Contract & Grant User's Group

May 8, 2018

1:15 p.m. – 3:15 p.m.

Genomics Auditorium

BFS – Business & Financial Services
A Division of Business & Administration Services (BAS)

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UNIVERSITY OF CALIFORNIA, RIVERSIDE

Agenda

- Welcome - Pauline Librenjak
- EMF Introductions – Pauline Librenjak
- RED Introductions – Allison Ramos
- Fabrications – Steven Staples
- Demo of FAU Management Tool – Elizabeth Carr
- Update on SCT Management Tool – Bobbi McCracken
- Demo of PIWRS – Brian Griffin
- Fiscal Closing
  - ➢ Key FY Closing Dates – Pauline Librenjak
  - ➢ Fund Overdrafts – Fred de Vera
  - ➢ Accruals and Deferrals; PAMIS BEAs – Linda Casteel

Fabrications

Presented by Steve Staples

What is a Fabrication?

- An item of equipment that is built with components, supplies, and/or materials by University personnel

- Per BUS-29, a fabrication is an item of non-expendable, tangible personal property that:
    1. Has been physically constructed by a University activity;
    2. Has a total acquisition cost of $5,000 or more;
    3. Has a normal life expectancy of more than one year; and
    4. Is expected to be used by the University upon completion.

What is a Fabrication?

- In addition to the definition in the BUS-29 it must:
    1. Be inventorial equipment;
    2. Generally not be commercially available;
    3. Meet unique research specifications and goals; and
    4. Include some sort of fabrication processes in build (e.g. creation of custom components, machining, welding, etc.)

- Per the University Accounting Manual, the following builds are <u>NOT</u> considered fabrications
    1. Products resulting from the simple assembly/connection of various parts; and
    2. Equipment fabricated for the sole purpose sale and delivery to an external entity.

To Initiate a Fabrication

- Department and PI need to complete Fabrication Request Form and submit it to Equipment Management
    - Equipment Management generally reviews:
        - Fund Source(s)
        - Title Holder
        - Estimated Value
        - Estimated Completion Date
        - Equipment Description
        - Explanation of Functionality

- Request form is available at: https://bfs.ucr.edu/equipment/documents/requestfabrication.pdf

Fabrication Number & Cost

- Approved fabrications are assigned a Fabrication Number by Equipment Management

- Fabrication Numbers are:
  - Assigned a matching Project Code in the Golden Tree
  - Unique to each individual fabrication as approved

- All allowable fabrication expenditures must:
  - Be on the 803160 (Equip, Fabricated) account
  - Utilize the Fabrication Number (Project Code) in the FAU as assigned by Equipment Management

Allowable Expenses

- Cost that **<u>CAN</u>** be included in fabrication:
  - materials
  - supplies
  - services (from outside vendors)
  - authorized recharge activities (e.g. machine shops, electronics shops, etc.)

- Cost that **<u>CAN NOT</u>** be included in fabrication:
  - departmental labor
  - travel
  - payroll expenses
  - overhead

Department Responsibilities

- Review fabrication expenditures
  - Ensure Fabrication Numbers are utilized and are accurate
  - Ensure correct fund sources are used

- Per policy, the department should update Equipment Management at least annually on fabrication progress
  - Are there any changes to the funding sources, project scope, estimated completion date, or estimated cost?

- Promptly report to Equipment Management when a fabrication:
  - Is deemed to be a functional piece of equipment; or
  - Will not result in a functional working piece of equipment
    - In such a case the department must transfer all prior expenses allocated to the 803160 account to an appropriate S&E account

Closing Out a Fabrication

- When a fabrication is deemed to be a functional piece of equipment
  - The department shall:
    - Review fabrication expenditures
    - Submit a Fabrication EIMR Form
    - Submit a listing of all expenses that were part of fabrication
  - Equipment Management shall:
    - Review the submitted documentation
    - Add the fabrication to the AMS (Asset Management System)
    - Issue a property tag to the Department Custodian

- Fabrication EIMR Form is available at: https://bfs.ucr.edu/equipment/documents/fabricationclosureeimr.pdf

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FAU Change Request Tool Demo

Presented by Elizabeth Carr

FAU Change Request Process Flow
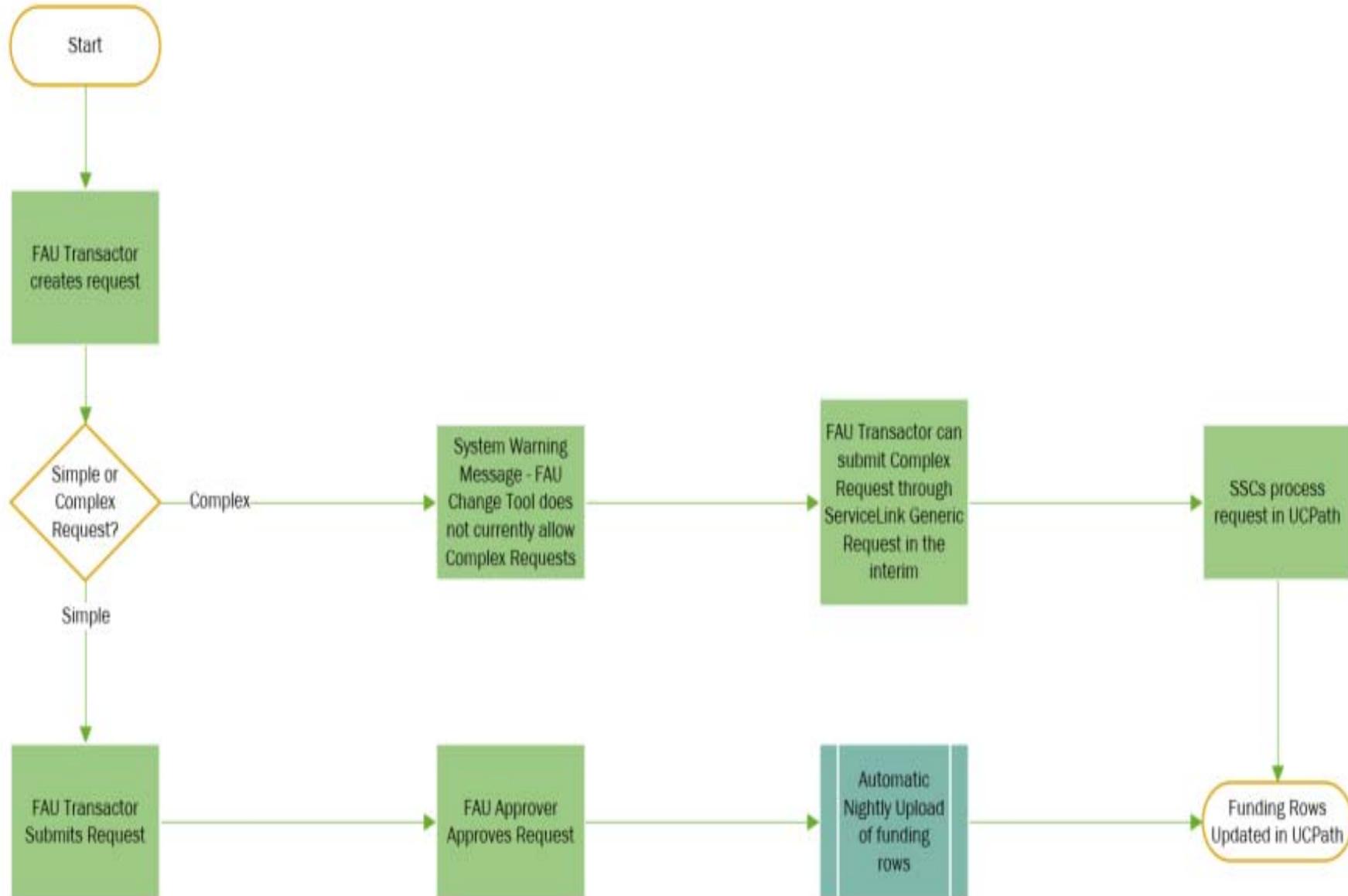
FAU Demo

- Searching for employees paid on a C&G fund
- Performing a global update to employees paid on a C&G fund
- Identify future effective dated funding
- Discuss gaps in funding and the impact of gaps
- Relationship between Position Department and Position Funding Department
- Q&A

Searching and Updating C&G Funding

- Scenario
  - Searching for employees paid under fund 57080. Use global change to update effective date.

- Criteria
  - Fund: 57080

Future Effective Dating and Funding Gaps

- When an individual has future effective dated rows in the FAU Change Tool, a hyperlink will appear under the new rows section.
  - Ex: 40015015

- When future effective dating is used, there is a risk that funding gaps might appear due to UCPath's Fiscal Year End Roll-Forward process.
  - A roll-forward process will occur on the funding rows when there are no future effective dated rows in the next Fiscal Year.
  - Risk: Roll-forward will not occur if future rows are present in next Fiscal Year.
    - Ex: For 40015015, if there was no 7/1 row and only the 10/1 row existed, a funding gap would occur. Salary charges would hit the Department Default FAU until the 10/1 row takes effect.
    - Risk Mitigation: Ensure that a 7/1 row is present any time a future effective date is used in the next fiscal year.

Position Department and Funding

- Position Data Change of Department does not cascade to Position Funding.
  - If a position moves from one department to another, funding will need to be reestablished under the new department.
  - Risk: If funding is not established under the new department, pay will hit the Department Default FAU and a Salary Cost Transfer will be needed.

Salary Cost Transfer Update

Presented by Bobbi McCracken

Salary Cost Transfer Update

- The SCT tool will be used to submit requests to SSCs for UCPath related salary cost transfers (SCT). Deployment is now planned for a mid to late May
  - Tools facilitates a consistent business process with appropriate documentation and approvals
  - FAU combination edit checks and other business rules

- Departments should be tracking required SCTs for submission when the tool is deployed.

- The Manual SCT request form will continue to be used on urgent situations until the SCT tool is deployed.
  - Costs related to an expired contract or grant
  - Salary costs that will be transferred to a contract or grant fund must adhere to the 120 day restriction (BFB A-47)
  - Other urgent cost transfers

- April 26th was the last day to process PPS related salary cost transfers

Salary Cost Transfer Tool

- EACS Service Link Roles (pending deployment)
  - Transactor: established by Department SAA
  - Approver: established by Department SAA
  - CFAO Approver: established by Application SAA; required for cost transfers in excess of 120 days
  - SSC Fulfiller: established by SSC SAA
- Ability to submit multiple transactions in a single request
- Notifications when routing request forward and backwards
- Courtesy Copy PAN when transactions post to the ledger- under development
  - UCPath Salary Cost Transfers will being using source code SCT in preparation of this notification
- Closing deadline may be extended for SCTs, but will still require coordination on Shared Services deadlines

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Principal Investigator Web Reporting System (PIWRS) Demo

Presented by Brian Griffin

PIWRS Overview

- What is PIWRS?
  - The PI Web Reporting System (PIWRS) is a campus reporting tool that generates monthly Contract & Grant financial reports for Principal Investigators (PIs).
  - Provides PIs the ability to electronically acknowledge the monthly review of expenditures charged to their sponsored projects. Additionally, the PIWRS includes enhanced "drill down" functionality enabling faculty to review detailed salary and benefit information by fund.
  - The PIWRS was initially released during October 2010. PIWRS core functionality includes Summary and Detail Reports designed to facilitate the review of month-to-month expenditures and overall fund balances.

New EACS Roles for PIWRS

Analyst Grids

Analyst Grids

New DD Summary Report

PIWRS
PI Web Reporting System

Welcome, Central Office user Pauline Librenjak (impersonating Coordinator Debbie Van Zanten)

| Welcome | Summary Report | TEMP Ledger FAU | Dept Defined FAU |

Dept Defined PI Summary Report for February, 2018 (Period 8, Fiscal Year 2018)

Financial Summary Report for Andreas Westphal

Note: Balances are net of allocations ⓘ, expenses ⓘ, encumbrances ⓘ.
Click on column headers to drill-down into Current Period Report and projections.

● Fund Status ▾   📄 Export Data ▾   💬 Comments (0)

	Expenditures by Agency Categories	A01092 - 23998 - 44 -	A01092 - 25185 - 44 - USDA-ARS-MALI	A01092 - 25186 - 44 - USDA-ARS-Greg Brov	A01092 - 25190 - 44 - USDA-ARS (RSA)	A01092 - 42441 - 44 - Bayer Crop Science \	A01092 - 44937 - 44 - Dupont-Various Dono	A01092 - 54554 - 44 - Various Donors West	A01092 - 80020 - 44 - DPR-CA Dept of Pesti	A01092 - 80041 - 44 - UCD (Guadin)	A01092 - 8006? CDFA-IAP
1	ALLOCATIONS	$27,418.00	$1,803.30	$46,681.00	$35,000.00	$64,073.23	$74,550.30	$18,268.89	$139,587.33	$36,876.10	$66,8
2	SALARIES	$18,166.07	$0.00	$16,156.14	$0.00	$0.00	$0.00	$0.00	$44,636.98	$21,960.77	
3	BENEFITS	$1,135.31	$0.00	$6,588.16	$0.00	$0.00	$0.00	$0.00	$5,951.98	$7,850.75	
4	SUPPLIES & EXPENSE	$172.18	$1,803.30	$0.00	$0.00	$69,828.36	$53,553.88	$17,210.94	$3,236.85	$7,064.58	$10,0
5	TRAVEL	$0.00	$0.00	$0.00	$0.00	$0.00	$1,995.38	$717.58	$0.00	$0.00	
6	EQUIPMENT	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
7	SUBCONTRACTS	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
8	FACILITIES	$0.00	$0.00	$0.00	$0.00	$105.00	$0.00	$1,289.77	$0.00	$0.00	
9	PREAWARDS	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
10	OTHER	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
11	UNASSIGNED	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
12	SubTotal (Direct Costs Only):	$7,944.44	$0.00	$23,936.70	$35,000.00	($5,860.13)	$19,001.04	($949.40)	$85,761.52	$0.00	$56,8
13	ENCUMBRANCES	$0.00	$0.00	$0.00	$0.00	$7,465.32	$4,347.82	$7,094.71	$28.00	$0.00	
14	SALARIES - ZINTHUZAR MAUNG (thru 03/2019)	$0.00	$0.00	$65,376.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	
15	SALARIES - THOMAS BUZO (thru 06/2018)	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$22.3

Main Menu

Projections

Fiscal Year Closing – Key Dates

Presented by Pauline Librenjak

Key Closing Dates

Friday, June 8th 5:00 p.m.

ePay Payment Requests, Invoices from Vendors, and Travel Expense Vouchers

- Due in the Accounting office
- Will appear in the Period 12 ledgers
- Continue submitting requests after June 8th
- Prioritization on materiality
- Ensure related purchase orders are marked in eBuy as 'okay to pay'
- Includes subcontract invoices requiring PI's approval to pay
- If payment, invoice, travel does not appear in the Period 12 ledger, evaluate whether an accrual is required

Key Closing Dates

Friday, June 15th

Feeder Systems
- Asked to submit entries by June 15th
- All remaining journal feeds must be submitted by July 1st

Monday, June 18th

NIH Salary Cap
- Verify NIH salary cap adjustments have been initiated
- Guidelines are available on AP website.
- Link: http://academicpersonnel.ucr.edu/compensation/NIH%20Salary%20Cap%20Guidelines.pdf

Key Closing Dates

Tuesday, June 19th

UC Path System Database Changes for June Monthly Payroll

- Last day for SSCs to transact (i.e. to enter time worked/leave taken)
- Changes to UC Path affecting June monthly payroll
- Critical that departments coordinate with their SSC when requests must be submitted to make the UC Path deadline

Key Closing Dates

Wednesday, June 20th

ProCard Purchases

- Fiscal year cut-off for all ProCard purchases
- Purchases through June 20th will appear in the Period 12 ledgers
- Purchases after this date, will appear in FY2019

Key Closing Dates

Monday, June 25th (subject to change)

UC Path Salary Cost Transfers (SCTs) – Monthly and Bi-weekly

- Last day to submit SCTs to SSCs
- Coordinate with SSC
- Will ensure transactions appear in the Period 12 ledgers
- 120 day rule is active and working in the SCT tool

Key Closing Dates

Friday, June 29th

UC Path System Database Changes for June Bi-weekly Payroll (B1 for PPE 06/30/18)

- Last day for SSCs to transact (i.e. to enter time worked/leave taken)
- Changes to UC Path affecting June bi-weekly payroll
- Critical that departments coordinate with their SSC when requests must be submitted to make the UC Path deadline

UC Path – PLD Journal

- Monthly PLD Journal - Target posting date

Key Closing Dates

<u>Friday, June 29th</u> (cont'd)

Resolve/Eliminate All Fund Overdrafts

Key Closing Dates

Tuesday, July 3rd

Feeder Systems

- All feeder system departments must submit transactions to appear in Period 12 ledgers

Thursday, July 5th

Accruals and Deferrals

- Accruals/Deferrals are due in Accounting
- Templates are available on Accounting's website

Non-payroll Cost Transfers (FCTs and NCTs)

- Must be completed and marked for posting

Procard Transfers (PCTs)

- All expenses appearing in GL account 780315 must be redistributed

Key Closing Dates

Saturday, July 7th

UC Path – PLD Journal

- Bi-weekly (B1) PLD Journal - Target posting date

Tuesday through Thursday, July 10th – July 12th

TEMP BEA Deadline

- Must be entered in UCRFS using 06/30/2018 as the journal date by July 12th at 5:00 p.m.
- Must be error free in order to be reflected on June's Final Ledger

Key Closing Dates

Other Important Dates

FTD Reports

- Will be generated and posted weekly beginning Monday, June 11th
- Will be generated and posted daily beginning Monday, July 2nd

Wednesday, August 1st

- Projected Closing Date for FY2018

Fund Overdrafts

Presented by Fred de Vera

Fund Overdrafts

- ## What is an Overdraft?

A deficit in a Fund caused when an organization spends more than is authorized or available. Or more specifically, Overdrafts are comprised of salary and/or other direct cost expenditures which exceed the authorized total award amount.

- ## UCR Policy Number 200-97 Ledger Review Guidelines states:
   (*https://fboapps.ucr.edu/policies/index.php?path=viewPolicies.php&policy=200-97*)

Ledger Reconcilers should be examining recorded financial activity for overdrafts (and other requirements):

"Processes must be in place to avoid overdraft conditions; when overdrafts do   occur, they must be promptly resolved."

Although some campus systems prevent transactions that will cause deficits from occurring, departments should have processes in place to avoid overdraft conditions. Per BFB A-47, "to clear a overdraft" is not an acceptable reason to transfer expenses between federal funds.

Fund Overdrafts

- <u>10 Important Points</u>

1. Review & reconcile UCRFS ledgers **monthly.**

2. Monitor and track fund expenses closely, paying close attention to fund balances.

3. Don't wait until the fund expires to resolve deficits. Be proactive.

4. Be prepared to use an alternative unrestricted funding source to clear overdraft.

5. Office of the President requires all C&G overdrafts to be cleared by fiscal year-end; crediting expenditures in the new year are "red flags" to auditors.   Also, when clearing an overdraft during fiscal year-end, there will be no journal reversals in the new fiscal year (returning the overdraft to the original FAU).

6. In order for the fund to be in reportable condition and closed out, overdrafts must be resolved.

7. Overdrafts cannot be used for cost sharing.

8. Transferring an overdraft from one sponsored project to another, without the sponsor approval, is an unacceptable practice.

9. Overdraft balances are not reported on the financial reporting to the sponsor.

10. Contact the BFS – EMF Unit is you have any questions on Fund Overdrafts.

Fiscal Year Closing - Accrual and Deferrals; PAMIS BEAs

- Presented by Linda Casteel

Fiscal Year Close – Accruals and Deferrals

Accruals & Deferrals

To comply with Generally Accepted Accounting Principles (GAAP), expenses for goods and services should be recorded in the fiscal year received, and income for goods and services should be recorded in the fiscal year provided. In order to meet the fiscal year-end and financial reporting deadlines, accrual and deferral entries are processed based on a materiality threshold which is published in the year-end closing letter (http://accounting.ucr.edu/news/20180426-fiscalclosingletter.html).

Beginning FY2018, a single materiality threshold will be used:

$50,000 – July 1 to August 30

A complete accrual & deferral presentation (2015) is available on the Accounting Office website:

http://accounting.ucr.edu/general/index.html#fiscal

At times, unique or unusual situations can arise. We ask that you contact the Accounting office to discuss these instances after discussing with your department Financial Manager/ CFAO.

Fiscal Year Close – Accruals and Deferrals

- Every effort should be made to have approved invoices and payment requests to the Accounting Office by the June 8th deadline to minimize the need for expense accruals. Please continue to submit invoices and payment requests after this cut-off. Invoices/payment requests submitted after June 8th will be prioritized for Period 12 Ledger processing. Departments will need to follow up on invoices $50,000 and greater, submitted after the cut-off to determine if an accrual is necessary. A template to log possible accruals/deferrals is available on the Accounting Office website (http://accounting.ucr.edu/ugmtgs.html)

- Review all contract and grant subawards during the month of June to confirm billing is up to date, check on the status of invoices pending PI approval, and/or request an invoice for any current year outstanding periods.

- Coordinate subaward accruals with Accounts Payable. Please send email directly to dorthea.ford@ucr.edu and copy aver.smith@ucr.edu (Accounts Payable Supervisor).

- Please contact the Accounting Office as soon as possible if a potential accrual or deferral has been identified after the July 5th deadline.

- Reminder—At all times throughout the year, (typically) expenditures must benefit the award's performance period. Payments for goods and services that will not be received until after the award end date are not allowable expenses. Prepaid travel expense and equipment orders should be carefully examined to ensure compliance.

Fiscal Year Close – PAMIS BEAs

- PAMIS BEAs meeting all of the following conditions must have the budget category breakdown completed and submitted by 5:00 p.m., June 29.

  In departmental queues as of June 29, 2018

  Budget period begin dates of June 29, 2018 or before.

  The "Submit BEA" button is active

- Processing of PAMIS BEAs with a July 1st date will be delayed due to fiscal closing. The new year budget period 1 is scheduled to open the second week of July. If this delay will negatively impact project related activities, please contact the Research and Economic Development Office and/or Extramural Funds. We will make every effort to accommodate critical needs.

Fiscal Year Close – PAMIS BEAs

- Preawards are not processed to accommodate the fiscal closing process.

- A process is in place to accommodate awards from sponsors that allow preaward spending (e.g. NSF, NIH) if a critical need is communicated to RED and/or Extramural Funds. Please contact Extramural Funds for critical need requests from other sponsors.

Fiscal Year Close – Accruals and Deferrals

FAQs

Question:
Are expense accruals processed for all encumbrances meeting or exceeding the $50,000 threshold?

Answer:
No. Encumbrances are used as a planning tool to predict cash outflow and avoid budget overspending. They may not be used alone to substantiate an accrual entry. However, a review of outstanding encumbrances can be helpful in identifying items that should be accrued. Goods and/or services must be received, in acceptable condition (e.g. PO terms & conditions are complete, no defective/damaged goods, etc.), by June 30th.
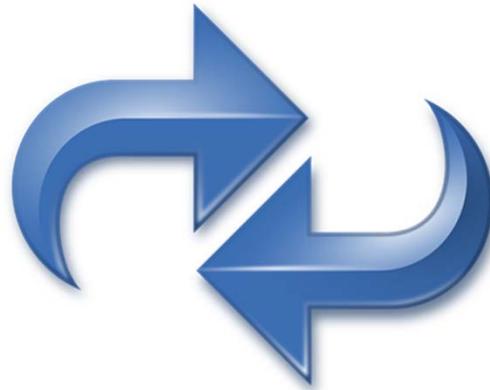
Question:

Is an expense accrual journal entry a permanent charge to the fund?

Answer:

No. The entry will post with a 6/30 date (to record the expense in the appropriate fiscal year) and reverse 7/1 of the new fiscal year. The invoices are processed for payment through normal channels in the new fiscal year.

Fiscal Year Close – Accruals and Deferrals

Question:
Should an accrual be submitted for a $50,000 purchase of goods that have been received in acceptable condition by 6/30, but the invoice has not been received as of 7/5?

Answer:
Yes, because the materiality threshold has been met and the goods have been received by 6/30.

Fiscal Year Close – Accruals and Deferrals

Question:
Should a subaward invoice, meeting or exceeding the materiality threshold, be accrued if the PI is questioning the validity of the charges?

Answer:
No. However, the justification for not submitting an accrual must be documented. Please note if the validity of charges is confirmed after the July 5th accrual submission deadline but prior to 8/30, contact the Accounting Office to have an accrual processed.
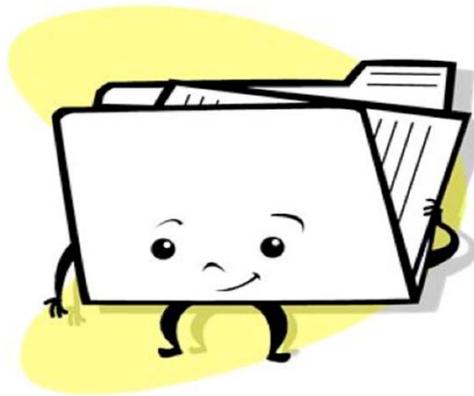
Questions

Thank you for attending today's C&G Users Group Meeting

- The next C&G Users Group Meeting will be held on Monday, September 24, 2018 from 9:00 - 10:30 a.m. at the Alumni Center.

- We welcome your feedback and would appreciate your taking this short survey by clicking on this link which will remain open through May 29th:

- https://forms.office.com/Pages/ResponsePage.aspx?id=xCpi m6aGnUGbnr-zP0XAVEtsbWuOrYNAo7gHdjTh-yZUN09OU0U0NE5IMTlRTUdLR05PUVhRVVpBOC4u