

**POLICY**

Effective Date: November 15, 2006

Approved By: President's Council

Authority:

Cancels:

See Also: SAAM, Chapter 85

**POL-U5320.05 USING SUBSYSTEMS TO GENERATE FINANCIAL DATA**

*This policy applies to any university department using a subsystem to record and maintain financial data for a specialized process or function, such as the Associated Students Bookstore, Wade King Student Recreation Center, Parking and Transportation Services, Student Accounts, or Human Resources.*

**Definitions:**

Financial Data – consists of all financial transactions and supporting documentation related to University assets, liabilities, revenue, expense and fund balance recorded or to be recorded in the Financial Repository.

Financial Repository – refers to the university's primary system for recording, processing, and maintaining financial data.

Subsystem – refers to any system outside of the Financial Repository which is used to record, process, or maintain university financial data. Subsystems include systems that share data elements with the Financial Repository, such as Human Resources, Student Accounts, Financial Aid and Accounts Receivable, as well as stand alone systems, such as those used in the Associated Students Bookstore, Wade King Student Recreation Center, and Parking and Transportation Services.

Subsystem Custodian – refers to the department employee(s) assigned the responsibility to ensure the accuracy of the data in the subsystem.

Audit Trail – refers to a record of accountability by individual and date for system data creation, changes and deletions.

- 1. Division Vice Presidents are Responsible for Selection and Use of Subsystems**
- 2. Vice President for Business and Financial Affairs Reviews and Approves Use of Subsystems**

The Vice President for Business and Financial Affairs must review the accounting and internal control functions of the subsystem prior to acquisition and implementation.

- 3. Division Vice President Assigns Subsystem Custodian**

The vice president of each division will appoint the custodian for any subsystem used in the division.

- 4. Financial Manager Approves Subsystem Transfers of Financial Data**

The Financial Manager must approve all financial data transferred to the Financial Repository.

## POLICY

### **5. Subsystem Custodian Transfers Financial Data to University Financial Repository**

The custodian transfers financial data from the department's subsystem to the university's official repository. The financial data:

- a) Must be accurate and complete.
- b) May be in detail or summary form.
- c) Must be transferred at least monthly.
- d) Must be transferred in accordance with the university's approved chart of accounts.

### **6. Accounting Services Reviews and Authorizes Final Transfer of Financial Data**

Accounting Services personnel will ensure that the data transfer has had secondary approval by someone other than the initiator of the transfer.

### **7. Subsystem Custodians Reconcile Subsystem to University Financial Repository**

The custodian ensures that financial data balances in the subsystem reconcile to those recorded in the Financial Repository.

#### EXCEPTION:

Accounting Services will reconcile the Human Resources Payroll subsystem to the Financial Repository.

### **8. Subsystem Custodians Maintain Supporting Documentation and Audit Trail**

The Subsystem Custodian must maintain supporting documentation and an audit trail of all transactions recorded in the subsystem. These items must be available upon request by Accounting Services representatives or auditors.

### **9. Subsystem Custodians Maintain Adequate System Security**

Adequate system security includes, but is not limited to the following:

- a) Segregating duties when determining subsystem authorization.
- b) Maintaining adequate password protection.
- c) Ensuring subsystem protection from intrusion using firewalls, virus protection, etc.

### **10. Vice President for Business and Financial Affairs Monitors Compliance**