



Facilities Operations

PR 1000 Transaction Review Procedure, Trade Shops - Facilities Operations

Responsible Office	Office of Facilities	Originally Issued	8/30/18
Responsible Official	Lead Administrator	Revision Date	8/30/18

Scope:

This document outlines minimum expectations and procedures for monitoring Trade Shop transactions within Facilities Operations.

Overview & Procedure Statement:

This procedure sets forth the fundamental & minimum principles for the monitoring of administration and business activities within Facilities Operations' Trade Shops at the University including the internal control framework that requires all units assure a sound business and control environment.

Transaction review and monitoring are essential components of an integrated system of control activities. Along with preventive controls, after-the-fact reviews provide reasonable assurance, but not absolute assurance, that transaction and underlying activity is accurate, valid, and complete. Good judgment and common sense are the guiding principles for performing an efficient and effective review of transaction activity.

Time and effort for a transactional review should be proportional to the associated risk, and not exceed the expected benefits. Therefore, reviewers should concentrate on high risk activities, including but not limited to large dollar transactions, transactions not requiring pre-approval, unusual transactions, and transactions where the cost of non-compliance is high.

Transaction Review and Monitoring:

An essential component of the review process is to identify errors, anomalies, potential compliance issues, and significant variances.

All Trade Shop Supervisors have a duty to question, research, and correct, if necessary, the potential issues discovered during the review process. Corrective actions should be taken and explanations of significant variances should be documented. Issues that cannot be expeditiously resolved should be brought to the attention of the Lead Administrator or unit leader.

Numerous standard reports and tools are available to assist units with transaction reviews. The following are the minimum requirements for a sound transaction review process:

➤ **Labor Hour Review (Daily – Shop Supervisors):**

Assure that hours charged to work orders are appropriately reflected. Procedure includes daily review of Famis Mobil Manager application and verification of every shop employee's hours to ensure hours are accurately reflected in their respective work orders.

- **Work Order Procurement Transaction Review (Weekly – Shop Supervisors):**
Assure that procurement activity is appropriately reflected. Procedure includes running the “Weekly Shop Work Order Purchasing Summary” and verify that procurement activity is accurately reflected in their respective work orders.
- **Mobil Manager Completed Work Order Review (Weekly – Shop Supervisors):**
Assure work orders are completed timely and contain appropriate hours and transactions given the scope of the work order. Procedure includes monitoring completed work order activity within Famis Mobil Manager.
- **Work Order Cost Detail Report by Crew (Bi-weekly – Shop Supervisors):**
Assure work orders contain appropriate costs given the scope of the work order. Procedure includes running the “Work Order Cost Detail Report by Crew” from Famis and verify activity is accurately reflected in their respective work orders.
- **Tooling Issuances & Procurement (Monthly – Shop Supervisors):**
Assure tooling issuances and procurement activity is appropriate for each employee. Procedure includes running the “Tools Issued” report monthly and verify tools are appropriate for each employee.
- **Billing/Department Charging (Monthly – Facilities Business Office):**
Assure work orders accurately reflect shop costs and billings to respective departments/units (labor hours, materials issued and procurement activity) is appropriate. Procedure includes compliance with the University’s Monthly Financial Review Checklist including ISP financial activity is accurately reflected.

The above represent minimum requirements for adequate periodic transaction and financial monitoring of Trade Shop transactions. It is encouraged that the above is supplemented with other commonly used Famis transaction and procurement related reports (i.e., work order activity report, Kronos payroll & timekeeping, Famis Billing, Facilities Procurement etc.)

Method for Evaluating Compliance with and Effectiveness of this Procedure:

The effectiveness of and compliance with this procedure will be evaluated by unit Lead Administrator. The primary means of evaluation will be periodic discussions with the Lead Administrator & Trade Shop Supervisor about the operational performance of their respective shop.

Roles and Responsibilities:

All Trade Shop supervisors and business office personnel within the University and have a fiduciary responsibility to safeguard the assets of the institution and ensure the integrity of its financial records. **Accountability and/or responsibility cannot be delegated even when tasks are delegated.**