If you do not have a microphone on your computer, or using remote desktop to join this meeting, please also call in to participate in class discussions:

Call one of the “Join by Telephone” dial-in number provided in your invite (646-876-9923).
Enter the Meeting ID (976 9000 5150) followed by #.
Enter your Participant ID followed by #.

This session will not be recorded, but this PowerPoint can found [https://medschool.ucla.edu/ora/fund-management-training](https://medschool.ucla.edu/ora/fund-management-training)
Understanding Fund Purpose (or *Function*)

• Typical DOM Fund Manager Portfolio consists of *not an exhaustive list*:
  • Research FAUs
  • Training/Instruction FAUs
  • Student Financial Aid FAUs
  • Gifts/Endowments/Other Unrestricted FAUs

• A Fund’s Purpose (or *Function*) is determined by the assigned **Account** number, and guides management of those funds
<table>
<thead>
<tr>
<th>ACCOUNT</th>
<th>FUNCTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>11XXXXX</td>
<td>Accounts Receivable Account</td>
</tr>
<tr>
<td>2XXXXXX</td>
<td>Revenue Account</td>
</tr>
<tr>
<td>40XXXXX</td>
<td>Training or Instruction</td>
</tr>
<tr>
<td>42XXXXX</td>
<td>Teaching Hospitals</td>
</tr>
<tr>
<td>43XXXXX</td>
<td>Academic Support</td>
</tr>
<tr>
<td>44XXXXX</td>
<td>Research</td>
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<td>60XXXXX</td>
<td>Libraries</td>
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<td>61XXXXX</td>
<td>University Extension</td>
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<td>62XXXXX</td>
<td>Public Service</td>
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<td>64XXXXX</td>
<td>Physical Plan Operations</td>
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<tr>
<td>66XXXXX</td>
<td>Administration</td>
</tr>
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<td>68XXXXX</td>
<td>Student Services</td>
</tr>
<tr>
<td>72XXXXX</td>
<td>Institutional Support</td>
</tr>
<tr>
<td>76XXXXX</td>
<td>Auxiliary Enterprises</td>
</tr>
<tr>
<td>77XXXXX</td>
<td>Student Financial Aid</td>
</tr>
<tr>
<td>80XXXXX</td>
<td>Non-Reportable Expenditures</td>
</tr>
</tbody>
</table>
Research FAUs (44xxxx)

• FAU established to support research-related activities, sponsored or unsponsored, where there is an expectation of work and dedicated effort allocable to distinct research projects

• When established without the accompaniment of a linked 78xxxx or 40xxxx account, these funds support Employee-Employer relationships where all personnel dedicating measurable effort must have an established appointment in UC Path as an %FTE employee in order to receive income disbursements

• When used to support Graduate Student Researcher income, may incur costs for Fee Remissions as a mandatory benefit (sub 06)

• Assesses Indirect Costs according to Sponsor’s MTDC base at the rate of 56% through FY21, until further notice
Training/Instruction FAUs (40xxxx)

• FAU established to incur expenses associated with training or career development activities

• When established as a result of Individual Fellowship awards, where the sponsor *or federal law require wages to be disbursed in the form of income, may support salaries and benefits in addition to other sponsored activity costs necessary to fulfill award requirements

• Unless approved to waive Indirect Costs prior to award execution, must assess indirect costs at the rate of 40% through FY21, until further notice

*Medical Residents, while may be matriculated students of UCLA pursuing a degree, must receive income compensation and benefits commensurate to the work performed
Student Financial Aid

• FAU established to support student and or fellowship activities, where associated costs are limited to:

  • Subsistence Allowance to defray the cost of living (commonly referred to as “Stipend”). These disbursements are not associated with work or effort
  • Tuition and Fees distributed as Fellowship Award via GoGrad (not to be confused with Fee Remission! which is a fringe benefit unique to GSRs)
  • Benefits assessed against stipends distributed through UC Path (Earn code FEN; not income!)

• May not incur expenses such as textbooks, travel, computing devices, etc. Should the award include funds for these purposes, a 40xxxx linked FAU must be established to incur those distinct expenses.
Gifts/Endowments/Other Unrestricted

• Must be used in accordance with the fund’s established “purpose”, for gifts can be located on the “Consolidated Gift Fund Management” report.

• If the fund “purpose” allows for research, training/instruction, and fellowship/financial aid, may be linked to all account types previously mentioned.
Block Funds

• Student Support Allocations through the Graduate Division, typically administered by the Academic Department, that may only be used for distributions through GoGrad (Stipend, Tuition, NRST)

• “Use it or lose it” funds – must be fully expended by June each year (end of the academic year)

• Cannot be used to fulfill Fee Remission requirements (fringe benefits, sub o6)

• Cannot be used to cover “Balance of Fees” costs
Graduate Student Researcher Costs

• Always confirm with the GSR’s SAO if the Academic Department has guaranteed specific costs to be covered. It is typical for the academic department to guarantee:
  • Minimum annual wage distributed as a combination of stipend/income, dependent on available funds and mentor obligations
  • Coverage of costs typically guaranteed as fee remissions:
    • Tuition (Education)
    • Student Services Fee (Registration)
    • UCSHIP (Health Insurance)
  • Coverage of the “Balance of Fees”
    • The Balance of Fees is the $ amount remaining against the student’s total degree program fee schedule, where costs are not uniform among all degree programs and are not covered as a fringe benefit via fee remission when the GSR is appointed at 25% or more
      • Example: 2020-2021 Academic Doctorate total fees are $17,756.30
        Of this, the subtotal of Tuition ($11,442), Student Services Fee ($1,128), and UCSHIP ($4,720.11) is: $17,290.11
        Therefore the Balance of Fees is: $17,756.30 - $17,290.11 = $446.19
    • These costs may never be charged to research grant funds, and must always be awarded in GoGrad as a Tuition award.
Postdoc Costs

• Appointment level (minimum wage requirement) is determined by months of experience at the time of appointment, according to Table 23.

• If pursuing an additional degree, the hiring department typically determines if these costs will be covered.

• If supported via Stipend (partially or fully) these are distributed via UC Path, not GoGrad.
  • This ensures benefits for Postdocs assess against these wages, as approved and negotiated by their union.
Kirschstein-NRSA Awards
(NIH Training Grants and Fellowships)

• Expectation of “full-time training” upon acceptance of the award (40 hours/wk)
  • The Training Plan is defined during pre-award and will clearly outline expectations of trainees throughout the course of their appointments on these awards

• Funds are distributed in the form of Stipends, as activities approved under NRSA awards do not require work from appointed trainees. These stipends are defined as “subsistence allowance[s]... to help defray living expenses during the research training experience”, to ensure the trainee may devote full-time effort toward training and educational pursuits

• Typically does not fulfill minimum wage guarantees to Postdocs or GSRs, as stipend levels are capped
  • Mentor must confirm if shortfall needs to be covered as:
    • Stipend Supplementation: Awarding additional stipends (no work) via unrestricted funds, or
    • Coincidental Appointment: up to 25% FTE, with the expectation of measurable effort and work, via any fund that may support salary costs
      • If this 2nd option is elected, the trainee must understand this requires additional time commitment beyond the 40-hour/wk training commitment, commensurate to the %FTE appointment
      • In the majority of cases, the work already arranged on research projects is sufficient to satisfy the %FTE effort obligation

• Does not support all benefits costs, and NRSA funds cannot be used to pay for Balance of Fees
  • Benefits Exclusions:
    • 12.57% of CBR is unallowable for Trainees appointed “Postdoc” in UC Path for FY21, 12.50% for FY22
    • 67.7% of CBR is unallowable for Trainees appointed other than “Postdoc” in UC Path and have limited benefits for FY21, 70.5% for FY22
T32 Appointments for Medical Residents and Clinical Instructors

- Stipends can be distributed in *either* UC Path, or GoGrad

- GoGrad if the trainee is “degree seeking”
  - Once enrolled, stipend awards can be processed
  - Tuition awards, if available, may also be processed in GoGrad

- UC Path is the trainee is **not** “degree seeking”
  - Use title code 2750 for Medical Resident T32 stipends
  - Use title code 2749 for Clinical Instructor T32 stipends
  - Tuition is not applicable
Income or Allowance (stipend)?

• The determination to provide direct support to any individual should bear on their relationship to the Department

• Questions a Fund Manager should ask whenever new trainees are introduced into the lab:
  - Are you bringing this person on to work on your research project(s)? – Income
    - If yes, what %FTE is appropriate for the number of hours they will work for us?
  - Have you agreed to mentor this individual through an established training/education program? – Review program’s guide for mentors to determine financial responsibilities
    - Academic programs outline coursework and training requirements for the student. Research funds cannot support time expended on these activities when it cannot be uniquely identifiable, and conflicts with the scope of work of the sponsored research project (falls outside of the specific aims of the research project)
  - Has this individual been awarded fellowship funds which will contribute to their support?
    - Be mindful of fund restrictions. Not all funding will work well together, and the hiring department is responsible for ensuring awards are distributed effectively

**Example: MBIDP Handbook**
Scenario: GSR or Postdoc, with no outside funding

• Fund Managers can typically make the following assumptions:
  • GSRs/Postdocs without outside funding (no fellowships or “block funds”) will also not have time/activity commitments outside of their relationship with your PI
  • If the above is true, and your PI confirms this individual commits measurable effort toward 1 or more research project, this individual should be supported entirely in UC Path (income)

• GSR-specific considerations:
  • If the student falls below full-time credit enrollment or 3.0 GPA, they are ineligible to have a GSR appointment in UC Path. Your PI may elect to use unrestricted funds via GoGrad to continue support. If they elect to do this, any minimum wages/fee coverage outlined by the Academic Department are typically void until the student is back in good standing (Always confirm with the SAO)
Scenario: GSR with “Block Funds”, otherwise no commitments outside of Research Appointment

• Typically ~$16,000 annual per student. Remember:
  • Cannot be used for Balance of Fees
  • Cannot be used to fulfill Fee Remission obligations

• Recommended strategy:
  • Cover 1 whole quarter (monthly wage and Tuition/Fees) exclusively with block funds via GoGrad. Apply the remainder as a small monthly stipend to supplement wages distributed via UC Path
  • Ensure %FTE is >25% if the Academic Department requires coverage of Fee Remission (and ensure mentor can certify the GSR did expend the same level of effort among research projects)
  • Cover Balance of Fees with PI Unrestricted
Scenario: T32 appointee with shortfall minimum wage obligation

• Remember: T32s require a full-time commitment from appointed trainees. You may:

• Only distribute stipends to arrive at the monthly wage requirement
  • May only use unrestricted funds in this instance as any stipend distributed above the NRSA cap is *Over-the-Cap Stipends (OTC)*. OTC may only be charged to unrestricted funds unless explicit sponsor permission is received to cost-share to another extramurally funded source

• Execute an %FTE appointment in UC Path for up to 25% FTE – NIH limit for “coincidental appointments”
  • Must have PI certify the individual provides a work benefit to research projects if research FAUs will be used for the salary funding distribution
Disbursement Schedules

- Stipends from GoGrad distribute at the end of the month, prior to the month of support.
  - Remember: Stipends are not distributed due to work obligation, therefore no timesheets or effort reporting is conducted
  - [https://financialaid.ucla.edu/staff-employers/disbursement-calendars](https://financialaid.ucla.edu/staff-employers/disbursement-calendars)
- UC Path distributes at the end of the pay period, after the period of support has concluded and time is recorded into timesheets.
  - Income must be commensurate to actual work performed, and verified by the trainee’s supervisor
  - [https://ucpath.universityofcalifornia.edu/pages/payroll-processing-schedules-working-hours](https://ucpath.universityofcalifornia.edu/pages/payroll-processing-schedules-working-hours)
Notifying Trainees of Upcoming Overlapping Pay Disbursements (Salary to Stipends)

• Example: Transitioning a trainee from Salary to GoGrad Stipends

<table>
<thead>
<tr>
<th>Month of Support</th>
<th>If distributed as Stipend</th>
<th>If distributed as Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>May</td>
<td>4/22</td>
<td>6/1</td>
</tr>
<tr>
<td>June</td>
<td>5/20</td>
<td>7/1</td>
</tr>
<tr>
<td>July</td>
<td>6/11</td>
<td>7/30</td>
</tr>
</tbody>
</table>

• Say we discontinue UC Path salary effective 5/31, start GoGrad Stipends effective 6/1

• The final payroll distribution of income will distribute on June 1 to the trainee, but they will also receive their first Stipend distribution just prior to that on May 20th, and their second distribution shortly thereafter on June 11th. Total of 3 distributions within 22 days.

• The trainee must be notified of these overlapping distributions in advance, so they know this frequency of distribution is not typical, and that they should expect to only receive 1x disbursement monthly after the overlap period has concluded.
Notifying Trainees of Upcoming Gaps in Pay Disbursements (Stipends to Salary)

• Example: Transitioning a trainee from GoGrad Stipends to Salary

<table>
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<td>7/30</td>
</tr>
</tbody>
</table>

• Say we discontinue GoGrad Stipends effective 5/31, start UC Path salary effective 6/1

• Because the final GoGrad stipend is distributed on April 22, there are no distributions in May or June, through July 1 (Gap of 70 days)

• The trainee must be notified to expect a gap in distributions during this time period, well in advance, so they may financially prepare
Strategy to Minimize effects of Gaps in Pay Disbursements (Stipends to Salary)

• Example: Transitioning a trainee from GoGrad Stipends to Salary

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<td>$6/11</td>
<td>$7/30</td>
</tr>
</tbody>
</table>

• To avoid the gap we would need to transition gradually, and provide both stipend and salary over what would be the gap period (two months). The idea here would be to reduce the amount funded via stipend (half), fund the other half via salary for those two months, then on the third month offer the whole amount as salary.

• The distribution schedule would run as follows, where each disbursement was half the typical monthly rate.

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>May Stipends</td>
<td>4/22</td>
</tr>
<tr>
<td>June Stipends</td>
<td>5/20</td>
</tr>
<tr>
<td>July Stipends</td>
<td>6/11</td>
</tr>
<tr>
<td>June Salary</td>
<td>7/1</td>
</tr>
<tr>
<td>July Salary</td>
<td>7/30</td>
</tr>
<tr>
<td>August Salary</td>
<td>9/1</td>
</tr>
</tbody>
</table>

• Again, the trainee **must** be notified in advance to expect the reduced disbursement amounts, so they may financially plan accordingly during this period.
Survey Link
http://goo.gl/forms/C3gdjsL5y1

We appreciate if you would take a few moments to complete a short 5 question anonymous survey to help us improve your training experience. Thank you!