

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>

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?
- Faculty Salary Overview
- Sample Calculations
- Preparation Considerations

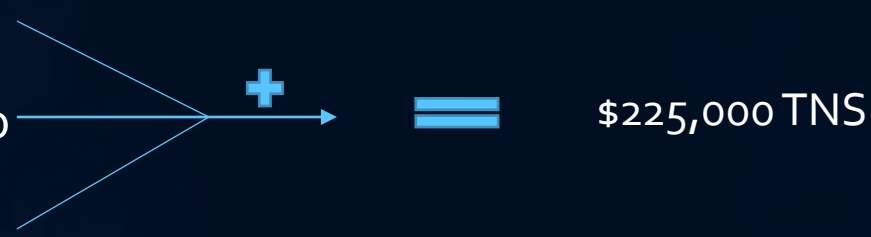
Disclaimer: Many of the concepts and examples discussed in these slides will require visual demonstration within the UC Path system and/or via available Excel Templates. For best training outcomes, ensure you attend the Lab that accompanies this class!

Recap Faculty Funding Components

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

$X + X' = \text{Covered Comp} + Y = \underline{\text{Total Negotiated Salary (TNS)}} + Z = \text{Total Compensation}$

For Rhonda this may look like this:

- $X = \$74,088$
 - $X' = \$71,400$
 - $Y = \$79,512$
 - $Z = ???$ **Because this is bonus it is not part of the TNS or factored into the IBS Rate (next slides)**
- 

MCOP Worksheet Purpose

- Tool within UCPATH 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 Institutional Base Salary (IBS) (aka salary cap) rate for project personnel
 - *Salary Cap Examples:*
 - *NIH Executive Level II: \$221,900 effective January 1, 2024* (typically updates each January)
 - *CIRM: \$301,000 effective July 1, 2022-June 30, 2024*

IBS Rate vs. FTE vs. TNS

- IBS (Institutional Base Salary) Rate*: The standard pay rate for an employee excluding benefits or bonuses.
- FTE (Full-Time Equivalent): Measure used by employers to determine the number of hours expected for employees who work a full-time schedule.
- TNS (Total Negotiated Salary): The amount negotiated to disburse to the employee as income according to the Base Rate and FTE assigned for the current fiscal year at UCLA.

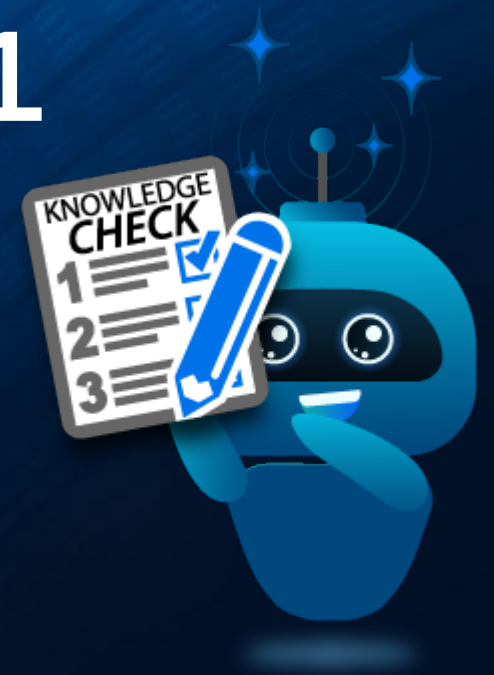
$$IBS\ Rate \times FTE = TNS$$

- When an employee works a 1.0 FTE (Full-Time) the IBS Rate = TNS.

**Not to be confused with "x"/HSR/Base Component of Pay*

Knowledge Check #1

If Rhonda Researcher is assigned an IBS Rate of \$300,000 and plans to work a 0.75 FTE schedule, what would her TNS be?



Understanding the Distribution *1.0 FTE Faculty*

- Jane Bruin has a TNS of \$260,000 and a 1.0 FTE appointment. Her components of pay are:

- HSR = \$156,900 annual // 60.346154% Effort
- HSP = \$47,100 annual // 18.115385% Effort
- HSN = \$56,000 annual // 21.538461% Effort

- What do we know off of this information alone?**

- Jane's TNS is above the current NIH Salary Cap \$221,900, so if she has salary paid on NIH Grants she'll need OTC coverage
- If Jane has funds that can only be used for her base component ("X" or HSR), this is capped at \$156,900 (60.346154% Effort)
- We know the max effort that can be supported on each earn code, giving us an idea of how we'll need to split up C&G funding across these earn codes to fully fund the TNS.

Salary Cap/MCOP Funding Worksheet

Empl ID: 10012345 Empl Rcd: 0 Jane Bruin
 Position Number: 40012345 PROF IN RES-HCOMP
 Fiscal Year: 2024 Budget Begin Date: 07/01/2023 Budget End Date: 06/30/2024

Compensation Data Snapshot [Find](#) | [View All](#)

As of Date: 10/01/2023 Eff Seq: 0
 Salary Plan: APU3 Comp Freq: UC 12/12 - FY
 Salary Grade: 1 FTE: 1.000000
 Step: 4

Pay Component	Em Cd	Monthly	Annual	Percentage
X	HSR	\$13,075.00	\$156,900.00	60.346154
X'	HSP	\$3,925.00	\$47,100.00	18.115385
Y	HSN	\$4,666.67	\$56,000.00	21.538461
Total UC Salary		\$21,666.67	\$260,000.00	100.000000

Understanding the Distribution *Part Time Faculty*

- John Doe has a TNS of \$156,442 *but* a 0.5 FTE appointment. His components of pay are:
 - HSR = \$59,450 annual // 38.001304% Effort
 - HSP = \$47,600 annual // 30.426612% Effort
 - HSN = \$49,392 annual // 31.572084% Effort

- ## Why do we need to pay attention when we have a part time Faculty?

Salary Components

John Doe Empl ID 10054321

Compensation Rate 13,036.833334 USD

Compensation Frequency UC_FY FY 12/12

Rate Code	Seq	Comp Rate	Currency	Frequency	Points	Percent	Rate Code Group
UCHSN		98,784.00	USD	Annual			
UCHSP		95,200.00	USD	Annual			
UCHSX		118,900.00	USD	Annual			

Salary Cap/MCOP Funding Worksheet

Empl ID: 10054321 Empl Rcd: 0 John Doe
Position Number: 40754321 HS ASSOC CLIN PROF-HCOMP
Fiscal Year: 2024 Budget Begin Date: 07/01/2023 Budget End Date: 06/30/2024

Compensation Data Snapshot [Find](#) [View All](#)

As of Date: 10/01/2023 Eff Seq: 0
Salary Plan: APU7 Comp Freq: UC 12/12 - FY
Salary Grade: 2 **FTE: 0.500000**
Step: 3

Pay Component	Em Cd	Monthly	Annual	Percentage
X	HSR	\$4,954.17	\$59,450.00	38.001304
X'	HSP	\$3,966.67	\$47,600.00	30.426612
Y	HSN	\$4,116.00	\$49,392.00	31.572084
Total UC Salary		\$13,036.83	\$156,442.00	100.000000

- To determine if a Faculty is above a Cap Rate, we have to know the 1.0 IBS Rate, not their part-time TNS rate.
- John's 1.0 Rate is \$312,884, so even though TNS is lower than the NIH cap his IBS rate is not. John will also need OTC coverage.
 - \$156,442 ÷ 0.5 (Scaled Components from Funding Entry Snapshot) or
 - \$98,784 + \$95,200 + \$118,900 (1.0 Components from Workforce Job Summary)

Sample Calculation

- Jane Bruin received 40% Effort Support on an NIH Ro1 Grant. Her snapshot is below, and we need to determine:
 1. What Component to use
 2. How much can be charged to the Grant
 3. How much needs to be covered as OTC

Salary Cap/MCOP Funding Worksheet

Empl ID: 10012345 Empl Rcd: 0 Jane Bruin
Position Number: 40012345 PROF IN RES-HCOMP
Fiscal Year: 2024 Budget Begin Date: 07/01/2023 Budget End Date: 06/30/2024

Compensation Data Snapshot [Find](#) | [View All](#)

As of Date: 10/01/2023 Eff Seq: 0
Salary Plan: APU3 Comp Freq: UC 12/12 - FY
Salary Grade: 1 FTE: 1.000000
Step: 4

Pay Component	Em Cd	Monthly	Annual	Percentage
X	HSR	\$13,075.00	\$156,900.00	60.346154
X'	HSP	\$3,925.00	\$47,100.00	18.115385
Y	HSN	\$4,666.67	\$56,000.00	21.538461
Total UC Salary		\$21,666.67	\$260,000.00	100.000000

Sample Calculation (*Which Component*)

- Jane Bruin received 40% Effort Support on an NIH Ro1 Grant.
 - NIH does not restrict our ability to apply effort to HSR/HSP/HSN
 - HSR component has >40% Effort allowable, so this is a good option to support this effort completely
 - HSP+HSN have <40% Effort allowable, so if these are used they can only support partial effort

Salary Cap/MCOP Funding Worksheet

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Position Number: 40012345 PROF IN RES-HCOMP
Fiscal Year: 2024 Budget Begin Date: 07/01/2023 Budget End Date: 06/30/2024

Compensation Data Snapshot [Find](#) | [View All](#)

As of Date: 10/01/2023 Eff Seq: 0
Salary Plan: APU3 Comp Freq: UC 12/12 - FY
Salary Grade: 1 FTE: 1.000000
Step: 4

Pay Component	Em Cd	Monthly	Annual	Percentage
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Total UC Salary		\$21,666.67	\$260,000.00	100.000000

Sample Calculation (*Amount to charge to Grant Fund*)

- Jane Bruin received 40% Effort Support on an NIH Ro1 Grant.

Formula: Allowable Base x Effort = \$Salary Supported

- NIH Salary Cap (Allowable Base) = \$221,900

$$\$221,900 \times 40\% = \$88,760$$

Salary Cap/MCOP Funding Worksheet

Empl ID: 10012345 Empl Rcd: 0 Jane Bruin
Position Number: 40012345 PROF IN RES-HCOMP
Fiscal Year: 2024 Budget Begin Date: 07/01/2023 Budget End Date: 06/30/2024

Compensation Data Snapshot [Find](#) | [View All](#)

As of Date: 10/01/2023 Eff Seq: 0
Salary Plan: APU3 Comp Freq: UC 12/12 - FY
Salary Grade: 1 FTE: 1.000000
Step: 4

Pay Component	Em Cd	Monthly	Annual	Percentage
X	HSR	\$13,075.00	\$156,900.00	60.346154
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Total UC Salary		\$21,666.67	\$260,000.00	100.000000

Sample Calculation (*Amount to charge to OTC Fund*)

- Jane Bruin received 40% Effort Support on an NIH Ro1 Grant.

Formula: (TNS - Cap Rate) x Capped Effort % = \$OTC Needed

- NIH Salary Cap Rate = \$221,900
- TNS = \$260,000

$(\$260,000 - \$221,900) \times 40\% = \$15,240$ on Unrestricted Funds

Salary Cap/MCOP Funding Worksheet

Empl ID: 10012345 Empl Rcd: 0 Jane Bruin
Position Number: 40012345 PROF IN RES-HCOMP
Fiscal Year: 2024 Budget Begin Date: 07/01/2023 Budget End Date: 06/30/2024

Compensation Data Snapshot [Find](#) | [View All](#)

As of Date: 10/01/2023 Eff Seq: 0
Salary Plan: APU3 Comp Freq: UC 12/12 - FY
Salary Grade: 1 FTE: 1.000000
Step: 4

Pay Component	Em Cd	Monthly	Annual	Percentage
X	HSR	\$13,075.00	\$156,900.00	60.346154
X'	HSP	\$3,925.00	\$47,100.00	18.115385
Y	HSN	\$4,666.67	\$56,000.00	21.538461
Total UC Salary		\$21,666.67	\$260,000.00	100.000000

Sample Calculation (All Together)

- Jane Bruin received 40% Effort Support on an NIH Ro1 Grant.
 - HSR can easily support this (>40% effort allowable)
 - \$88,760 will be charged to the Grant Fund ($\$221,900 \times 40\%$)
 - \$15,240 needs to be covered on Unrestricted Funds as OTC ($(\$260,000 - \$221,900) \times 40\%$)

Salary Cap/MCOP Funding Worksheet

Empl ID: 10012345 Empl Rcd: 0 Jane Bruin
Position Number: 40012345 PROF IN RES-HCOMP
Fiscal Year: 2024 Budget Begin Date: 07/01/2023 Budget End Date: 06/30/2024

Compensation Data Snapshot [Find](#) | [View All](#)

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Salary Plan: APU3 Comp Freq: UC 12/12 - FY
Salary Grade: 1 FTE: 1.000000
Step: 4

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Y	HSN	\$4,666.67	\$56,000.00	21.538461
Total UC Salary		\$21,666.67	\$260,000.00	100.000000

Knowledge Check #2

Jane Bruin received 40% Effort Support on an NIH R01 Grant. Jane is also receiving \$122,769 19900 (State FTE) Funds (47.218846% Effort) which can only be paid from the HSR Component.

Can HSR be used for both the NIH Grant & State FTE Efforts?



Salary Cap/MCOP Funding Worksheet

Empl ID: 10012345 Empl Rcd: 0 Jane Bruin
Position Number: 40012345 PROF IN RES-HCOMP
Fiscal Year: 2024 Budget Begin Date: 07/01/2023 Budget End Date: 06/30/2024

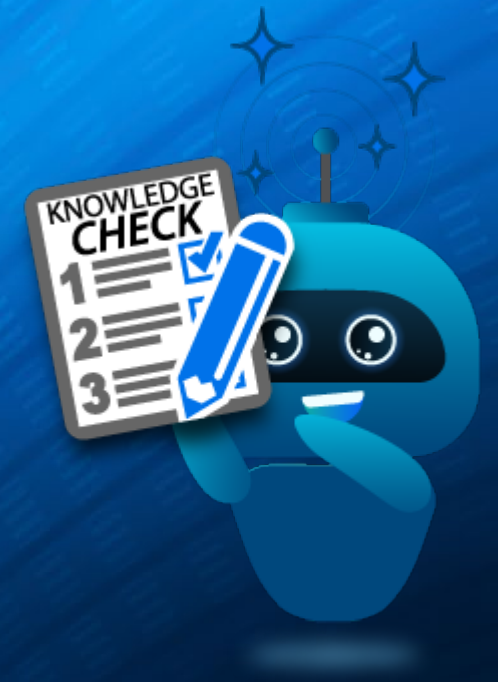
Compensation Data Snapshot [Find](#) | [View All](#)

As of Date: 10/01/2023 Eff Seq: 0
Salary Plan: APU3 Comp Freq: UC 12/12 - FY
Salary Grade: 1 FTE: 1.000000
Step: 4

Pay Component	Em Cd	Monthly	Annual	Percentage
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X'	HSP	\$3,925.00	\$47,100.00	18.115385
Y	HSN	\$4,666.67	\$56,000.00	21.538461
Total UC Salary		\$21,666.67	\$260,000.00	100.000000

Knowledge Check #3

How confident do you feel at this stage to calculate split distributions with OTC across multiple components for C&G Funding for Faculty?



OTC *Manual* Calculations

- It is important for Fund Managers to understand these calculations, as this understanding is essential to:
 - Prepare backup files to accompany UC Path transactions (**required**)
 - Perform **payroll reconciliation** responsibilities as part of monthly close procedures.
- When working within UC Path, the MCOP/Salary Cap Worksheet will automate the calculation of OTC, minimizing the administrative burden (*time consumption*) by the fund manager if this had to be done manually!

MCOP Worksheet

vs

Funding Entry or SCT/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. SCTs exclusively utilize the MCOP Worksheet when applicable.**
- 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/SCTs
 - 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
- 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
 - To calculate, flip the above formula as such:
 - **\$ OTC funding available ÷ (Actual Rate – Capped Rate) = % Effort to list separately on worksheet**

Demo!

Links from Today's Class

- DOM ORA UC Path Training materials and Templates
 1. DOM Faculty Funding Update Template:
<https://uclahs.app.box.com/s/fnlkybae4zis2shkaohfw0pun0h2d36q>
 2. MCOP Funding Update Wizard Worksheet:
<https://uclahs.app.box.com/s/5xqtcratcvkplnapwtmjyitgcz7ofkn>
- 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 7 question anonymous survey to help us improve your training experience. Thank you!