

# August 2022 Research Administration Forum Q&A

## Extramural Fund Management

**Q1: For cost transfer between unrestricted funding sources over 120 days, do we need to answer question 4 (Explain the untimeliness if transfer is: > 120 days after original transaction date, and/or > 90 days after the fund end date)?**

A1: EFM does not require answers to any cost transfer questions for the cost transfers between unrestricted funding sources. Department may have internal controls requiring cost transfer questions to be answered for transfers between unrestricted funding sources, but it is not EFM's requirement. EFM requirements apply to the cost transfers involving C&G funds only.

**Q2: Are we working with accounts payable to improve invoice processing timeline in order to increase compliance with expenses hitting the GL in a timely manner?**

**Q2a: Totally agree with Q2. AP must improve processing invoices in a timely manner for departments to comply with new changes.**

A2: Yes, EFM will reach out to the Procurement and Accounts Payable Office to explain the new procedure and importance of processing invoices for C&G funds for a timely posting to GL to recover costs and stay in compliance.

**Q2b: To add to Q2's point, AP payment of Subaward invoices also causes significant delays in expenses hitting the GL. If the subawardee invoices us quarterly even more so since this increases the unrealized GL expense even more.**

A2b: If a delay is on the subawardees submitting an invoice late, it is important to communicate the timely submission is required for payment. If a delay is in the AP office processing subaward invoices, EFM will reach out to the Procurement and Accounts Payable Office to explain the new procedure and importance of processing invoices for C&G funds for a timely posting to GL to recover costs and stay in compliance.

**Q3: Could you confirm if we can submit COP with Encumbrances?**

A3: Under the new procedure, the COP will include expenses posted to the project fund in GL only. The COP should not include additional costs that are expected later against the existing encumbrance but not yet posted to GL.

**Q4: How are we going to handle COP cases where the department is still waiting for CRU/UCPath to correct adjustments? In our experience, it has taken many months for those corrections to hit the GL.**

A4: EFM will reach out to BFS-CRU to explain the new procedure and importance of resolving GL related tickets affecting C&G funds to recover costs and stay in compliance.

**Q5: What if the funds need to be closed out because the PI has left, and their termination causes UCPath issues that blocks final needed DR's from being done, and these are not resolved within the 60 day timeframe?**

A5: When expenses are not posted to the project fund in GL timely due to a delay in UCPath center that is out of the department control, the department can include such expenses in the COP along with the service ticket submitted to the CRU and adequate supporting documentation. EFM will review such costs and include them in the final when appropriate.

**Q6: If we are waiting for expenses to hit due to UCPATH errors and defects, are we still responsible in covering them from unrestricted as of the 1/1/23 COP's?**

A6: When expenses are not posted to the project fund in GL timely due to a delay in UCPATH center that is out of the department control, the department can include such expenses in the COP along with the service ticket submitted to the CRU and adequate supporting documentation. EFM will review such costs and include them in the final when appropriate.

**Q7: My PIs have subawards and our subawards almost never submit invoices before the 60 days due date. Could you let us know if there are plans to shorten the subaward final invoice due date before this new procedure goes live in January 2023?**

A7: As a member of the Federal Demonstration Partnership (FDP), when UCLA awards a subaward to a fellow [FDP member institution](#) and that subaward is funded by a prime [FDP Federal Agency](#), UCLA is required to use an FDP template agreement. The FDP template agreement is standardized language that all FDP member institutions have agreed to use in an effort to streamline the subaward process and reduce administrative burden. This standardized template includes a 60-day final invoice deadline that UCLA is only able to change in exceptional circumstances (i.e. when lower tier subaward agreements are included in the project).

For all other subawards under federal funding, UCLA's standard subaward template includes a 45-day final invoice deadline. This deadline could be changed to 60 days during negotiation, but only with the department's consent.

UCLA final invoice deadlines under prime non-federal funding are generally under 90 days. For subawards under non-federal funding, as a standard, invoice deadlines of 45 days prior to UCLA's own final invoice deadline will be included in our outgoing agreements.

**Q8: Main problem is linked departments doing their job. It is impossible to submit accurate COPs on time when linked departments fail to do their job. We go above and beyond to help them do their jobs managing their funds and closing, even going to their CAO and begging for change, but problems persist. Is there a mechanism we can utilize to get campus/leadership assistance with repeat offenders? There's only so much we can do at the department level. We need someone to institute mandatory change within departments that repeatedly fail to comply.**

A8: Please email me ([yoona.lee@reseach.ucla.edu](mailto:yoona.lee@reseach.ucla.edu)) so we can discuss the next steps. I believe there are ways we can escalate the issues to the appropriate individuals and I will discuss specifics via email or over the zoom meeting.

**Q9: Getting AP to process all invoices on time has been an enormous challenge and is extremely time consuming for our staff and fund managers. Many fund managers are also spread out thin because of staffing changes and staffing shortages within departments. UCLA leadership should do something about that, so we can do our jobs properly and on time!**

A9: EFM will reach out to the Procurement and Accounts Payable Office to explain the new procedure and importance of processing invoices for C&G funds for a timely posting to GL to recover costs and stay in compliance.

**Q10: What happens when the last week of June's payroll is not paid until July, are we not allowed now to include on reported final? We have one sponsor who requires a final to be submitted 5 business days after the project end date and we include accruals on both final and COP being submitted.**

A10: The new procedure will be applicable only to the cases where the final is due to the sponsor 60 days after the project end or later. For the cases where the final financial deliverable is due to the sponsor within less than 60 days, EFM will work with the department to ensure all eligible costs are included in the final even if they are not posted to the project fund in GL as long as adequate supporting documentation is provided. No change to the current procedure for the final due to the sponsor within less than 60 days after the project period end. Refer to slide 19 for more details.

**Q11: UC Path often has benefits errors that cannot be corrected manually. We are often told we must wait for these errors to be corrected via a report that only runs at the end of the fiscal year. Will there be any changes regarding this workflow?**

A11: EFM can process financial journals to address benefit errors and will coordinate with BFS not to post duplicate correction entries.

**Q12: It would be helpful if, when we ran the COP for our entire fund, we are able to see payroll expenses-after-end not only for our own department, but also for all employees in linked departments as well. This is an access issue, not a system issue, since when EFM runs this they are able to see payroll for all departments.**

A12: Current access security set up is done at the account level in DACCS. In order for the home department to see transactions in the linked department accounts, home department fund managers need to be granted access by the linked department DSA. Based on my understanding, such access request is generally not accommodated on campus. EFM is looking into a possibility of allowing the home department fund manager to view all transactions on the project with the new financial system, Oracle Cloud ERP.

**Q13: AP takes 8-10 weeks to process invoices. AP's processing time MUST be improved in order to accommodate this major policy change!!!**

A13: EFM will reach out to the Procurement and Accounts Payable Office to explain the new procedure and importance of processing invoices for C&G funds for a timely posting to GL to recover costs and stay in compliance.

**Q14: The delays with Accounts Payable are beyond the pale. In my nearly 20 years at UCLA it's never been this bad. I don't know how my fund managers can be expected to comply with this when it is taking AP sometimes upward of 2-4 months to pay/process invoices. Can ORA reach out to AP/Purchasing leadership to work this problem? We've been ringing alarm bells here at the department level for almost a year now but it's not getting better.**

A14: EFM will reach out to the Procurement and Accounts Payable Office to explain the new procedure and importance of processing invoices for C&G funds for a timely posting to GL to recover costs and stay in compliance.

**Q15: With the strict timelines for recording expenses on the GL in order for them to be included in closeout, how does the extended timeline for fiscal year end close affect our closeouts? If it takes 3 months to get a June and July final ledger, making accurate closeouts with all of our recorded expenses is a bit of a chore, because everything is going to be a projected final figure written into the COP.**

A15: The fiscal closing schedule, when June ledger is finalized, should not have an impact to the department's ability to prepare a closeout packet. If there is a such scenario that I may be missing, please email me ([yoon.lee@research.ucla.edu](mailto:yoon.lee@research.ucla.edu)).

**Q16: Can we post official verbiage somewhere on a central website we can direct subawards (vs. in the individual subaward contracts) stating potential non-payment for late invoice submission?**

A16: Rather than including the language on the OCGA website, the outgoing subaward team will start adding language regarding non-payment to our non-FDP agreements that include a 60-day final invoice deadline.

**Q17: Is it possible to include language in future outgoing subaward the possibility of non-payment with late invoice submission?**

A17: Yes, the outgoing subaward team will start adding language regarding non-payment to our non-FDP agreements that include a 60-day final invoice deadline.

**Q18: Will there be a carveout for those funds with FDP subawards under them, since FDP requires UCLA to give 60 days for final invoice (EFM had this procedure previously)?**

A18: When UCLA has outgoing subawards to FDP partners on federal awards, UCLA has 120 days to submit the final to the federal sponsor. A closeout packet is due to EFM 90 days after the project end date. Department has 60 days from the project end to collect subawardee's final invoices and 30 additional days to prepare a closeout packet including the subawardee's invoices to submit a closeout packet to EFM on time.

**Q19: Can EFM work with Purchasing to commit subaward/subcontracts to shorter project periods to accommodate this policy change? Also, Purchasing should add language to the agreement to inform vendors that late invoices risk non-payment.**

A19: For subawards, if a department would like to request a shortened project period in order to accommodate the need for invoices, the department can choose to do that. To communicate this request, the department would need to note the requested project period end date in Section III of the OCGA Subaward Checklist.

**Q20: Award set-up delays should be addressed before this change as well. We sometimes get the award set-up completions 1-2 months before the project end date.**

A20: The department can submit a request for advance spending to OCGA. More information can be found on OCGA's [Pre-Award Spending](#) web page. By setting up a RAS fund in advance and charging expenses to the RAS fund upfront will prevent unnecessary cost transfers later when the award is executed and will facilitate smoother fund closeout process.

**Q21: Many great comments/questions. Where will the answers to these questions be posted?**

A21: All RAF presentations and Q&A are posted to the [UCLA ORA RAF](#) website.

**Q22: How do we handle awards that pay salary to Multi-location appointment positions? The salary is charged via journal which sometimes takes CRU months to post to our ledgers?**

A22: I am not aware of this scenario and could not locate the case consulting with BFS-CRU. If you email me ([yoon.lee@research.ucla.edu](mailto:yoon.lee@research.ucla.edu)), I will look into this.

**Q23: Can you repeat what RFC stands for so it will be easier to remember?**

A23: RFC stands for Research Finance Compliance, one of the teams in EFM. The services EFM RFC team provides are described on the [EFM website](#).