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**TO:** Executive Committee Members, Assistant Vice Presidents, Chairs, Directors, Department Heads, Assistants to the Deans, and Vice Presidents, Departmental Administrators, Enterprise Analytics Users

**FROM:** Andrea M. Marks, MBA, CPA  
Vice President and Chief Financial Officer

**SUBJECT:** Financial Review and Analysis using the Enterprise Analytics Tool

Business Affairs announces the availability of a new financial tool to allow responsible staff of the university to perform the required review and analysis of our financial records. The financial policy of the University of Texas System, and sound managerial practice, require that all organizational units within the Health Science Center perform periodic review and analysis of their financial activities, records, transactions and balances on an ongoing basis. The fiscal responsibility to examine and understand the university's finances exists at all levels of the Health Science Center, from the individual manager, director, clinic, lab, or researcher, up through divisions and departments to the Executive Committee members.

The Enterprise Analytics tool was introduced to Health Science Center financial staff a few months ago, and an Enterprise Analytics (EA) **Variance Reporting** Excel template was placed on [Inside UTHSCSA](#) under HSC Business Applications. Business Affairs is happy to announce the availability of a companion **EA Financial Review and Analysis** Excel template, with a link also placed on the university web portal. The new template is provided to give users of our financial data a new tool to perform and document the required financial analysis duties mentioned above.



## Financial Review and Analysis versus traditional Reconciliation

The **EA Financial Review and Analysis** excel template allows staff to both summarize financial results of any accounting period (going back to Fiscal Year 2011), department, fund or project, as well as drill down on individual transactions to research detailed historical financial records as needed. The template was created to facilitate an examination of your current fiscal year financial results with those of the prior fiscal year.

The template includes separate tabs for the user to conduct an appropriate review of financial activity that replaces the traditional account reconciliation process. These tabs include financial data necessary to:

- Assemble a variance analysis for comparison with the Hyperion Variance Analysis report,
- Compare current payroll expenses by payroll type with the prior fiscal year,
- Compare your Interdepartmental Transfer (IDT) transactions to IDTs from the prior fiscal year,
- Compare your Accounts Payable expenditures by vendor from the current year with those of the prior year,
- Review the above for any unusual activity and investigate at the detailed transaction level, and
- Attest to the performance of your review activity, and for management to approve the review documentation.

This new routine for performing and documenting your required financial record reconciliation has been reviewed and approved by the university's Office of Internal Audit and Consulting Services.

It has been a longstanding practice at the university for staff reviewing their financial ledgers and records to assemble copies of all documentation pertaining to the accounting period being reconciled. With few exceptions, the documentation assembled is a duplicate of data that is already safely captured in the university's financial systems of record, and in the department's transaction files. However, this process does not include the preferred, detailed financial review and analysis. Business Affairs wishes to introduce the new routine described above that establishes adequate evidence of financial review and analysis without the labor intensive, and less effective, duplication of records already safely preserved in our systems.

## Timeline for Mandatory Implementation of the Financial Review and Analysis procedure

Due to the novelty this method of reviewing financial records, as well as the large variety of options available in the new EA template, it will take time for the university's financial administrators to become familiar with the tool. In addition, Business Affairs and IMS are working on making important additional data available in the EA toolkit. This includes adding encumbrance detail, payroll detail and additional fields for displaying and summarizing the financial results of grant supported activities. For this reason, use of the **EA Financial Review and Analysis** tool will become mandatory at the beginning of Fiscal Year 2017. This will allow users of financial data to practice with the tool. Training will be available as detailed below.

## **User Training and Help for EA Financial Review and Analysis**

An online training course has been published in the Knowledge Center to introduce users to the EA Financial Review and Analysis template, and to guide users through the process of documenting and attesting to their financial review. In addition, on the [IMS web site](#), a recorded Financial Review and Analysis Overview session is now available to complement the online training.

## **Future Enhancements to EA**

In the coming months, encumbrance details will be added to the EA templates to allow users to see all elements of the free balances of their respective project IDs. In addition, new EA templates will be added to the Inside UTHSCSA EA menu items to provide users with tools to 1) retrieve pay listings and fringe benefits costs (providing detail for the Payroll figures in the Financial Review and Analysis template), and 2) to manage the finances of grant funded projects.

Please submit any questions you have regarding Enterprise Analytics Financial Review and Analysis to the Financial Reporting section of the Office of Accounting at [HSC-ACCTG-ADM Fin Rptg.](#)