Extramural Funds Accounting

Contract & Grant
User’s Group Meeting
May 19, 2014
EMF Accounting

Summary of EMF Topics

1. Introductions
2. Fiscal Year Closing – Departments and EMF Accounting
3. Concerns and Questions

Pauline Librenjak, Assistant Controller
Fred de Vera – Fund Manager
Central Office role responsible for:

- Managing external funding (contracts, grants, gifts, endowments) received by the University by implementing processes to:
  - ensure PI/Department have prompt access to incoming funding
  - improve cash management through timely invoicing, drawdowns, and collections
  - comply with agency fiscal terms and conditions as well adhere to system-wide and campus policies and procedures
  - Final review of fund attributes and make available to department users
- Advise campus on post award administration issues
Introduction of EMF Staff

Rose Alonzo-Le – Accountant III

- Responsible for the accounting, cash draws, invoicing, collections, and fiscal reporting on federal contracts and grants
- Responsible for proper coding of incoming federal contracts & grants to adhere to UCOP and UCR business rules and requirements
- Reviews and coordinates the Annual Payroll Certification monthly processes
- Acts as lead accountant during the absence EMF Fund Manager
Montrice James – Accountant I

- Responsible for the accounting, invoicing, and fiscal reporting for **private contracts, MCAs, and UC federal awards**
- Responsible for proper coding of incoming contracts & grants to adhere to UCOP and UCR business rules and requirements
- Collections on areas of responsibility
- Processing and accounting on gifts
- Processing and accounting on endowment
Kim Gala – Accountant I

- Responsible for the accounting, invoicing and reporting for *state and local government contracts and grants, private grants, and marketing board agreements*
- Responsible for proper coding of incoming contracts & grants to adhere to UCOP and UCR business rules and requirements
- Collections on areas of responsibility
- Cash draws on some federal funds
## Introduction of EMF Staff

### C&G Fund Blocks and Responsible EMF Accountant

<table>
<thead>
<tr>
<th>Accountant</th>
<th>Fund Type</th>
<th>Blocks</th>
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<tbody>
<tr>
<td><strong>Rose</strong></td>
<td>Federal Grants</td>
<td>21100 – 24999, 28000 – 33999, 82000 – 85499</td>
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<td>Federal Contracts</td>
<td>25000 – 27999, 85500 – 85999</td>
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<td><strong>Kim</strong></td>
<td>State C &amp; G</td>
<td>18200 – 18999, 20400 - 20499, 20600 – 20699, 80000 – 80999</td>
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<td></td>
<td>Local Gov’t C &amp; G</td>
<td>20700 – 20999, 81000 – 81999</td>
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<td></td>
<td>Private Grants</td>
<td>57000 – 58199, 86000 – 86499</td>
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<tr>
<td><strong>Montrice</strong></td>
<td>Private Contracts</td>
<td>58200 – 59999, 86500 – 87999</td>
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<td></td>
<td>MCAs</td>
<td>ALL</td>
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<td></td>
<td>Unrestricted Gifts</td>
<td>39800 – 39998</td>
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<tr>
<td></td>
<td>Restricted Gifts</td>
<td>40000 – 56998</td>
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Linda Casteel – Treasury Manager

- Collaborate with RED on post award administration and unit financial managers on compliance considerations
- Assigning fund number within the appropriate fund block for new awards
- Provide recommendations/develop/implement processes which improve cash management and cash flow
Award Routing for a New Award/New Fund

- Processes the award received from the sponsor
- Treasury Manager reviews NOA, award, and assigns new fund number
- EMF Accountants review invoicing, payment, and reporting terms; Attributes coding to UCR's financial system
- Fund Manager performs a final check before adding fund to UCRFS Golden Tree
- The same day the fund is added to the Tree, Department has ability to submit BEA
Review Fund Status and Balance

- Checklist:
  - ✓ Examine each funds’ overall financial condition
  - ✓ All fund deficits must be resolved by year end
  - ✓ Is the fund expired?
  - ✓ Is re-budgeting required?
  - ✓ Is a no-cost extension necessary?
  - ✓ Is a pre-award necessary?
  - ✓ Are any Cost Transfers necessary— Non-payroll and/or Payroll? (Non-Payroll is June 24th and Payroll cutoff is June 25th)
Review Fund Status and Balance *(continued)*

Checklist:

- Is a PAMIS BEA pending for fiscal year 2013/2014? (MUST be completed on or before June 30th)
- PAMIS BEAs processed after 6/30 or awards with July start dates will not be posted until approx. 7/14
- Have there been financial or budgeting actions that have affected IDC?
- Funds MUST be in reportable condition before EMF Accounting can complete financial reporting
- Monthly financial review and communication with PI is important to minimize issue that must be resolved at year-end.
Financial Reporting for Contracts and Grants

• Based on award terms, Accounting requires 30 days to complete and review final financial reports. Fiscal reports completed by EMF Accounting are:
  o FFR  Federal Financial Reporting
  o FSR  Federal Status Reporting

• As the external audit coordination point, any non-standard financial reports completed within departments MUST be reviewed by EMF Accounting before submission to the agency.

• Departments are responsible for tracking and completing Cost Share reports and providing supporting documentation. EMF reviews for compliance and reports as appropriate to the agency. Cost Sharing is required for award close-out.
EMF General Closing Tasks and Objectives:

- Review A-21 “unallowable” transactions and coordinate with departments
- Process all PAMIS awards with effective dates involving FY2014
- Process any pending corrections by 6/30
- Confirm IDC calculations
- After preliminary ledgers:
  - Billing
  - Accruals
  - Deferrals
  - Balancing fund groups for financial statement reporting
- Prepare for A-133 Audit request
Concern:

Delay of Subaward encumbrances to financial ledgers

Current Process:

- RED finalizes all Subawards
- Once finalized, RED forwards all Subawards to EMF Accounting for processing
- EMF Accounting reviews budget and provides accounting information to Accounts Payable, normally within 2-3 business days of receipt
- Accounts Payable processes Subawards (establish vendor as necessary, establish encumbrance, etc.) within 4-5 business days of receipt
- General Accounting journal generates encumbrances daily; the PO and FAU consolidation process takes 2 days to post to the GL.
Concern:

Fiscal Closing journals posted AFTER BEA cut-off date will not provide Departments the ability to clear overdrafts

Current Year Process:

- All Accounting staff advised to process journal entries by 6/30.
- Accounting is working with Grad Division to ensure GSHIP/PFRs reconciliation issues are identified earlier in the closing process. Departments should also ensure PPS is updated to avoid reconciliation issues.
- Payroll will be advised to resolve PPS rejects as soon as possible, hopefully no later than 7/2.
- Other journals should be material accruals. Please contact Accounting to evaluate if there are concerns with a specific transaction.
Concern:

Delays and uncertainty of gift processing review

Current Process:

- Cash Gifts reviewed by EMF Fund Manager within 24 hours of receipt and Gift forwarded to EMF Accountant (Montrice James)
- Gift Processor initiates related journals and BEAs twice per month, approximately the 15th and the 30th of each month
- For more information on VCUA Routing and Roles, visit the support site at: http://cnc.ucr.edu/gift_transmittal/

On the Horizon:

After the Gift is reviewed/processed by the Gift Processor, the journals and BEAs will become automated
Current Process (Routing & Roles):

**Step 1: Gift Administrators**
Gift administrators are responsible for initiating the Gift Acceptance process. They are responsible for entering all relevant details of the gift. Gift administrators are assigned by SAAs and are active at department or organizational (VCUA) levels. Gift administrators are granted authority to use the Online Gift Acceptance Form by their department System Access Administrators (SAA). Gift administrators may also search and perform reports within the system.

**Step 2: Preliminary Approver**
The preliminary approver is a user at the Department level that is responsible for ensuring the accuracy of the gift file before moving forward to the organization. Preliminary approvers receive an automated e-mail when a request has been submitted for approval. Departmental Approvers may "return" Requests to gift administrators for revision. Approvals are then routed to either the Organizational Approver or Vice Chancellor of University Advancement depending on the nature of the request. Departmental Approvers are granted authority to use the Online Gift Acceptance System by their departmental System Access Administrator (SAA).

**Step 3: Organization Approver**
The organizational approver is responsible for reviewing and approving the departmental request for gift approval.

**Step 4: VCUA Approver (Advancement Services)**
The VCUA gift reviewer is responsible for reviewing the gift themselves as well as checking the file out to select committees for further review and approval. The VCUA approver manages and selects the committees for which the gift file moves for approval.

**Step 5: Accounting Manager (Fund Manager)**
When a VCUA approver opens a request to Accounting, the accounting reviewer may add all relevant FAU and accounting updates to the gift file.

**Step 6: Accounting Gift Processor (EMF Accountant)**
The Accounting Gift Processor approves any final accounting details related to the gift.
Extramural Funds Accounting

Future Event
• Research Administrators INC. – June 10th
  ➢ Topic: Post Award Cost Share Administration

References
• UC Contract and Grant Manual

• UCR Accounting Website
  ➢ http://accounting.ucr.edu/funds/

• UCR Learning Center
  ➢ http://ucrlearning.ucr.edu/

MANY THANKS FOR YOUR ASSISTANCE!
Questions and Discussion