



Extramural Fund Management

January 13, 2022

Agenda

- **UCPath Look Back at 2021**
- **Effort Reporting**

UCPath Look Back at 2021

Yoon Lee

Overview of Major Errors and Mass Corrections (FY20-21)

System Design Defects / Incidental Mass Errors	Corrections of historical data processed in	For the period of	Go forward fix implemented in UCPath	Pending correction of historical data?
Leave Allocation Defect Leave in Arrear Defect	October 2020 Mass Leave Correction #1 (LL and GL)	September 2018 – June 2020	Leave Allocation: Yes, in January 2021	Yes Corrections for the period of July 2021 and onward planned by UCPC in February and March 2022
	June 2021 Mass Leave Correction #2 (LL and GL)	July 2020 – December 2020	Leave in Arrear: Not yet	
	June 2021 Mass Leave Correction #3 (LL and GL)	January 2021 – June 2021		
FAU Override Errors	January 2021 Mass GL Correction (LL and GL)	September 2020	Yes, in September 2020	No
Incorrect Vacation Leave Accrual (VLA) % charged to eligible employees	June 2021 VLA Correction (GL only)	April 2020 – January 2021	Yes, in January 2021	No
GAEL incorrectly charged to Federal and FFT funds	June 2021 GAEL Correction 2021 (GL only)	April 2021 – May 2021	Yes, in May 2021	No
VLA, CBR, GAEL, RPNi	June 2021 FYE corrections (GL only)	July 2020 – June 2021	Will be a part of fiscal closing process to catch all errors	No

- For details of UCPath GL defects, visit the following CRU website communication pages
 - For communication in 2020 or prior: <https://centralresourceunit.ucla.edu/s/article/GL-Communication-Archive>
 - For communication in 2021: <https://www.cru.ucla.edu/ucpath-general-ledger-communications>

Impact to Contract and Grant (C&G) Funds

- **UCPath mass corrections processed during FY20-21 affected 4,228 open and closed contract and grant funds.**
 - \$2.8 million of additional expenses were posted to 995 funds
 - \$5.7 million of expenses were moved off from 3,253 funds
- **Many of 4,228 funds were affected by more than one mass correction (MLC, MGC, VLA, GAEL, etc.)**
- **Each time when a mass correction was processed, EFM evaluated the impact of UCPath mass corrections to all C&G funds to decide the next steps.**
 - Does correction result in debit or credit to the fund?
 - Is an award active or expired?
 - Is the final financial deliverable submitted to the sponsor or not?
 - Is a fund open or closed in the financial system?
- **The same fund can have different answers to the questions above at different times.**
 - A fund could have been open when MLC 1 was processed but closed when MLC 2 was processed.
 - EFM evaluated the impact of each mass correction to each fund considering its situation at that point of time and re-evaluated the total net impact of all mass corrections to the fund at the fiscal year end.

Impact to Contract and Grant (C&G) Funds

EFM took the following approaches to address UCPATH mass corrections posted to C&G funds, considering compliance risk, financial loss, and administrative burden.

As each mass correction was posted;

Scenario	What EFM did	As a result, if the net impact of mass corrections was
If the fund was open and the final was <u>not</u> submitted	Adjustments were posted to the fund. EFM included adjustments in the next invoice/ financial report subsequent to the correction.	- Debit, then UCLA invoiced/reported expenses. - Credit, then UCLA invoiced/reported expenses, net of the credit, in the subsequent period.
If the fund was open and the final was submitted	EFM decided not to revise the final invoice/ financial report. Adjustments were initially posted to the fund but EFM transferred these adjustments to the holding fund (*).	- Debit, then UCLA lost the opportunity to recover these additional costs. Chancellor’s funding was provided to cover these costs. - Credit, then UCLA needs to refund the sponsor if it’s a cost reimbursable award. For the fund subject to P913, EFM transfer the balance to the PI’s discretionary account.
If the fund was closed	EFM decided not to reopen the fund (**) as each mass correction was processed. Adjustments were posted to the holding fund.	

(*) EFM established the holding fund to record UCPATH mass corrections impacting closed funds or open funds with the final submitted during the year. The fund is to be closed as a part of fiscal closing.

(**) EFM reopened funds with net credit adjustments to process refunds to the sponsor when the first UCPATH mass correction was processed (funds with net debit adjustment were not re-opened. Chancellor’s funding was provided to cover these costs) with understanding that it was going to be the only mass correction. As more mass corrections were scheduled, EFM decided not to re-open the funds with credit adjustment each time as the next mass correction may change the net impact to the fund to be debit.

At the fiscal year end;

EFM reviewed all adjustments posted to the holding fund (for the scenarios #2 and #3 above). The analysis showed that 202 funds had additional expenses that could not be recovered and 648 funds had net credit adjustments resulting in cash received in excess of expenses. EFM reopened these 648 funds to true down expenses and to address the excess cash balance.

Impact to Contract and Grant (C&G) Funds

- **What’s happening in EFM now and what actions are needed from the department?**

Scenario	EFM	Department
Award is active <i>or</i> Award has expired but the final has not been submitted	Business as usual. Preparing invoices and financial reports following the standard procedure (including UCPATH corrections if any).	Business as usual.
Award has expired and the final has been submitted but the fund is open.	EFM transferred UCPATH adjustments to the holding fund → EFM is unflagging funds previously flagged with UCPATH issues preventing from closing when corresponding issues are resolved for both historical data and for go-forward (*). GL clean up needs to be completed and/or AR needs to be collected (if any) to close the fund.	Business as usual. Take actions to move unallowable /inapplicable expenses, release encumbrance, etc.
The fund was previously closed (award expired & the final submitted) but re-opened: 648 funds	For cost reimbursable awards, EFM is processing a refund and a revision to the final. For the fund subject to P913, EFM is transferring the balance to the PI’s discretionary fund based on the P913 assurance and documentation previously submitted when the fund was closed.	No action needs to be initiated. EFM will send a courtesy email to the fund manager and the PI, including the revised final expenses and the revised balance either to refund to the sponsor or to transfer to the PI’s discretionary fund. No need to submit a revision request or P913 assurance and documentation.

(*) Even if a go-forward fix is not implemented, if the fund has expired and all historical errors on the fund have been corrected, there is no UCPATH errors preventing the fund from being closed; therefore, UCPATH flag will be removed.

Effort Reporting

Yoon Lee

Effort Report Certification Status

- The following quarters include UCPATH payroll data
 - <https://portal.research.ucla.edu/EffortReportingCertification>

As of January 13, 2022

Reporting period	Released	Certified	Open (no issue)	Open (flagged)	Total	Certification %
2018 Summer	09/24/20	404	11	18	433	93%
2018 Fall (modified)	09/24/20	5258	394	429	6081	86%
2019 Winter	09/24/20	4527	332	296	5155	88%
2019 Spring	05/26/21	4113	946	359	5418	76%
2019 Summer	05/26/21	4258	1072	441	5771	74%
2019 Fall	05/26/21	3862	1054	304	5220	74%
2020 Winter	05/26/21	3912	1072	302	5286	74%
2020 Spring	05/26/21	3794	951	392	5137	74%
2020 Summer	05/26/21	4124	1233	362	5719	72%
2020 Fall	05/26/21	3586	1354	232	5172	69%
2021 Winter	05/26/21	3475	1705	72	5252	66%
2021 Spring	11/09/21	807	4653	361	5821	14%
Total		42120	14777	3568	60465	70%

“Let’s Certify 14,777 effort reports that are not flagged as “Under Prelim Review”.

2021 Summer Effort Report Release

- **Reasons for the delay of releasing 2021 Summer effort reports**
 - In July 2021, GAEL was charged as though it were salary instead of being proportion of salary. For example, if an employee makes \$5,000/month, each line of GAEL was recorded for \$5,000 rather than a rate applied to that amount. Those defective GAEL lines were charged to salary sub/object codes.
 - The UCPATH Center has fixed GAEL configurations to assess at the correct rates and charge to the correct GAEL sub/object codes in August 2021; however, additional corrections needed to be made to the interface files (I-129R) that load payroll data to ERS.
 - For more details of this issue and resolution, visit CRU page; <https://www.cru.ucla.edu/news/defect-status-update-gael-assessment>
- **Timeline to release 2021 Summer Effort Reports**
 - EFM received the correct I-129 files from UCPATH Center and is coordinating with ITS to load the data to ERS, to test the data before generating effort reports.
 - Target to release reports during the 1st or 2nd week of February. During the testing period, ERS production site will not be available. ERS downtime will be announced via ERS listserv
- **Reminder: 2021 Spring Effort Report Certification Due Date is 2/28/22**
 - Certify Effort reports that are not flagged “Under Preliminary Review”.
 - Plan for the 1 week of ERS downtime for the 2021 summer release.

Effort Report Status

- **Reports flagged as “Under Prelim Review” in ERS due to unresolved UCPATH defects.**

Issue description in Comment	Status
Incorrect percent of effort for effort bearing payroll line—review supplemental Excel file and job aid provided by EFM before certification	EFM is working to resolve Missing Payroll Records before releasing the Excel Supplemental File.
Pending Mass Leave Correction (MLC) entry—do not certify until further instruction is provided by EFM	EFM is waiting for missing payroll records to confirm Effort Reports currently flagged with MLC are not affected by missing lines before unflagging these reports.
Missing payroll record(s) in effort report—do not certify until further instruction is provided by EFM	UCLA confirmed that UCPATH Center (UCPC)’s solution for go-forward fix to generate I-129 files used to load the payroll data to ERS without missing files is valid. UCPC is planning to execute the solution in the next month. For the historical data, a list of missing lines provided by UCPC is not complete. EFM is working with UCPATH Center to refine and validate UCPC’s queries to identify missing lines.
Y-OTC or N-OTC indicator is missing—do not certify until further instruction is provided by EFM	UCLA is working with UCPATH Center to find a solution.

- **More detailed special instructions can be found on EFM website including**
 - ERS master exception list
 - Presentation and recording of the ERS webinar for UCPATH defects
 - Job aid – recalculated effort reports
 - <https://efm.research.ucla.edu/special-instructions-ers-release/>

Any Questions?

Contact Information

EFM Website

<http://efm.research.ucla.edu/>

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