	Unrestricted and Restricted/Designated FM Reports <sup>1</sup> and Actions
1. Are your balances reasonable? Examine both revenue and expense	<ol style="list-style-type: none"> <li>a. Based on what you expected, and in comparison to the budgeted amount, does the total expense/revenue look reasonable?</li> <li>b. Does the balance of remaining open commitments at this point in time make sense?</li> </ol>	<p><b>Recommended for initial examination:</b></p> <p><a href="#">Unrestricted Budget to Actual by Funds Center (FC)</a> or <a href="#">Designated/Restricted Balance &amp; Activity</a></p> <p>Suggested steps:</p> <ul style="list-style-type: none"> <li>• Examine budget, actuals, commitments and % expended at summary level.</li> <li>• Add <b>Fiscal period/year</b> for additional clarity on timing.</li> </ul> <p><b>Additional detail available in:</b></p> <p><a href="#">Unrestricted Budget to Actual by FC – GL/CI Detail</a>  <a href="#">Designated/Restricted Balance &amp; Activity – GL/CI Detail</a>  <a href="#">Transaction Detail</a></p>

<sup>1</sup> Each of the Funds Management (FM) reports referenced is in the Reporting/Accounting (FI)/**Funds Management (Distributed)** folder

Question	Review and Analyze	Unrestricted and Restricted/Designated FM Reports <sup>1</sup> and Actions
2. Are your payroll totals reasonable?	a. Are the right people being charged against your accounts? b. Are the amounts paid correct? c. Is the timing correct? d. Is anyone missing?	<p><b>Recommended for initial examination:</b></p> <p><a href="#">Unrestricted Budget to Actual by FC – GL/CI Detail or Designated/Restricted Balance &amp; Activity – GL/CI Detail</a></p> <ul style="list-style-type: none"> <li>Filter <b>GL/Commitment Item</b> to include payroll accounts<sup>i</sup></li> </ul> <p><b>Additional detail available in:</b></p> <p><a href="#">Transaction Detail w/ Payroll Detail</a></p> <p>Suggested steps:</p> <ul style="list-style-type: none"> <li>Filter to show only payroll transactions<sup>ii</sup></li> <li>Review names of employees paid – individually or by employee group<sup>iii</sup></li> <li>Review payment dates</li> </ul>
3. Are your non-payroll totals reasonable?	a. Are all charges appropriate to your cost object and the GL account/commitment item charged? b. Are the charge amounts correct? c. Is the timing correct? d. Is anything missing? e. Evaluating PO and manual commitments can help detect issues with the actions; see question below.	<p><b>Recommended for initial examination:</b></p> <p><a href="#">Unrestricted Budget to Actual by FC – GL/CI Detail or Designated/Restricted Balance &amp; Activity – GL/CI Detail</a></p> <p>Suggested steps:</p> <ul style="list-style-type: none"> <li>Filter <b>Commitment Item</b> to exclude payroll accounts<sup>iv</sup></li> <li>Review <b>Commitment Item</b> amounts and dates</li> </ul> <p><b>Additional detail available in:</b></p> <p><a href="#">Transaction Detail</a></p>
4. Are your ISRs and FSRs reasonable?	a. Do the commitments and charges agree? b. Are you owed any credits? c. Is anything missing? d. Have all completed transactions been closed?	<p><b>Recommended for initial examination:</b></p> <p><a href="#">Transaction Detail</a></p> <p>Suggested steps:</p> <ul style="list-style-type: none"> <li>Filter <b>GL/Commitment Item</b> to select ISRs and FSRs<sup>v</sup></li> <li>Include travel-related items in filter<sup>vi</sup></li> <li>Examine the Characteristic <b>FSR/ISR Number</b> to identify individual events<sup>vii</sup></li> <li>Sort on commitments, as needed</li> </ul>

Question	Review and Analyze	Unrestricted and Restricted/Designated FM Reports <sup>1</sup> and Actions
5. Is your revenue <u>detail</u> reasonable?	a. Are all revenue transactions appropriate to the fund center and the commitment item? b. Are the transaction amounts correct? c. Is the timing correct? d. Is anything missing?	<b>Recommended for initial examination:</b> <a href="#">Transaction Detail</a>  Suggested steps: <ul style="list-style-type: none"> <li>• Filter to show only revenues<sup>viii</sup></li> <li>• Review transaction sources, amounts and dates</li> </ul>
6. Do your open commitments make sense? Examine Funds Reservations & Purchase Orders	a. For each commitment type, do the remaining open commitments make sense? b. For goods/services that have been received and paid for, close corresponding commitments <sup>2</sup> . c. Manual Reservations other than those for subcontracts will not be carried forward to the next fiscal year. Do you have any manual reservations that need to be re-created in the next fiscal year?	<b>Recommended for initial examination:</b> <a href="#">Transaction Detail</a>  Suggested steps: <ul style="list-style-type: none"> <li>• Variable Entry screen: Select Commitments when running the report (this will filter results to show only open commitments)<sup>ix</sup></li> <li>• Examine commitments with non-zero balance<sup>x</sup></li> <li>• Examine dates; how long has item been open?</li> </ul>
7. Review activity on a restricted / designated fund account	a. All the questions above regarding revenues and expenses apply to activity in Restricted/Designated Funds. b. In addition, it's important to evaluate Beginning Balances: Do the Beginning Balances on your restricted or designated Fund appear correct? Are they the same as the ending balances in the Legacy system? c. Are your expenses in compliance to the fund's restrictions?	<b>Recommended for initial examination:</b> <a href="#">Designated/Restricted Balance &amp; Activity</a>  Suggested steps: <ul style="list-style-type: none"> <li>• Examine summary lines containing starting and ending balances, revenues, expenses, commitments and % expended</li> </ul> <b>Additional detail available in:</b> <a href="#">Designated/Restricted Balance &amp; Activity – GL/CI Detail</a>  Suggested steps: <ul style="list-style-type: none"> <li>• Drill-down for additional detail as necessary</li> </ul>

<sup>2</sup> Refer to the current commitment-close process identified by the Office of Sourcing & Procurement.

## Referenced Help Guides

The following documents provide additional information about the reports and techniques referenced in this document:

- [BW How to Run - FM Unrestricted Budget to Actual by Fund Center Report](#)
- [BW How to Run - FM Designated-Restricted Balance and Activity Report](#)
- [BW How to - Find Open Commitments](#)
- [BW How to - Filter Report Data](#)
- [BW How to - Add, Remove, or Move a Column in a Report](#)
- [BW How to - Add a Result/Subtotal Line](#)
- [BW How to - Filter Key Figures using the Condition Function](#)
- [BW QRG - Useful SAP Account Numbers](#)

## Tips and Tricks

- Use the preceding list of online help documents to learn more about reports and/or BW concepts such as filtering or creating a subtotal.
- The End Notes below provide more detail about suggested steps presented in this document.

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<sup>i</sup> Filter to show only **GL/Commitment Items** in this range: 500010 – 500560.

<sup>ii</sup> Filter **Document Type** to show only “Payroll Posting.”

<sup>iii</sup> Group by **Commitment Item**: ensure this Characteristic is positioned to left of **Text** column containing employee name; consider moving **Posting Date** to right of **Text** for a clearer view of employee activity.

<sup>iv</sup> Filter to exclude **GL/Commitment Items** in this range: 500010 – 500560.

<sup>v</sup> Filter to select **Commitment Items** that have an account key beginning with 89, e.g., specify “89\*.”

<sup>vi</sup> Filter to select **Commitment Items** that contain text “trav” in the text description, e.g., specify “\*trav\*.”

<sup>vii</sup> Consider creating subtotals by **FSR/ISR Number** for additional detail.

<sup>viii</sup> Filter to select **GL/Commitment Item** to show only those items with a leading “4,” e.g., specify “4\*.”

<sup>ix</sup> Select commitments (value = 2) in **Commitment Vs Actual** field; group result by **PO Number** and/or **FM Document Number**; create subtotals by **PO Number** or **FM Document Number**.

<sup>x</sup> Use the Condition command to filter the **Amount** Key Figure.