UCPath MCOP Worksheet

UCLA DEPARTMENT OF MEDICINE
OFFICE OF RESEARCH ADMINISTRATION
ZOOM TRAINING

This session will *not* be recorded, but this PowerPoint can be found
https://medschool.ucla.edu/research/researcher-resources/administrative-support/department-medicine-office-
research-administration/fund-management-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

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

$X + X' = \text{Covered Comp} + Y = \text{Total Negotiated Salary (TNS)} \quad + Z = \text{Total Compensation}$
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 Funding Entry or 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?
  \[
  \text{% Effort distributed to the capped FAU(s) x Capped Rate} + \text{% Effort distributed to the uncapped FAU(s) x Actual Rate}
  \]

- How much of her remaining TNS will be flagged as OTC Funding?
  \[
  \text{% Effort distributed to the capped FAU(s) x (Actual Rate - Capped Rate) = OTC Liability}
  \]
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!