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

https://medschool.ucla.edu/ora/fund-management-training

UCPath MCOP Worksheet

UCLA DEPARTMENT OF MEDICINE
OFFICE OF RESEARCH ADMINISTRATION
ZOOM TRAINING
Agenda

- What is the MCOP Worksheet and why do we need it?
- Preparation Considerations
- Live Demonstration

*Disclaimer: Many of the concepts discussed in these slides will require visual demonstration within the UC Path system.*
Recap Faculty Funding Components

- $X =$ Base = HSR
- $X'$ = X Prime = HSP = “Retirement Factor”
- $Y =$ Delta = HSN = “Negotiated” (may be zero)
- $Z =$ Bonus = HZC or HZA (may be zero)

$X + X' =$ Covered Comp $+ Y =$ Total Negotiated Salary (TNS) $+ Z =$ Total Compensation
MCOP Worksheet Purpose

- Tool to establish the funding distribution of the **Total Negotiated Salary** for personnel with *Multiple Components of Pay* $(X + X' + Y)$
- Designed to assist in the calculation of Cap Gap funding requirements *(as-needed)*
  - CAP Gap (otherwise referred to as Over the Cap, or OTC) is the difference between capped salary rates and the total negotiated salary rate that an employee receives.
  - OTC is relevant when extramural funding terms dictate a maximum base salary for project personnel
  - *Examples:*
    - NIH Executive Level II: $203,700 effective January 2, 2022 (typically updates each January)
    - CIRM: $284,000 effective July 1, 2020-June 20, 2022

Sample: Jane Bruin has a TNS of $300,000 and has 100% salary support effort on NIH Grants

- $300,000 TNS - $203,700 NIH Cap = $96,300 OTC *(should charge to unrestricted)*
MCOP Worksheet vs Direct Retro

- The Worksheet itself **DOES NOT** drive payroll expense posting; rather, it is a **tool** designed to automate **Over The Cap** cost calculations, and complete transaction distribution pages within UC Path for personnel with **Multiple Components of Pay**.

- **Worksheet calculations are **% Effort** driven, and treat OTC costs as **unfunded effort**.**

- Every DOM Faculty, regardless of OTC status, must use the MCOP Worksheet to update Funding Entry in UC Path.

- Only Faculty that exceed salary caps on C&G Funds will need the MCOP Worksheet for Direct Retros.

- Should **NEVER** see the Default FAU (UC Cost Centers) outside of the “Default Funding Profile” box.

- Completed **and approved** distribution updates provide UC Path with instructions on how to appropriately post payroll transactions to the Payroll Ledger and General Ledger.

- Distributions represent **% Pay**...
  - Funding Entry: ... per each component of pay *(exceeds 100% for MCOP Faculty)*
  - Direct Retro: ... of the overall paycheck value of the payroll period being adjusted.

- **When completed using the MCOP Worksheet tool, UC Path automatically translates the MCOP Worksheet to Funding Entry or Direct Retro New Data on behalf of the GL Initiator.**

- Faculty must **always** have a 100% Default FAU distribution row with **no Earn Code** in their Funding Entry Distributions.
  - Default FAU (UC Cost Centers) should still never be listed in Direct Retros.
  - Staff do not list the Default FAU (UC Cost Centers).
Preparation

• Use the DOM Faculty Funding Update Template (manual OTC calculations required) and/or the MCOP Funding Update Wizard Worksheet (auto OTC calculations) as the backup attachment for all UC Path Transactions

• Know your limits
  • Each component (HSR, HSP, HSN) has a distinct maximum % effort (fixed) that it funds
  • If your Faculty uses 19900 funds (can only be used toward HSR (X) payroll) you may be required to cost share C&G effort to 19900 to ensure these funds are utilized (example next slide)

• Know Your OTC liability in advance
  • OTC costs should be charged to Unrestricted Funds. **DO NOT USE** other C&G funds (yes, even Industry funds) to cover OTC costs without explicit sponsor permission to do so (**rare**)
    • Formula to calculate the amount of OTC unrestricted funding needed:
      • % Effort distributed to the capped FAU(s) x (Actual Rate - Capped Rate) = $ OTC Liability
    • If your PI needs to use multiple FAUs to cover OTC, especially if 1 or more of these FAUs has limited funds available to cover the OTC, you may need to **split** C&G effort across multiple distribution rows to ensure OTC also posts as desired (example next slide)
      • To calculate, flip the above formula as such:
        • $ OTC funding available ÷ (Actual Rate – Capped Rate) = % Effort to list separately on worksheet
Sample Preparation

• Dr. Bruin’s TNS is $300,000
  • 37% HSR, 29% HSP and 34% HSN
  • 70% of her effort is funded via NIH Grants (Cap rate $203,700)
  • 25% of her effort is funded via uncapped C&G funds

• How much effort will be charged to C&G funds?

• How much of Dr. Bruin’s TNS is funded via C&G Funds?

  % Effort distributed to the capped FAU(s) x Capped Rate
  + % Effort distributed to the uncapped FAU(s) x Actual Rate

• How much of her remaining TNS will be flagged as OTC Funding?

  % Effort distributed to the capped FAU(s) x (Actual Rate - Capped Rate) = $ OTC Liability
Live Demonstration
Sample Preparation

• Dr. Bruin’s TNS is $300,000
  • 37% HSR, 29% HSP and 34% HSN
  • 70% of her effort is funded via NIH Grants (Cap rate $199,300)
  • 25% of her effort is funded via uncapped C&G funds
  • 5% can be charged to the Comp Plan as-needed
  • $93,190 is available on 19900

• What is the maximum amount of 19900 that can be used without cost-sharing any C&G Effort?
  • $47,224: 5% non-research effort + remaining 32% HSR OTC
    • Actually: $57,189 once C&G effort is reduced to 90% (10% non-research effort + remaining 27% HSR OTC)

• How much C&G Effort should be cost shared to use all 19900 funds?
  • 18% or more

• Is there any other problem that should be addressed?
  • C&G Effort exceeds 90% Maximum for 19900 Faculty
  • Don’t know what other unrestricted funds are available
  • Potentially need permission to use Comp Plan for OTC, if 19900 will cover non-research effort
Links from Today’s Class

• DOM ORA UC Path Training materials and Templates
  • https://medschool.ucla.edu/ora/ucpath

• UC Path Training Series
  • https://www.centralresourceunit.ucla.edu/s/courses-lms

• UC Path Website
  • https://ucpath.universityofcalifornia.edu
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!