



UCLA

Extramural Fund Management

EFM Updates

Research Administrator's Forum

April 14, 2016

Today's topics



- New EFM Managers
- Accrual of Expenses at Fiscal Year End
- PAMS version 2 Deployment

Welcome EFM New Managers!



Valena Mann

(Fund management team 1)

- Joined EFM on 03/14/16
- Worked at UC Berkley Campus Shared Services; a liaison between department fund managers/PIs and central offices for contract and grant management.
- Experience in both pre and post award management
- Perspectives from both department and central offices
- SOM excluding DOM. Dentistry, Nursing, Public Affairs, Public Health

Duy Dang

(Fund management team 3)

- Joined EFM on 04/01/16
- Worked at UCLA Mechanical & Aerospace Engineering (MAE)
- Managed and monitored annual expenditure of \$60 million operation of MAE including C&G funds, leading 14 department staff
- Active participant in various initiatives in UCLA research community
- DOM, HSSEAS, Arts and Architecture, Theater, Film and TV, Management, Law, International institute

Financial Statement Audits: Accrual of Expenses at Fiscal year End

Yoon Lee

Audit Requirements

KPMG completed audits for the FY 14-15

Financial Statement Audit

- Independent, objective evaluation of financial reports and financial reporting processes to obtain reasonable assurance that financial statements are free from material misstatement
- In accordance with Generally Accepted Accounting Principles (GAAP) and standards established by Governmental Accounting Standards Board (GASB)

Single Audit (A-133 audit)

- Independent examination of an entity that expends \$750,000 or more of federal assistance to ensure that appropriate internal controls over compliance are in place and that federal funds are spent in compliance with the federal program's requirements.

GASB standards require UC/UCLA financial statements to be prepared on an “accrual basis” not a “cash basis”.

Cash Basis

- Revenue is recognized when cash is received
- Expense is recognized when cash is paid out
- Accounts receivable or accounts payable do not exist under cash basis

Accrual Basis

- Revenue is recognized when they are **“earned”** regardless of whether cash is received or not → Account receivable exist until cash is received
- Expense is recognized when they **“occur”** regardless of whether cash is paid out or not → Account payable exist until cash is paid

Under accrual basis of accounting, when is revenue “*earned*” and when does expense “*occur*”?

Revenue (contract and grant revenue) is earned and recorded to the general ledger;

- As UCLA delivers services and/or goods to sponsors as required by sponsor’s agreements; the amount to recognize will be based on
 - Expenses occurred for cost reimbursable type of awards
 - The number of units and rates for fee for service type of awards

Expense occurs and is recorded to the general ledger;

- When purchased goods are delivered to UCLA
- When service is provided to UCLA
- At UCLA, invoices are considered coming with delivery of goods/services; therefore, expense is recorded in the general ledger when an invoice is processed by AP office (debit expense & credit account payable)

What happens if goods are delivered or service is provided to UCLA for the current fiscal year but an invoice is not received by UCLA during the current fiscal year?

- In absence of an invoice, the A/P office will not be aware of and cannot record this expense in the general ledger for the current fiscal year.
- Failure to accrue expenses in the proper period will result in non-compliance with standards established by GASB and UCOP policy, understating expenses and liabilities (account payable) for the current fiscal year.
- To ensure that all expenses are recorded in the proper period, Department CAO/Business Official is required to certify the form that states that expenses are recorded in the proper period and disclose expenses that occurred but not recorded for the current fiscal year. The form is submitted to the General Accounting (GA).
- The GA office records accrual of expenses as appropriate as a part of fiscal year closing process.

What did KPMG discover during FY15 financial statement audit?

- Expenses occurred in FY15 but not recorded in the general ledger for FY15.
- This was due to that invoices were received late after June 30, 2015 for goods or service delivered to UCLA during FY15.
- These expenses were incorrectly recorded in the general ledger in FY16 as invoices were processed after June 30, 2015.
- As a result, both expenses and account payable (liabilities) were understated for FY15 and as of June 30, 2015.
- Missing accrual of expenses was noted across all major activity areas across campus including sponsored award activities.
- In the sponsored award area, material amount of expenses were not recorded in equipment and subcontract expense categories.

How did KPMG discover that not all expenses were recorded for FY15?

- Auditors use various assertions in obtaining audit evidence

Assertions about account balance at the period end: (AU section 326.19.15.b.)

- **Existence:** Assets and Liabilities exist.
- **Completeness:** All assets and liabilities that should have been recorded have been recorded.
- **Rights and obligations:** The entity holds or controls the right to assets and liabilities are the obligations of the entity
- **Valuation and allocation:** Assets and liabilities are included in the financial statements at appropriate amounts and any resulting valuation or allocation adjustments are appropriately recorded.

Search for unrecorded liability: Auditor's common testing procedure to draw an assertion whether ALL liabilities are recorded

What did UCLA do to avoid audit finding upon KPMG's discovery of unrecorded expenses and liabilities for FY15?

- Prior to conclusion of audit, UCLA (GA and AP offices) conducted search for unrecorded liabilities and expenses.
- UCLA discovered that approximately \$21 million of expenses were not accrued at the fiscal closing; \$6.7 million was related to sponsored awards.
- UCLA had to make an adjusting journal entry for the material amount to true up expenses and accounts payable after the local ledger was already closed.
- KPMG recommended improving internal controls in this area.

What needs to be done to ensure expenses are recorded in the proper period for upcoming fiscal closing for FY16?

- Department must be aware of all expenses for FY16 regardless of whether invoices are received or not for goods/service received during FY16
- Department must submit invoices to the A/P office timely at all times to minimize the needs to accrue expenses at fiscal year end.
- During fiscal closing, department must submit expenses that should be accrued to the GA office if not recorded in g/l.
- The GA office will accrue expenses at the year end – expenses and A/P.
- Per FY16 closing schedule issued by GA on April 1, 2016;
 - All expenditures must be recorded in g/l by July 7, 2016
 - All adjustments must be posted to g/l by July 19, 2016
- Questions on detail steps in communicating accrual to GA?
 - Contact Dok Yun in GA (X 42664)

PAMS Version 2 Deployment

Jennifer Aguilar
Sendhil Kolandaivel
Katie Cadle

PAMS agenda

- Background
- Scope: what is going live?
 - Worklist
 - Deliverables
 - Upload RAPID Closeout Packet to PAMS
- Deployment process
- Training
- Next Steps
- FAQ's

Background

- PAMS Pilot launched February 2014
- Version 2.0 released March 28, 2016
- Campus Rollout started April 4, 2016
 - 12 Clusters, 43 Users

Pilot Departments



ANDERSON GRAD SCH OF MANAGEMENT
ANESTHESIOLOGY
ARCHITECTURE & URBAN DESIGN DEPARTMENT
ASIA INSTITUTE ADMINISTRATION
BIOMATHEMATICS
BUDGET CONTROL - LAW LIBRARY
CENTER FOR AFRICAN STUDIES
CENTER FOR CHINESE STUDIES
CENTER FOR GLOBAL LEARNING
CENTER FOR KOREAN STUDIES
CENTER FOR WORLD LANGUAGES
CNTR FOR HEALTH POLICY RESEARCH
CNTR FOR LATIN AMERICAN STUDIES
COMPUTER SCIENCE
CTR FOR EMBEDDED NETWORKED SENSING
CTR FOR EUROPEAN & EURASIAN STUDIES
CTR FOR INTERNATIONAL RELATIONS (CIR)
CTR FOR SOUTHEAST ASIAN STUDIES
DEAN, SCHOOL OF THE ARTS
DEPT OF ART
DEPT OF DESIGN I MEDIA ARTS
DEPT OF WORLD ARTS & CULTURES
DESIGN MEDIA ARTS TECHNOLOGY
EMERGENCY MEDICINE

EPIDEMIOLOGY
ETHNOMUSICOLOGY
FOWLER MUSEUM AT UCLA
GRUNWALD CENTER FOR THE GRAPHIC ARTS
HAMMER MUSEUM
HEALTH POLICY AND MANAGEMENT
INSTITUTE OF PLASMA SCI & TECHNOLOGY
INTERDEPARTMENTAL DEGREE PROGRAMS
INTERNATIONAL EDUCATION OFFICE
INTERREGIONAL PROGRAMS
LAW
LAW LIBRARY
MECHANICAL & AEROSPACE ENGINEER
MEDICINE-CARDIOLOGY
MEDICINE-INFECTIOUS DISEASE
MEDICINE-NEPHROLOGY
MEDICINE-RHEUMATOLOGY
MICROBIOLOGY, IMMUNO & MOLECULAR GENETIC
MUSIC
NEUROBIOLOGY
NEUROLOGY
NEUROLOGY-ADMINISTRATION
NEUROLOGY-LONI
NEUROPSYCHIATRIC INSTITUTE

NR EASTERN STDS-VON GRUNEBAUM CTR
OBSTETRICS & GYNECOLOGY
PATHOLOGY DEPARTMENT ADMINISTRATION
PHYSICS & ASTRONOMY
PHYSIOLOGY
PSYCHIATRY/BIOBEHAVIORAL SCI
RADIATION ONCOLOGY
SOCIAL SCIENCES GRANT SUPPORT
SURGERY - THORACIC SURGERY
SURGERY-CARDIOTHORACIC
SURGERY-GENERAL
SURGERY-LIVER AND PANC. TRANSPLANT
SURGERY-ONCOLOGY
SURGERY-PEDIATRIC
SURGERY-PLASTIC
SURGERY-VASCULAR
THE CENTER FOR JAPANESE STUDIES
THEATER MANAGEMENT SERVICES
UCLA HERB ALPERT SCHOOL OF MUSIC
UCLA INTERNATIONAL INSTITUTE
UCLA PERFORMING ARTS
WESTERN MANAGEMENT SCIENCE INSTITUTE

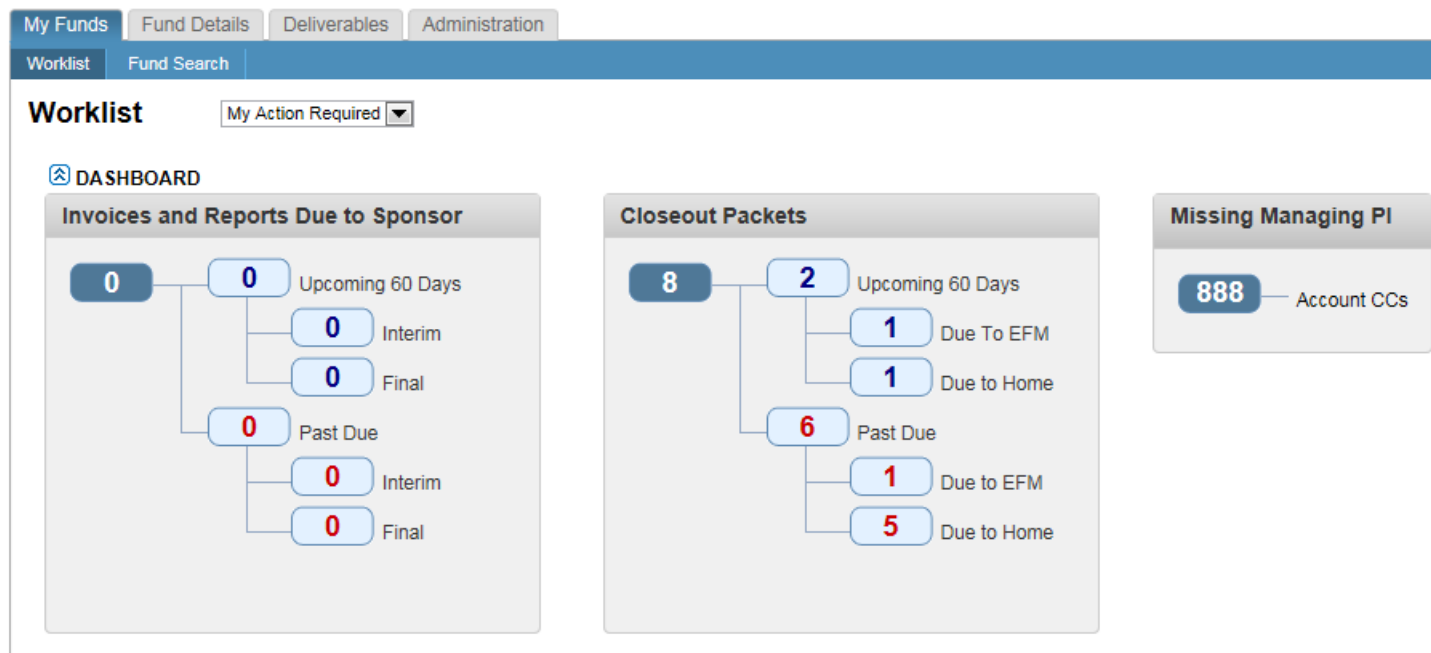
Campus Pilot Users



AARON EVANS	DAVID SONG	JENNIE MOLINA	MARK BUENVIAJE	SHEILA JEFFERSON
ALEXANDRA LUONG	DENILLE CASTILLO	JENNIFER CHUNG	MARY MORIED	SHIRLEY RAYNER
AMANDA HE	DIANE OHKAWAHIRA	JENNIFER ONO	MARY ANN MACASO	SIM-LIN LAU
ANA HERRERA	DOLORES MARENTES	JENNY HUYNH	MIAO YE	SONG SETO
ANA MUNOZ	DOMINGO SANCHEZ	JOANNE YUNG	MICHAEL IBALE	STACEY TSAN
ARELI LUCATERO	DUY DANG	JOEY DE LOS REYES	MICHELLE PHILLIPS	STACI CHIKAMI
ASHLEY WALKER	ELISE BITTLE	JOSE MANALANG	MIMI LY	STEVEN ACOSTA
BARBARA COOKE	FADIYA CHOWDHURY	JOSEPH HUCKE	MUIO THANG	TA KANG HSU
BAYAN SADIGHI	FARIDEH AZBIJARI	JUAN VAQUERANO	NANCY GUERRERO	TAMELA GOULD-PORTER
CAI-LING WANG	FERNANDO RODRIGUEZ	JULIAN WANG	NOORJEHAN ABJANI	TANA WONG
CALLO NANETTE	GINA RUIZ	KATHERINE SUZUKI	PAO-CHEN (CAROL) LEE	TANIA CRAIG
CASSANDRA FRANKLIN	GONZALO PAYAN	KATHY HENG-HUI CHANG	PARALUMAN TOLENTINO	TANNAZ TEHRANI
CATHERINE SERRANO	GRACE DE JESUS	KENNETH KUO	PATRICIA BENTANCOURT	TIFFANI MELLADO
CATHERINE RUJANURUKS	GRACIEL PANGCO	LANA SONG	RACHEL KIM	TONYA BESTER
CHARLES KIM	GURPREET SAHOTA	LATROY GANAWAY	RADO LEE	TRACEY WONG
CHARLES PRICE	HAN KIM	LEE YANG	RAELLEN MAN	TSEGAYE TESHOME
CHENDA SENG	HOLLY HE	LISETTE MORA	REBECCA YUAN	VANESSA ALFARO
CHRISTINE LAVOIE	HYUN KEUN TSANG	LYNETTE HAND	RIO CRUZ	WARREN THOMSON
CHRISTOPHER TURK	IRENE WANG	MADRID NANCY	SAIMA SHAROFF	WENDY MA
CORAL CASTRO-WINTRINGER	IRENE TANAKA	MARCELLA TONG	SAIRA ASLAM	YECENIA GONZALEZ
CORINNA YEE	JASON TREVINO	MARCIA ARGOLO	SAMINA QUAZI	YVONNE JOSE
DAVID ISLAS	JENIFER BAKER	MARK LUCAS	SARAH KLEIN	

Worklist Page

- Customized worklists for the individual user to prioritize work and monitor progress updated in near real time
- Ability to track who is responsible for completing a given task at any time






















The screenshot displays the 'Worklist' page with a navigation bar at the top containing 'My Funds', 'Fund Details', 'Deliverables', and 'Administration'. Below this is a sub-navigation bar with 'Worklist' and 'Fund Search'. The main content area is titled 'Worklist' and includes a dropdown menu for 'My Action Required'. A 'DASHBOARD' section contains three panels:

- Invoices and Reports Due to Sponsor:** A tree diagram showing 0 total items. It branches into 'Upcoming 60 Days' (0) and 'Past Due' (0). 'Upcoming 60 Days' further branches into 'Interim' (0) and 'Final' (0). 'Past Due' branches into 'Interim' (0) and 'Final' (0).
- Closeout Packets:** A tree diagram showing 8 total items. It branches into 'Upcoming 60 Days' (2) and 'Past Due' (6). 'Upcoming 60 Days' branches into 'Due To EFM' (1) and 'Due to Home' (1). 'Past Due' branches into 'Due to EFM' (1) and 'Due to Home' (5).
- Missing Managing PI:** A single box showing 888 Account CCs.

Deliverables Page

- Easy access to key information about all financial deliverables in one place, including due date, a type of invoice or financial report, EFM contact, Status, etc.
- Ability to retrieve a copy of the invoice or financial report submitted to the sponsor

Report and Invoice Schedules

	Deliverable Schedule	Edit Schedule	Due Date	Category	Type	Frequency	Owner	Status	Submitted Date	Approved Deliverable
	13	<input type="button" value="Edit"/>	02/28/2016	Invoice	Final	Once	EAR, SHEH JEN	COP Not Started		
	14	<input type="button" value="Edit"/>	12/31/2015	Invoice Milestone	Interim	Monthly	EAR, SHEH JEN	Deliverable Not Started		
	14	<input type="button" value="Edit"/>	10/31/2015	Invoice Milestone	Interim	Monthly	EAR, SHEH JEN	Deliverable Not Started		
	12	<input type="button" value="Edit"/>	07/31/2015	Invoice Milestone	Interim	Monthly	EAR, SHEH JEN	Deliverable In Process		
	12	<input type="button" value="Edit"/>	06/30/2015	Invoice Milestone	Interim	Monthly	EAR, SHEH JEN	Reviewed Not Submitted	06/19/2015	
	12	<input type="button" value="Edit"/>	05/31/2015	Invoice Milestone	Interim	Monthly	EAR, SHEH JEN	Submitted-Revised	05/20/2015	
	15	<input type="button" value="Edit"/>	05/30/2015	Invoice Milestone	Interim	Once	EAR, SHEH JEN	Deliverable Submitted	05/20/2015	
	12	<input type="button" value="Edit"/>	04/30/2015	Invoice Milestone	Interim	Monthly	EAR, SHEH JEN	Deliverable Submitted	05/13/2015	
	12	<input type="button" value="Edit"/>	03/31/2015	Invoice Milestone	Interim	Monthly	EAR, SHEH JEN	Reviewed Not Submitted	03/10/2015	
	12	<input type="button" value="Edit"/>	02/28/2015	Invoice Milestone	Interim	Monthly	EAR, SHEH JEN	Reviewed Not Submitted	03/10/2015	
	12	<input type="button" value="Edit"/>	01/31/2015	Invoice Milestone	Interim	Monthly	EAR, SHEH JEN	Deliverable Submitted	01/30/2015	

Scope

Fund Balance and Approvals Page

- Ability to upload the RAPID Closeout Packet in PAMS
- PAMS will facilitate the approval process and automatically update the status of the packet → accurate status of all finals in the worklist
- Will enable us to store all key financial documents in PAMS, official system of record for financial management of sponsored awards




[Fund Details](#) > [Overview](#) > Fund Balance and Approvals

My Funds | Fund Details | Deliverables | Administration

Overview | Financial Summary ▶ | Expenditure Review ▶ | Review ▶

<< [Overview](#) Fund No: PI:

Fund Balance and Approvals

Approvals History Approval Comments: 

Dept Preparer ():	Approved by () on 02/06/2015
Dept Approver ():	<input type="button" value="Approve"/> <input type="button" value="Reject"/>
PI ():	<input type="button" value="Upload RAPID COP"/>
EFM Preparer ():	

Fund Panel

Deployment Process



Go Live in Phases

- Deployment will occur in 3-4 waves
- Department/Clusters that make up wave 1 have been identified and contacted
- Department/Clusters that make up future waves are currently being reviewed
- Deployment to wave 1 has begun in April

Deployment Process



Go Live in Phases

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Deployment Process



Total number of Wave 1 users:

Organization Name	Number of Users
Graduate School of Education and Information Studies	11
Henry Samueli School of Engineering	35
Letters and Science (Life, Physical and Social Sciences)	64
Semel Institute	29
Total	139

For a complete list of departments in Wave 1, please visit the EFM website: www.efm.ucla.edu

- Variety of training will be available to suit the needs of different users
 - Online training covering individual pages within PAMS
 - Quick Guides
 - Videos (Coming Soon!)
 - In-Person Training
 - Friday, April 8th 9:00-11:00
 - Monday, April 25th 9:00-11:00
 - Open Houses
 - Monday, April 18th 9:00-11:00
- Training is not mandatory but is highly recommended

Next Steps

- Tasks that will need to be completed prior to rolling into PAMS:
 - Determine the PAMS cluster assignment
 - Fill out a PAMS Access Form
 - Obtain approval for employees to have PAMS access
- The PAMS Team will reach out to departments when it is time to obtain this information

Frequently Asked Question

- As a department fund manager in PAMS does EFM still require the department approver's signature on the certification page?
 - No, EFM does not require an ink signature. EFM will use the approvals in PAMS as confirmation
- How do I know if I have access to PAMS?
 - A welcome email from PAMS Help will be sent to all new users when they are set up in PAMS

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Questions

Contact information

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