Introduction

The Finance Transaction Review, Analysis, and Certification System, hereby known as FINTRACS, is an in-house electronic review and certification tool developed to incorporate business rules to leverage existing internal controls and to streamline the review process. The tool provides upper and central management the ability to monitor the review process.

FINTRACS takes a risk-based approach, utilizing business rules to determine which specific transactions are required for review each month and eliminates required review of all transactions. However, the tool also allows for review of all transactions, if desired by a department. FINTRACS will populate all transactions for the month. Transactions flagged by the business rules will be marked for review daily, and a random sample of unflagged transactions will be marked at the end of each month for review. Review can be performed throughout the month or within 30 business after the final day of the month. Transactions marked for further review are carried forward to the following month for future resolution.

FINTRACS provides notifications of upcoming and missed deadlines to department and senior management.

This document is designed to be a basic user reference and how-to guide for FINTRACS, including how to review transactions and submit funds as well as reviewing and certifying at the organization level.

Any questions on the content of this manual or with the functionality of FINTRACS can be directed to fintracs@vt.edu.
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Part I – Background

What’s changing with FINTRACS?

Unlike the broad legacy guidance that left the details of performing required monthly reconciliations generally up to each individual department, FINTRACS provides a streamlined, consistent way to perform the monthly financial review process. FINTRACS is now the system through which all departments are required to complete their monthly reviews. Documenting monthly financial reviews via signing and retaining the Snapshot by Org report and supporting documentation (if applicable) is no longer required.

What is the benefit of FINTRACS?

By leveraging a risk-based approach that uses business rules that are primarily based upon criteria like the type of transaction, what has already been approved in a prior step in the transaction life cycle, dollar thresholds, and changes from prior periods, as well as some additional random sampling, FINTRACS will produce a subset of all of the monthly transactions on a fund as required for certification instead of requiring a 100% review of every transaction;

The tool will be web-based and accessible from anywhere with an internet connection.

The system is being designed with elements that will integrate with Banner (specifically linking to banner detail of payroll encumbrance and fringe detail, PO detail, JV images, and invoice images), and Microstrategy (links to reports). Linking directly to Hokiemart to view purchase orders is a planned future enhancement.

Management at the departments and central administration will be able to get a clearer view of the status of reviews at any given point in time.

What is NOT Changing with FINTRACS?

Deadlines for completion of reviews and corrections are not changing from current prescribed guidance.

None of our current reports are going away, but should now be considered a supplement to the FINTRACS tool to be used at the departments’ discretion (another tool in the toolbox). The Microstrategy Finance Reporting Menu of reports will be accessible as a link directly in FINTRACS.
Part II – Access and Roles in FINTRACS

Access to FINTRACS

Access to FINTRACS is granted by default via the following methods:

- Banner Finance Access;
- Assigned as a Financial Manager on a banner fund;
- Assigned as a Department Head to a six-digit banner organization;
- Assigned as an Intermediate Reviewer on a six-digit organization;
- Assigned as an Alternate Final Reviewer on a six-digit organization;
- Assigned as a Principal Investigator on a banner grant;

If a user has any of the above levels of access, FINTRACS will recognize it and enforce the broadest level of access the user has among those options. If a user has none of the above, then the department will need to submit a request through the normal business channels in order to gain access to FINTRACS. It would be best practice to request banner finance access for the user.

Preparer Role

The preparer performs the monthly review of transactions, verifying accuracy and appropriateness. Preparer access to FINTRACS is automatically granted based on Banner Finance Access. The preparer is required to review all transactions flagged by FINTRACS. Depending upon department’s preferences, the preparer can also choose to review additional transactions, up to and including all transactions that have posted to the fund for the month. The recommended best practice is the preparer would not be the employee processing transactions on the selected funds. However, staffing in some departments may not allow for this degree of segregation of duties. FINTRACS will not allow an individual designated as the final approver to be a preparer for any funds under the organization.

An organization has the capacity to assign multiple preparers. It is the organization’s responsibility to assign, outside of FINTRACS, a preparer to all organizational funds.

Once all funds in the organization have been prepared, the FINTRACS system will notify the intermediate or final reviewer that the organization is ready for review and certification.

Intermediate Reviewer Role [OPTIONAL]

The intermediate reviewer is deemed optional. In some departments, the intermediate reviewer can be considered a necessary role before final certification. An intermediate reviewer is assigned at the organization level. Unlike final reviewers, an intermediate reviewer may also be a preparer.

The intermediate reviewer has the ability to see transactions on all funds within the organization. Certification by the intermediate reviewer can only occur after all funds at the organization level have been prepared.
Part II – Access and Roles in FINTRACS (continued)

Final Reviewer

The final reviewer is required and will default to the department head assigned to the six-digit organization code. The final reviewer certifies the monthly review after all funds have been prepared or after the intermediate review has been completed, if applicable.

Departments can elect to assign an alternate final reviewer. To qualify as an alternate final reviewer, the individual must already be established as a final HokieMart approver for the organization.

As previously noted in the preparer description, the final reviewer cannot also be a preparer, but can see all fund level activity.

Inquiry Role [FUTURE ENHANCEMENT]

Currently, FINTRACS access is dependent upon the user’s Banner Finance fund/org security or assignment as a department head, principal investigator, or fund manager. Consequently, users with Master Fund/Master Org access have access to all university data within FINTRACS. An inquiry role that doesn’t allow update access to FINTRACS is planned as a future enhancement.
Part III – Reviewing flagged transactions and submitting funds

FINTRACS (PROD) LOGIN LINK:  https://apps.es.vt.edu/fintracs/

Upon logging into FINTRACS the user will be directed to the welcome page:

To begin reviewing flagged transactions on a fund, select the tile for either University or VTF from the main dashboard, or select “Monthly TXN” from the “Certification” option on the left menu;

The default view of the Monthly TXN screen will be the highest level of review access the user has. The default views are in the following hierarchy in order of preference from top to bottom:

- Department head
- Alternate Final Approver
- Intermediate Approver
- Banner Fund/org security

All of the screens will look similar to each other, with the only difference being the orgs that are presented to the user based on the given view based on the preference above.
Part III – Reviewing flagged transactions and submitting funds (continued)

To begin reviewing flagged transactions, select the org in with which the fund you wish to review is associated with, making sure the desired fiscal period is selected:

This brings you to the status page for that org which lists all the funds under that org:

Select the fund for which you want to review:

Note the indicator numbers “0/8/121”, which mean that there have been 0 transactions reviewed out of 8 flagged for required review, out of a total of 121 transactions on the fund for the month.
Part III – Reviewing flagged transactions and submitting funds (continued)

Once you click on the fund, you arrive at the Transaction Review screen where you can indicate your approval or rejection of each of the flagged transactions.

A - Indicate your approval or rejection of the transaction. A rejection will prompt a required comment box to explain the rejection. By rejecting the transaction, this will also carry it forward into the subsequent month to review again to ensure proper resolution. (This is why the pop-up label on the thumbs down icon is “Review Future”). Comments can also be added to approved transactions if desired (but are not required) using the plus indicator.

B – Indicates the transaction has been flagged for required review.

C – Indicates the transaction has not yet been reviewed.

D – Ability to filter by flagged transactions (default), non-flagged transactions, or both.

E – Ability to filter by reviewed transactions, unreviewed transactions, or both (default).

F – Default view is non-payroll expenditure detail.

G – Payroll Expenditure detail is housed in a separate tab. Navigate here to see and review any flagged payroll transactions.

H – Any budget transactions on the fund are included for informational purposes, no review is required over these transactions.

Once a transaction is marked as reviewed the “Reviewed by” field is populated and the status is changed to “Reviewed”
Part III – Reviewing flagged transactions and submitting funds (continued)

Once all transactions have been reviewed, navigate back to the organization status screen:

Then you are able to submit the fund:

Note how now all 8 required transactions are showing as reviewed (8/8/121).

Once all funds under an org are submitted, the organization level review can be performed (either first by the intermediate approver, if one is assigned, otherwise by the final reviewer).
Part IV – Organization review (Completing the Organization Checklist)

Once all funds in the org have been submitted indicating all funds had all their flagged transactions reviewed, the organization checklist can be completed. If an intermediate reviewer is assigned on the org, the intermediate reviewer would perform their review first, otherwise the final approver (whether that is the department head or an alternate final approver) may then perform the review.

The org level review in FINTRACS is designed as a checklist of items that apply to the org, and the reviewer is certifying that they or someone on their team has performed and documented the task listed on the checklist.

The following items appear on the organizational checklist:

1. **Review all Funds including Payroll Activity**
   - Indicate whether all funds have been submitted as prepared (indicating all the flagged non-payroll and payroll transactions have been reviewed) for the six-digit organization.

2. **Encumbrance Aging MicroStrategy Report Review**
   - Intermediate Reviewer and/or Final reviewer will certify the Encumbrance Aging Report from MicroStrategy has been reviewed by a staff member, outside of FINTRACS, and any issues addressed. The Encumbrance Aging document provides a summary of all open encumbrances and groups the encumbrance into 0 - 60, 61 – 180, 181 – 360, and over 360 days aging categories. This document will help departments more efficiently identify and manage open commitments.

3. **PO Exception MicroStrategy Report Review**
   - Intermediate Reviewer and/or Final Approver will certify the PO Invoice Exception report in MicroStrategy has been reviewed by a staff member, outside of FINTRACS, and any issues addressed. The Purchase Order Invoice Exception report displays purchase order (PO) invoices that exceed the total amount of the PO. The report also displays invoice transactions that have no corresponding encumbrance on the PO. The detail sorts by invoice first to allow for transactions with a null PO. This report runs for a specified calendar month and, optionally, one or more selected organization levels.

4. **Snapshot By Organization MicroStrategy Report Review**
   - Intermediate Reviewer and/or Final Approver will certify the Snapshot by Organization MicroStrategy Report has been reviewed, specifically to include the budget balance available for each of the budget groupings across all funds for the organization, as of the current month end.

5. **Accounts Receivable Activity Review (if applicable)**
   - Accounts receivable activity (i.e. charge/payment reports) have been reviewed outside of FINTRACS. The Accounts Receivable Activity reports provide Accounts Receivable activity for a specific Fund, Account, Organization, Charge Category, Charge Detail Code or any combination thereof. The Accounts Receivable Activity reports are available through Enterprise Systems report submission/distribution.
6. **General Ledger Activity MicroStrategy Report Review for Cash Controlled Local & Agency Funds (if applicable)**
   - General Ledger activity on applicable local funds has been reviewed outside of FINTRACS. The General Ledger report in MicroStrategy provides a summary and detailed view of assets and liabilities by fund and account code for the selected organization levels and/or fund and/or account. The Local Cash Balance report in MicroStrategy provides a summary by fund of cash, payables, commitments, and total balance available for unbudgeted local funds that are monitored by the cash balance.

7. **Salary Payroll Change Report Review** (semi-monthly, if applicable)
   - Departments must review payroll changes (i.e. new appointment, GA appointments/changes, bonus payments, faculty changes) on a semi-monthly basis by reviewing the reports distributed outside of FINTRACS by the Payroll department before each pay date. Certification of this checklist item in FINTRACS confirms the review and correction of any errors has been completed.

8. **Wage Reconciliation Report Review** (semi-monthly, if applicable)
   - Departments must review and reconcile hours worked and paid between Banner and TimeClock Plus on a semi-monthly basis by reviewing the wage reports distributed outside of FINTRACS by the Payroll department before each pay date. Certification of this checklist item in FINTRACS confirms the review and correction of any errors has been completed.

9. **Review All Funds Marked as Excluded or Skipped by FINTRACS using Departmental Defined Procedures**
   - If an organization has any funds that have been approved to be excluded from inclusion in FINTRACS, or skipped from the review process in FINTRACS, this checklist item will appear and the approval of this checklist item indicates that review procedures external to FINTRACS have been performed and documented by the department on those funds for the month.

Items 1, 2, 3, 4, and 5 above are always required checklist items that will appear each month for certification. A planned future enhancement to FINTRACS is to make item 5 dynamic such that if there is no AR activity or outstanding balances for any funds within the org, the checklist item will not appear.

Items 6, 7, 8, and 9 are dynamic. FINTRACS will be able to determine if any GL activity or wage/salary payroll activity occurred on any funds within the org for the period to determine whether to display those checklist items or not. FINTRACS will display item 9 if there are any funds/orgs marked for review outside of FINTRACS (which requires review/approval from the Controller’s office).

Once all items are certified, the org can then be certified as complete.
To access the checklist, click the hyperlink under the Final Checklsit (or Intermediate):

Which brings up the checklist:

Certify each task by clicking the thumbs-up icon. By doing so, the reviewer is certifying that someone on their team has performed this task for the month for the given organization code. Once all checklist items have been certified, the overall certification button will be come active. The reviewer may also reject the org certification; we would expect that to happen and function as in the following scenarios:

**Final Review rejection without an Intermediate Reviewer:**

Organization Status reverts to Open. A fund would need to be recalled and then submitted to get the checklist back to the Final Reviewer. Expectation is that if the final reviewer is rejecting, likely something needs to be fixed on one or more funds. (Possibly move a transaction to review future, etc.)

**Final Review rejection with Intermediate Reviewer:**

Organization Status reverts to Intermediate waiting on intermediate approver to re-certificate.

**Intermediate Review rejection:**

Organization Status reverts to Open. A fund would need to be recalled and then submitted to get this back to Intermediate Reviewer. Expectation is that if the intermediate reviewer is rejecting, likely something needs to be fixed on one or more funds. (Possibly move transaction to review future, etc.)
Part V – VTF Funds

FINTRACS has been designed to incorporate the Virginia Tech Foundation transactional data. However, review and certification of VTF information is separate from University transactional data. Review and certification are necessary for both sets of data.

The process and procedures are exactly the same as described above in parts I-IV, but accessed through a VTF specific Monthly TXN screen:

Similarly to the university transactions, not all VTF transactions will be flagged, however the business rules are VTF specific;

**NOTE:** the only item on the Organization review checklist is the certification that all funds have been reviewed, none of the other items on the University checklist will apply to VTF;
Part VI – Required Deadlines, Expectations, and Notifications

Review and Certification Deadline

Fund review and organization certification should be completed as soon as reasonably possible after the close of each month, but no later than the end of the following month. For example, September reviews must be completed by October 31st. Corrections must be completed within 60 days from the posting of the original transaction.

When an outstanding transaction is flagged for review/correction from the previous month, the transaction must be reviewed again to verify resolution. Once resolved, the transaction will no longer roll forward.

University Policy 3100: Fiscal Responsibility

Controller’s Office Procedure 10305a: Review of Financial Activities

FINTRACS is configured such that reviews of individually flagged transactions can occur at any time, however funds cannot be submitted in a subsequent month (and therefore the Org checklist cannot be completed also) until the organization is fully completed in the prior month.

Subsidiary Revenue Systems

Departments who have subsidiary revenue systems (i.e. Parking, VetMed, Electric Service, etc.) are required to reconcile those systems to Banner using their normal policies and procedures and maintain the documentation outside of FINTRACS. *(No change from previous guidance)*

University Policy 3600: Funds Handling and Deposit of State and Local Funds

Organization Checklist

By certifying the items on the organization checklist, the final reviewer is indicating all tasks listed on the checklist were performed and documented by them or a member of their team.

Records Management

For the reviews performed within FINTRACS, the documentation of the review of flagged transactions and certification of the organization housed in FINTRACS itself is considered the documentation of record for the University. No additional paper or electronic documentation is required to be retained by the department for reviews performed in FINTRACS. Any retention policies are at the discretion of the department.

Previous guidance dictated that the departments were required to retain documentation of their monthly reviews for the current fiscal year plus the three immediately previous. This was to comply with overall university records management requirements due to the departments maintaining the official document of record. With the implementation of FINTRACS, the data within the system itself is now considered the documentation of record.
Part VII – Automatic Notifications

Notifications

Notification reminders to complete the required review for each org will be sent out at the following intervals to the noted list of individuals:

- Five days prior to due date (List 1)
- On the Due Date (List 1)
- Five days late (List 1)
- Ten days late (List 2)
- Twenty days late (List 2)

List 1:

Primary Business Contact (BUSCONT1), Secondary Business Contact (BUSCONT2), Department Head (DEPTHEAD), FINTRACS Intermediate Reviewer (if applicable) (FINIRVWR), FINTRACS Alternate Final Reviewer (if applicable) (FINFRVWR);

List 2 (addition of SrMGT Fiscal Officer):

Primary Business Contact (BUSCONT1), Secondary Business Contact (BUSCONT2), Department Head (DEPTHEAD), FINTRACS Intermediate Reviewer (if applicable) (FINIRVWR), FINTRACS Alternate Final Reviewer (if applicable) (FINFRVWR), Senior Management Fiscal Officer (SRMGT-FO);

Note that the Senior Management Fiscal Officer has the ability to adjust BUSCONT1, BUSCONT2, DEPTHEAD, FINIRVWR (Intermediate Reviewer), FINFRVWR (Alternate Final Reviewer) via new Banner form FZMDPTA.

[Images of Banner forms]
Part VIII – Helpful Tips and Hints

- Hover over the rule code or account code to see its description:

- Funds tied to a grant will display a checkmark indicator; hover over the checkmark to see the grant number and title:

- Click on the document number for manual journal vouchers (JE9s), invoice payments, and purchase orders to see options of viewing more information (including the scanned documentation)

- Ability to comment on transactions, funds, and orgs; Anytime you see the bubble icon with the “+” in the center: 📜 this indicates a comment can be added to the record. Once a comment is entered, in the status column to the far right you'll see the bubble icon with three lines across indicating a comment has been placed on the record. Click this 📜 to view the comment;
  - Comments can be added to a fund on the “Organization Status” screen;
  - Comments can be added to transactions on the “Transaction Review” screen;
  - Comments can be added to the organization checklist items on the organization checklist review screen;

- **Budget Transactions** may be reviewed/rejected/commented upon just like other finance transactions. Reviewing budget transactions is not required, but using the built-in review/reject/comment functionality within FINTRACS may be of interest to departments;