

## **Finance Dotted Line Reporting**

### **Policy Statement**

Chancellors, deans and vice presidents are responsible for ensuring financial activities are responsibly managed and services are effectively delivered within their Resource Responsibility Center (RRC). They will designate an administrative staff leader who will have a dotted line relationship to the University Chief Financial Officer (CFO). The administrative staff leader will be accountable to the CFO for all financial activities of the unit including:

- Budgeting
- Planning
- Reporting
- Policy / compliance
- Financial Operations (including clusters)

The administrative staff leader may delegate responsibility, but not accountability, for the financial activities in their campus, college or support unit consistent with the Regent's policy on delegation. The administrative staff leader may serve as the RRC manager but the two roles do not need to be combined. The RRC manager role can be delegated by the administrative staff leader.

The administrative staff leader and the CFO have a joint responsibility for ensuring effective and efficient:

- Communication
- Consultation
- Problem resolution
- Problem escalation
- Monitoring and oversight

The CFO is responsible for providing (through the CFO's organization/units) the tools, policies, and data needed to facilitate these activities.

The CFO will have authority for problem resolution in RRC financial matters that have institutional impact.

### **Financial Roles**

The administrative staff leader will provide oversight and management of the following financial activities within his or her campus, college, or vice-presidential unit.

- I. Financial Oversight
  - A. Budgeting
    1. Manage the annual budget process for the RRC(s).
  - B. Planning
    1. Coordinate the financing of capital projects for the RRC(s).
    2. Prepare financial forecasts and planning documents for RRC senior leaders.
  - C. Reporting
    1. Report on the financial status of the RRC(s) and units within the RRC(s).
  - D. Policy/Compliance

1. Escalate serious financial issues of non-compliance or financial risk to the chancellor, dean, or vice president and the University CFO.
  2. Ensure local unit responses to financial audit findings are acceptable and implemented.
  3. Assess and manage, with local unit leaders, the financial risks within the RRC(s) and units within the RRC(s).
  4. Monitor financial activity (sponsored and non-sponsored funds) within the administrative staff leader's organization for compliance with federal and state, University, and other policies (i.e. reconciliation, stewardship of funds, allowability).
  5. Exercise oversight of sponsored activities for compliance with sponsored fund accounting policies and procedures.
  6. Identify and work with local unit leadership to resolve deficits at the RRC level and below.
- II. Financial Operations
- A. Transaction Processing and Oversight
    1. Review and approve certain financial transactions on behalf of the RRC in accordance with delegations of authority (program code requests, DeptID requests, certain system access, low-risk external sales agreements, purchases)
    2. Ensure transactions are done in accord with University policies
  - B. Internal Controls
    1. Ensure the internal control environments for the financial activities of units within the RRC are sound.
  - C. Staff Development, Training and Performance Management
    1. Ensure the relevant staff in the RRC(s) have appropriate financial skills and training.
- III. Communication
- A. Identify the primary contact within the RRC(s) for all issues related to budget management.
  - B. Maintain open and frequent communication with the Office of Budget and Finance, Controller's Office units, Sponsored Project Administration, Human Resources, and other administrative activities that the administrative leader is responsible for.
  - C. Maintain open and frequent communication with local units within the RRC(s).
- IV. Financial Leadership
- A. Serve as a representative on University-level committees, and serve on local management and executive committees.
  - B. Internal dotted line - Establish and maintain financial lines of accountability within RRC(s) that the administrative staff leader is responsible for.