

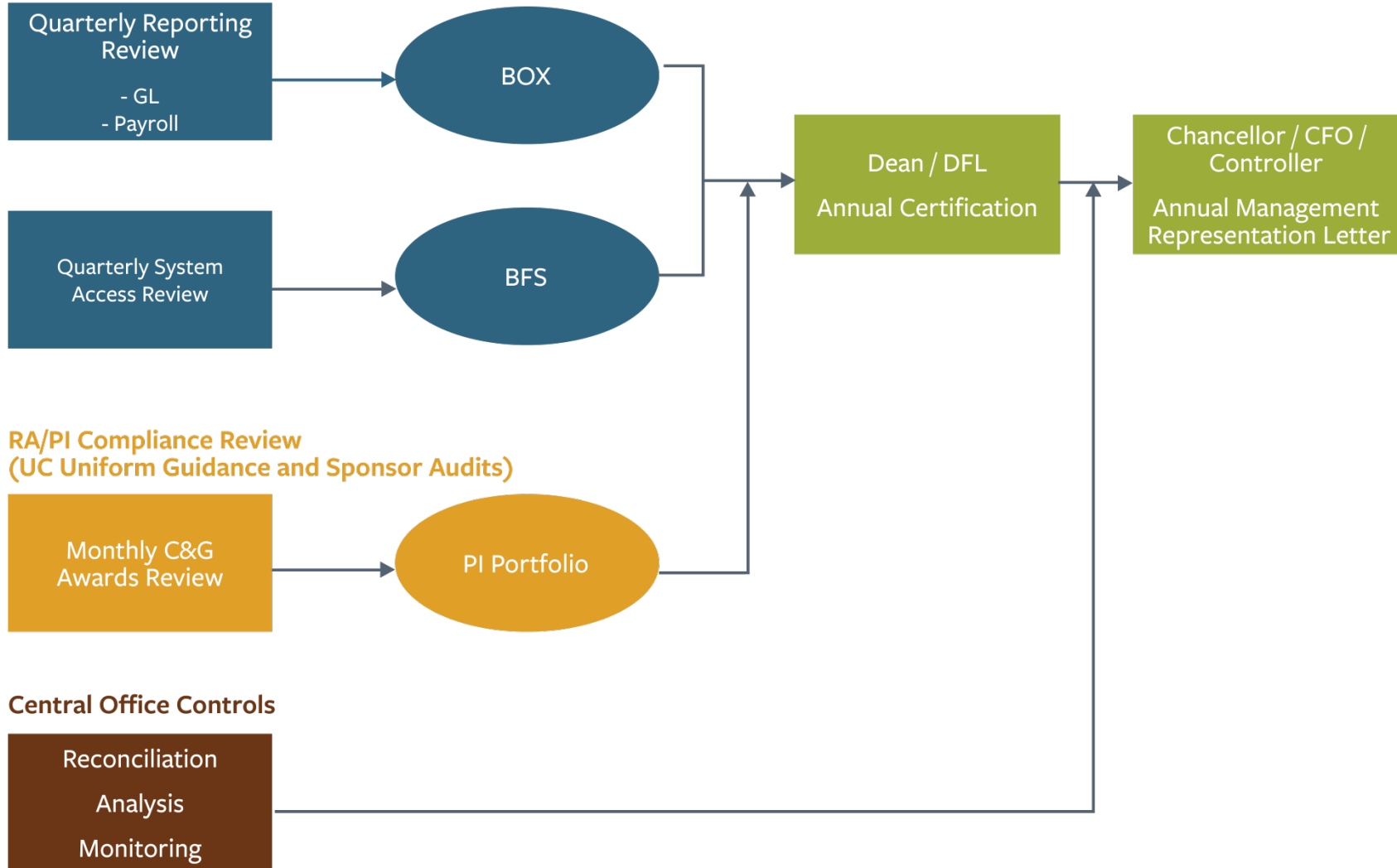
Lisa Vanderfin – Director, Financial Accounting & Controls

Financial Controls Update



Financial controls overview

DFL Financial Reporting Review (UC Financial Statement Audit)



Quarterly controls, variance reporting, and flash forecast

Similarities

- All three include actuals/budget variance for Q1
- Quarterly controls' actuals/budget and current/prior year actuals variances may provide information for variance reporting and forecast analyses

Differences

- Purpose
- Funds
- Variances
- Due dates

	Quarterly Controls (NEW!)	Quarterly Variance Analysis and Flash Forecast
Purpose	Provides assurance that financial reporting of actual results is complete, accurate, and valid and detects material misstatements for correction.	Allows divisions to course correct throughout the year, deliver transparent reporting, and improve the quality of actual, budget, and forecast data. It helps management more accurately assess if the campus is on track to meet its financial goals.
Reporting Level	Division (L3)	Division (L3)
Responsible Role	Division Finance Leader (DFL)	Dean/VC/Director
Process	<ol style="list-style-type: none"> DFL runs and reviews report and identifies significant variances. DFL provides explanations for significant variances and acknowledgment. DFL ensures any needed corrective actions are taken. Financial Accounting & Controls (FAC) monitors DFLs' completion of report reviews. FAC uses DFL's variance explanations in its campus-level variation analysis. 	<ol style="list-style-type: none"> CFO identifies material variances on current funds (including C&G) and sends file to division. Division completes explanations for variances and sends to OFCO for review. Division takes corrective actions and makes any needed changes in CalPlanning Campus senior leaders review and discuss Quarterly Variance Analysis Reports. CFO uses DFL's variance explanations in its campus-level variation analysis and publishes Quarterly Variance Analysis Reports and Campus Consolidated Summary.
Reports	<p>CalPlanning Reporting</p> <ul style="list-style-type: none"> GL Summary Monthly Comparative Actuals (All Current & Agency) <p>BAIRS Reporting</p> <ul style="list-style-type: none"> Monthly Compensation Report 	<p>Smartview file from CalPlanning Reporting</p> <ul style="list-style-type: none"> Quarter and YTD (Current funds—excluding C&G) Quarter and YTD (Current funds—C&G) YTD by Department Level (Current funds – excluding C&G) YTD Variances (Current funds – excluding C&G) YTD Variances (Current funds – C&G)
Variances	<ul style="list-style-type: none"> YTD Actuals vs. Operating Budget YTD Actuals vs. Prior Year Monthly Trend Analysis 	<ul style="list-style-type: none"> Q1: Actuals vs. Operating Budget Q2 thru Q3: YTD Actuals vs. Flash Forecast Q4: YTS Actuals vs. Flash Forecast and operating budget final
Frequency/Due Date	Quarterly/30 days after period close	Quarterly/variance explanations due within 10 business days (Note: Variances for explanations provided within 2 business days of loading of data in CalPlanning Reporting.)
Depository	Box	Published on CFO website (cfo.berkeley.edu)