This session will not be recorded, but this PowerPoint can be found at:
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
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 are now limited to the following:
  - Preferred Gift Cards (returnable for refund):
    - Target
    - Amazon
  - Non-Preferred Gift Cards (non-returnable):
    - Examples: Tremendous, Starbucks, Ralphs, Food 4 Less, Visa, Shell, Mobil, & Chevron
    - Turnaround time is up to 4 weeks
    - May include additional fees:
      - Shipping up to $14.95 per order
      - Processing fee up to 3.95% per order
Open Commitment
Open Commitment Subsidiary Ledger

• Access: Either the Online Financial System or SOM QDB

• Why: It is important to review old encumbrances to determine if they are still valid or not.
  • Encumbrances are deducted from the fund’s balance whether they are valid or not.

• If they are valid: Follow up with BruinBuy preparer, Accounts Payable, and/or Vendor as necessary to ensure invoice is paid.

• If it is not valid: X out the order in BruinBuy. If you are unable to X out order, follow up with Accounts Payable or Purchasing to have encumbrance released.
  • See instructions on Releasing Encumbrances & Memo Liens
X Out Order in BruinBuy

• BruinBuy

• From the main menu, select Actions-All Orders.

• Enter the Order Number, and hit Go

• Select the LVO, and hit the X Cancel button.

• Add Comment, and hit the Post button.

• If successful, you will receive a pop up window with confirmation.
Purchasing Related Issues
Subaward Monitoring

• Invoices received by the subawardee for payment MUST be approved by the PI prior to processing via Accounts Payable.
  • PI signs the actual invoice as indication of approval.
  • PI signs UCLA Subaward Invoice Certification Form
    • Signed form is kept with Departmental records only

• PI is responsible for assuring work has been completed by the subawardee PRIOR to approving invoices.

• FINAL invoice should always have “FINAL” on them in order for EFM to close fund.

• In order to make any changes to the subward, a UCLA OCGA Subaward Checklist must be completed and signed by PI.
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**.
- **Proof of Liability Insurance** coverage
  - UCLA Vendor/Contractor Insurance Program (Not sure if this is still available)
    - $500 charge will provide 12 month liability coverage for approved vendors.
- 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.
Sole Source Justifications

• **Sole Source 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 Direct Retros (DRs)

• State funds
  • Carryforward requests

• Indirect Cost Return balance should be < 10% of annual appropriation
Links from Today’s Class

- Payment Solutions & 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](https://www.purchasing.ucla.edu/purchasing/Purchasing-forms)

- Contractor vs. Consultant FM Manual Chapter
  - [https://medschool.ucla.edu/workfiles/Site-ORA/postawardmanual/Contractors-Consultants.pdf](https://medschool.ucla.edu/workfiles/Site-ORA/postawardmanual/Contractors-Consultants.pdf)

- Fiscal Close
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!