

This session will *not* be recorded, but this PowerPoint can found

<https://medschool.ucla.edu/research/researcher-resources/administrative-support/department-medicine-office-research-administration/fund-management-training>

Special Post-Award Issues

UCLA DEPARTMENT OF MEDICINE
OFFICE OF RESEARCH ADMINISTRATION
ZOOM TRAINING

DOM Monthly Reports & Audits *(internal)*

Financial Statement Audit

- [UCLA Policy 910](#) requires Department Fund Managers to “*Provide [PIs] with accurate and timely information about expenditures*”... in order to identify and address necessary adjustments in a timely manner. This is done via the production and delivery of *Monthly Financial Statements*
- In the Department of Medicine Financial Statements are audited monthly to confirm:
 - All funds either extramurally sponsored (C&G) or in use for research purposes have had a financial statement generated
 - These reports contain the minimum required criteria and follow formatting of [DOM Financial Statement Compliance Standards](#)
- This ensures:
 - All Faculty are guaranteed a minimum level of service from their partnered Fund Managers
 - Uniform reports are available throughout the Department. In the event of an audit, or should DOM ORA assistance be required, cross-training on custom reports is not necessary

Sub o8 Balances

- [UCLA Policy 910](#) also requires Department Fund Managers to *"Reallocate appropriated funds into the appropriate budget categories"*. This is handled via Transfer of Funds (TOF) after budget period funds are appropriated to Sub o8 by ORDM/EFM-CM to the various Expenditure Subs (00-07) that should be used to incur costs
- In the Department of Medicine Sub o8 balances on C&G Funds are audited quarterly where DOM Fund Managers are expected to either:
 - Resolve Sub o8 balances via TOF, or
 - Submit an exception request if Sub o8 is regularly used for Expense transactions (rare)
- DOM developed a custom DG Inform report to facilitate this audit. For Departments without access to DG Inform, CDW Cognos custom reports may be used*

Accounts Receivables (AR) Aging Report

- C&G Funds with Invoice deliverables due to Sponsor (either scheduled, or ad-hoc) must be submitted by the prescribed deadlines/cutoffs ***and promptly paid***
- UCLA's standard payment terms are 30-Days (*net*). When an invoice has not been paid by this deadline, EFM Cash Management will send routine follow-up emails to sponsor to recover payment. Once an AR (Invoice) has aged beyond 120 days, Department intervention is requested
- In the Department of Medicine, AR Aging is audited on a quarterly basis and DOM Fund Managers are required to:
 - Notify PIs of outstanding AR on their C&G Funds
 - Request PI intervention to contact key persons at the Sponsor Institution who may apply necessary motivation to administrators and ensure payment
 - Document the progress made within the quarterly report
- DOM utilizes the [Accounts Receivable reporting available in PAMS](#) to facilitate this audit

Default FAU (UC Path) Report

- In the Department of Medicine, Default FAUs were instated for error-catching faulty UC Path transactions during pay-compute. When payroll posts to these Default FAUs, Department Fund Managers know to investigate the error and determine the appropriate action(s) needed to prevent future occurrence.
- In the Department of Medicine, Default FAUs are audited on a monthly basis and Fund Managers are required to:
 - Process SCTs/DRs to adjust payroll to the correct FAU(s)
 - Identify if the Funding Entry needs to be corrected to prevent reoccurrence
 - If there is a defect or issue preventing correction, record the issue in the monthly report
- DOM utilizes DG Inform to generate this report on a monthly basis. For Departments without access to DG Inform, CDW Cognos custom reports may be used*, or any other payroll reporting resource

*Training on Custom Reporting in Cognos is available via the UC Learning Center
UCLA Department of Medicine - Office of Research Administration

Overdraft Report

- When an FAU has incurred an overdraft (operating balance), an underwriting plan must be put into action.
- In the Department of Medicine the Overdraft Report is generated monthly. Fund Managers are required to:
 - Resolve any overdrafts that may be addressed via TOF/Expenditure Adjustment immediately and provide transaction dates/IDs on the report
 - For overdrafts that may not be addressed at the Department Level (e.g. a C&G fund pending closeout by EFM), estimated time-to-resolution must be provided as well as any follow-up details with the assigned third party
 - Document escalation tactics employed for cases requiring additional support
- This report is generated using the QDB/FPM Ad-Hoc Reporting Tool, available via DGSOM. For Departments who do not have access to this tool, CDW Cognos custom reports may be used*

*Training on Custom Reporting in Cognos is available via the UC Learning Center
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Expired Funds Report

- To minimize exposure to audit, C&G funds should be closed out (Y/No) upon the timely submission of Final Financial Deliverables, whether those be internal or due to sponsor. Funds that remain open beyond final reporting remain subject to audit as long as they are open.
- In the Department of Medicine Expired Funds must be justified on a monthly basis, where the overall goal is to resolve and ensure funds may be closed expeditiously. Fund Managers must:
 - Review funds on the Expired Funds Report on a monthly basis to identify obstacles to close and resolve them immediately
 - Document time-to-close and steps taken to ensure fund may close (Transaction IDs, Case #s, f/u details)
 - If any defects exist that are preventing closeout, document the status and f/u details to resolve or work-around the defect
- DOM utilizes the PAMS Expired Funds to Close report as the basis for the monthly audit.

NIH Other Support

NIH Other Support (OS)

- When is OS required?
 - Just-In-Time
 - RPPRs
 - Proposals: K award mentors
- Who is required to submit OS?
 - All Senior/Key Persons (KPs)
 - EXCLUDES:
 - PD/PIs of Training Grants
 - Other Significant Contributors (OSCs)
 - Consultants

NIH Other Support (OS)

- What must be included in OS?
 - All resources made available to a researcher in support of and/or related to ALL of their research endeavors, regardless of whether or not they have monetary value, and regardless of whether they are based at the institution the researcher identifies for the current grant.
 - Resources and/or financial support from all foreign and domestic entities that are available to the researcher.
 - Consulting agreements when the KP will be conducting research as part of the consulting activities.
 - In-kind contributions, e.g. office/lab space, equipment, supplies, or employees or students supported by an outside source.
 - Supporting documentation, which includes copies of contracts/agreements specific to KP foreign appointments and/or employment with a foreign institution. Copy must be in English
 - Signature of KP
 - For all UCLA KP, signature must be provided via DocuSign

How to complete OS?

- [Start with the UCLA ORA Portal OS Tool](#)
- Edit ORA Portal OS as necessary
 - Add Major Goals for each award (Check with PI if necessary)
 - Add Person Months where blank
 - Confirm all projects are included, including effort without salary and projects which your PI is not the PI
- If Pending grants were not awarded, [email OCGA](#) to notify, so it will not appear in future ORA Portal OS downloads
- Send to PI for preliminary review and feedback
 - Have PI add Overlap statement if necessary
 - Confirm OS includes ALL other support, including In-Kind Contributions
- Once final, send to PI via DocuSign for signature
- Save copy to OS folder, and add date to file name.

Petty Cash Funds, Research Human Subject Payments, & Gift Cards

Petty Cash Funds

- Petty Cash: Policies and Forms
- Purpose: Departments may establish a petty cash fund when they can demonstrate that a continuing cash advance should be kept on hand to permit the purchase of low-value supplies and services that cannot be purchased under the LVO procedures.

Petty Cash Funds Considerations

- All reimbursements are to be evidenced by a properly executed receipt. The amount paid, a description of the goods purchased, and a signature indicating receipt of material or service must appear on the receipt.
- The fund custodian may not make any disbursements without first being presented with a receipt.
- The total receipts plus the cash on hand MUST equal the specified amount of the petty cash fund at all times.
- Each petty cash fund is tied to a particular FAU.
- Each fund must be used strictly in accordance with the purpose for which it was authorized.
- Transfer of the fund by the official custodian to a successor is prohibited.
- In the event of theft, the division should notify Campus Police immediately, and also notify the department.

Petty Cash – Physical Security UCLA BUS-49

- Cash must be locked in a secure receptacle or safe at all times except when signed out for working cash.
- Each campus shall use lockable receptacles/safes to store cash based on the following cash limits:
 - Up to \$1,000 – lockable receptacle
 - From \$1,001 to \$2,500 – in a safe
 - From \$2,501 to \$25,000 – in a steel-door safe, with a door thickness of not less than 1 inch and wall thickness of not less than ½ inch.
- If more than \$2,500 in cash is regularly on hand, a manual robbery alarm system must be installed for use during business hours to alert campus police (or the local police for off site locations) if an irregularity occurs.
- A safe's combination **MUST** be changed whenever a person who knows the combination leaves the employ of the unit. In addition, the combination **MUST** be changed at least once a year. Documentation **MUST** be maintained showing the date and the reason for the combination changes.
- Transporting deposits between cashiering sites or to the bank will be accomplished in a secure manner in order to protect the financial assets and individuals involved in transport.
- **An unannounced cash count shall be performed at least quarterly, by someone other than the fund custodian.**

Human Subject Payments – Check Requests

- **Best Practice:** Use Check Requests wherever possible to limit liability.
- Check requests are made for participation in a research study.
- Amount requested should match amount listed in the Human Consent Form.
- Employees from PI's own lab should not be Human Subjects on PI's study.
 - Divisions may also implement policy that division employees cannot participate in divisional research studies.
- Object Code 3355 should be used for all payments.
- Order should be as descriptive as possible. Should include date of visit, name of study, IRB approval #, if the order is for more than one visit then include breakdown by visit.

Gift Cards

- IRB Research Payment Request (GIFT CARDS)
- Gift Card Vendors
 - Be sure to check list for Preferred (refundable) vs Non-Preferred (non-refundable)
 - E-Code cards are now available
 - Must indicate how the E-Codes will be stored on a secured server, and who will have access to the codes
 - Most E-Code cards are NON-REFUNDABLE
 - Turnaround time is up to 4 weeks
 - May include additional fees:
 - Shipping up to \$14.95 per order
 - Processing fees (varies by vendor)

Purchasing Related Issues

Contractors/Consultants

- Purchasing Website
- Contractors: generally, an **independent** contractor performs tasks to execute the work
- Consultants: generally, an independent consultant provides management advice or recommendations, typically in the form of a report, whether written or verbal.
- Use Object Code 3455 in both instances
- **UC Employees CANNOT be Contractors/Consultants!**

Contractors/Consultants (cont.)

- Complete the Independent Contract Pre-Hire Worksheet
- Complete the Independent Contractor/Consultant Form
- Determine if there is a conflict of interest.
- General Liability Insurance coverage
- Purchasing's practice is that requisitions of \$100,000 or more require validation in the General Ledger that funds are available BEFORE a purchase order can be issued

After-the-Fact Justifications

- [After-the-Fact Justification Form](#)
- Required if work takes place BEFORE authorized to determine if payment can be made.
- In the Department of Medicine, ALL After-the-Fact Justifications have to be approved by both Yanina Venegas and the DGSOM Dean's Office.

Source Selection Justifications

- [Source Selection & Price Reasonableness Justification Form](#)
- OMB A-110: All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition.
- State Requirements: Competition must be sought for any transaction expected to involve an expenditure of \$50,000 or more for goods or services.
- Federal Requirements: \$100,000 or more.
- Please keep in mind that anytime you are required to complete a Sole Source Justification, it will add processing time to the purchase requisition.

Foreign Payees

- Example: PI wants to pay an honorarium to a foreign payee for speaking at grand rounds.
- Glacier: Online Nonresident Alien Tax Compliance System
- Considerations:
 - Forms need to be completed PRIOR to visitor arriving in US. Both the visitor AND the Department need to complete their portion of the forms via Glacier.
 - Is the visitor entering the US on a visa that allows them to receive an honorarium payment?
 - Does the visitor have a US Tax ID Number (TIN) or SS #? If not, an appointment with the UCLA Tax Office will need to be set up during the visitor's stay in Los Angeles.
 - Will the honorarium payment be taxed? If so, you need to let the UCLA faculty member who invited the visitor know in case s/he wants to increase the honorarium to make up for the tax.
 - Are you paying for travel expense as well as an honorarium?

Fiscal Closing

Fiscal Closing

- Ledger clean-up
 - Zero out subs to close funds
 - Submit Closing Packets to EFM to close contract & grants
- NPEARs
 - Unrestricted funds are limited to current fiscal year
 - Contract & Grant funds are limited to current fiscal year, plus 2 previous fiscal years
- UCPATH Lockdown Schedule for Fiscal Year Rollover
 - Biweekly Lockdowns: Passed
 - Monthly Lockdown: Passed
 - Do NOT process Funding Entry Updates during these times

Links from Today's Class

- Payment Solutions & Compliance
 - <https://www.finance.ucla.edu/business-finance-services/payment-solutions-and-compliance>
 - Cash Handling Policy BUS-49
 - Human Subject Payments
 - Research Participant Payment
 - Petty Cash Funds
 - Gift Cards
- Purchasing Forms
 - <https://www.purchasing.ucla.edu/purchasing/Purchasing-forms>
- Contractor vs. Consultant FM Manual Chapter
 - <https://medschool.ucla.edu/sites/g/files/oketem456/files/media/documents/Contractors-Consultants.pdf>
- Fiscal Close
 - <https://www.finance.ucla.edu/corporate-accounting/closing-schedule-for-fiscal-year-end>

Survey Link

<http://goo.gl/forms/C3gdjsL5y1>

We appreciate if you would take a few moments to complete a short 7 question anonymous survey to help us improve your training experience. Thank you!