

September 2022 Research Administration Forum Q&A

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Contract and Grant Administration Hot Topics

Q1: Can we change the timeline we put in subaward agreements for the final invoice to no later than 30 days, so we have time to process the invoice for payment for this new process?

A1: For FDP subawards we cannot change the invoicing timelines for subs. While we could consider it for non-FDP its unlikely to solve the issue because, like UCLA, most entities cannot get their invoices submitted within 30 days because transactions need to work their way through their financial systems. A more practical way to deal with tight turnarounds for final invoices might be to request OCGA / OST to include a shorter budget period in the final year of the subaward agreement - so have the sub finish a month or two before the UCLA project period and still give them 60 days to issue their invoice and allow us to meet out final reporting requirements. As long as we make the project end date clear when the award is set up this option generally works well.

Extramural Fund Management Hot Topics

Q1: Is this \$2500 childcare cost something we need to account for in the budget for new grant proposals, and each new year budget submit during the RPPR? Or is it going to be automatically included by the NIH?

A1: For fellowship grants, refer to [NIH Childcare cost FAQ. B.2](#). For training grants, refer to [NIH Childcare cost FAQ.C.2](#).

Q2: Is there a specific reason we will not be permitted to offer these as one-time-payments via BruinBuy using these same object codes? To prevent benefits from assessing altogether?

A2: Due to income tax considerations, it is necessary for childcare costs to be processed using the same source system used to process stipend payments; UCPATH for Postdoctoral trainees/fellows and BAR for Predoctoral trainees/fellows. These source systems have processes in place to manage income tax consideration adequately; however, a downside is that these systems are unable to accommodate an additional object code to separate childcare costs from stipends.

Q3: Who is responsible for entering the childcare costs into UCPATH? Division MSO? Compensation office?

A3: Departments are responsible for entering childcare costs into UCPATH directly. Each department may have a different individual processing stipends. The individual processing stipends in UCPATH today can process childcare costs in the same manner.

Q4: Is \$2500 Child Support a Norm or just an example?

A4: \$2,500 is the maximum allowance each full time trainee/fellow is eligible to receive per budget period, as referenced in the [NIH Childcare cost FAQ. A.2](#).

Q5: Will EFM create templates for these calculations that can be used?

A5: No, templates are not going to be created. Departments are responsible for completing calculations during monthly reconciliation to determine total allowable expenses, and including reconciliation in the Closeout Packet (COP). Refer to the RAF EFM slides for September 2022 for additional instructions on how to complete the calculations.

Q6: Is it possible for trainee to request less than \$2,500 for childcare? If so, how can we tell the difference between stipend vs. childcare if they are both posted on the GL with the same object code?

A6: Yes, it is possible that childcare costs can be charged less than the \$2,500 awarded by NIH per budget period. Since the same object code must be used for childcare costs and stipends, we will not be able to tell the difference by just looking at the GL. The documentation reconciling the actual childcare costs vs. stipends per individual needs to be maintained outside the system, and needs to be indicated in the closeout packet.

Q7: The \$2,500 is for a 12 month appointment. Is it prorated for 9 month appointments?

A7: Please reach out to EFM with more details regarding this question as the answer depends on why the appointment is 9 months. Per NIH, short term trainees/fellows are not eligible for the childcare allowance. Refer to [NIH FAQ. A.3.](#) for more information.

In the case of early terminations, recipients may not use any unused portion of the childcare allowance and it will be deobligated by NIH as part of the closeout process. Refer to the [Notice](#) for more information.

Q8: Are individual divisions going to be responsible for covering the CBR charged to the childcare costs? Or will EFM provide a central FAU to cover the CBR that has been charged?

A8: The department will not be responsible for covering the CBR assessed to childcare costs. The department can leave the FAU for the debit side in the Benefit Cost Transfer (BCT) form blank and EFM will move costs to the central funding.

Q9: Would it be possible for accounting to create an object code specifically for the childcare costs so that they are not assessed any F&A?

A9: EFM attempted to create an object code exempt from F&A to use for this purpose; however, UCPATH and BAR, which childcare costs must be processed through to adequately address income tax considerations, are unable to accommodate an additional object code to separate childcare costs from stipends.

If the department has a secondary 77/78xxxx account-cc to link to the fund, a request can be made to the EFM accountant to set it up with zero F&A. And this can be used exclusively for childcare cost to separate childcare costs and avoid F&A assessment.

Q10: The question about the object code, would be so that they are treated similarly to the way tuition and fees are currently excluded from overhead. Is that possible?

A10: EFM attempted to create an object code exempt from F&A to use for this purpose; however, UCPATH and BAR, which childcare costs must be processed through to adequately address income tax considerations, are unable to accommodate an additional object code to separate childcare costs from stipends.

If the department has a secondary 77/78xxxx account-cc to link to the fund, a request can be made to the EFM accountant to set it up with zero F&A. And this can be used exclusively for childcare cost to separate childcare costs and avoid F&A assessment.

Q11: Will UCPATH be able to address this kind of 'unallowable' charge eventually? It has been 4 years since inauguration.

A11: Due to the way UCPATH determines object code for payments, it is unlikely that this will be changed in the future.

Q12: In the new Ascend system, will there be a new object code to systematically separate childcare costs (similar to subawards)? This will help with avoiding all these after-the-fact calculations.

A12: The reason calculations are needed is because childcare costs must be charged in the same source system as stipend payments and the source systems are unable to accommodate an additional object code to separate childcare costs from stipends.

Q13: Can UCLA utilize a specific object code for this childcare cost that does not assess CBR/F&A so fund managers don't have to do this reconciliation?

A13: EFM attempted to create an object code exempt from F&A to use for this purpose; however, UCPATH and BAR, which childcare costs must be processed through to adequately address income tax considerations, are unable to accommodate an additional object code to separate childcare costs from stipends.

Q14: Suggestion - For postdocs in UCPATH, adding a project code to the childcare cost expense should help. The actual CCC, CBR and 9H should all be projected coded, which will make it easier to separate from the regular stipend payments.

A14: Yes, it is possible to add a project code in UCPATH for the childcare costs. This code will then be fed to the General Ledger and can be used to help distinguish between stipend and childcare costs.

Q15: Why don't we separate the childcare by issuing an exempt object code from indirect?

A15: EFM attempted to create an object code exempt from F&A to use for this purpose; however, UCPATH and BAR, which childcare costs must be processed through to adequately address income tax considerations, are unable to accommodate an additional object code to separate childcare costs from stipends.

Q16: Does childcare costs include food, drink, and diapers that you may provide to caregiver?

A16: No, the childcare allowance is restricted for payments to licensed childcare providers. Refer to [NIH FAQ. A.5.](#) for additional information.

Q17: Will we be provided instructions on processing the BCT where the "new FAU" details are not Department FAUs, so they actually result in a refund of the CBR assessed? Or are Departments expected to cover these CBR costs?

A17: The department will not be responsible for covering the CBR assessed to childcare costs. The department can leave the FAU for the debit side in the Benefit Cost Transfer (BCT) form blank and EFM will move costs to the central funding.

Q18: Can we payout the childcare costs at one time or does it need to be broken down into months?

A18: Yes, childcare costs can be processed at one time. Regardless of when the costs are paid out, supporting documentation must be maintained showing how the payment amount was determined.

Q19: Is it possible for UCLA to create a new object code that complies with tax withholding rules but exempt from CBR/F&A?

A19: EFM attempted to create an object code exempt from F&A to use for this purpose; however, UCPATH and BAR, which childcare costs must be processed through to adequately address income tax considerations, are unable to accommodate an additional object code to separate childcare costs from stipends.

Q20: Supporting documentation, does that mean we need receipts from the caregivers? Copies of licensing to show they are approved to provide the childcare, and thus we are able to cover those costs with this new allocation to our trainees?

A20: Yes, departments are responsible for maintaining this information as supporting documentation and make it available to NIH upon request. Refer to [NIH FAQ, A.8.](#) for more information.

Q21: On the form 10s, the grad form doesn't allow for project codes. Can their form be altered to allow for project codes when we process them for grad students?

A21: BAR, the system used by Grad Division to process Fellowship Award Transmittals, has a system limitation that prevents a project code from being added.

Q22: During your meeting with OT Wells, can you also communicate the necessity for us (at the Department level) to obtain access to invoices submitted via Transcepta? Since its roll-out, we've been unable to even see what is being invoiced; it goes directly into the system (bypassing us) and gets paid directly. We can't even see the invoice after the fact.

A22: ORA is planning to meet with Procurement and Accounts Payable team including a few campus representatives to better understand challenges and explore solutions.

Q23: Is the effective date for the new closing procedures 1/1/2023 and not now?

A23: Yes, the target effective date of the new procedures is January 1, 2023.

Q24: About timely GL posting: Who is in charge of Purchasing for PO that needs approval to proceed? Sometimes it goes on forever, and seems the process is going nowhere. BB doesn't show who is viewing or approving.

A24: Approval process of the PO can be best answered by Procurement and Accounts Payable office. Here is the email address where an inquiry can be sent: purchasing@finance.ucla.edu