Extramural Fund Management

July 13, 2023
Agenda

• Single Audit for FY22-23
• Multiple Payment Basis Code in Financial System
• Ascend 2.0: Understanding Award and Project in Oracle PPM
Single Audit FY22-23

Yoon Lee
UC receives two audits every year by independent auditors besides numerous audits by sponsoring agencies. These two audits are conducted on parallel leveraging certain audit procedures for both.

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 (Uniform Guidance 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 in accordance with Uniform Guidance.
- Single audit is conducted in accordance with Uniform Guidance (2 CFR 200. Subpart F)
PwC is an independent auditor for UC Regents for FY22-23

Scope:
- PwC focused on Student Financial Assistant (SFA) funding for FY21-22 and selected to focus on Research & Development (R&D) for FY22-23. For the R&D testing, the following 4 campuses are selected for full scope testing; UCLA, UCSF, UCB, UCSB

Timeline:
- Due date to submit single audit report with Federal Audit Clearinghouse: **March 31, 2023**
- PwC has provided a draft of requested items and aims to complete fieldwork testing by **October 31, 2023**, with a goal of completing the audit by the calendar year end.
- UCLA will provide the requested documents starting **July through October 2023**.

EFM supports Single Audit coordinating with other ORA units and other central offices mainly Business & Finance Solutions.
- If you have any questions regarding the single audit, contact EFM Research Finance compliance team at EFM RFC Help RFCHelp@research.ucla.edu

Information on past audits can be found here: [Single Audit Reports | UCOP](#)
• **Major compliance testing areas**
  ◦ Allowability/allocability of costs including cost transfers, Reporting, Period of Performance, Subrecipient monitoring, Key personnel, Equipment, Procurement, Suspension and debarment, Service centers, etc.

• **Reminders for the Department Fund Managers and ERS Coordinators**
  ◦ Process cost transfers now if there are any costs incurred during FY22-23 that are not allowable or allocable to the project funds.
  ◦ Certify effort reports for the payroll periods in FY22-23, confirming that committed effort has been satisfied for key personnel.
  ◦ Review funds that expired during FY22-23 and take necessary actions (e.g. removing expenses outside the period, clearing encumbrance, etc.) to close the funds.
    ◦ If the final financial deliverable is not yet due, the fund will remain open to process the final. At the same time, the department can take the same actions to remove expenses outside the period if any and clear encumbrance, so the fund is ready to be closed once the final financial deliverable is submitted and the final payment is received.

• **If you have questions on the financial deliverables or closing funds, contact your EFM accountant. For questions related to effort reporting, contact EFM ERS helpdesk at ershelp@research.ucla.edu**
Payment Basis Code in OASIS
New field entitled **Payment Basis Code** was added to the **Account-Fund (AF)** table in **OASIS** on 6/25/23.

Announcement was sent to QDB users on 6/12/23.

**Purpose of Field:** Identify the Payment Basis associated with each Expenditure Account-CC-Fund combination on all Contract and Grant (C&G) funds in order to correctly determine the revenue method and calculations for conversion to Oracle Cloud ERP.

**Payment Basis Codes:**
- 1 – Cost Reimbursement
- 2 – Firm Fixed Price
- 3 – Firm Fixed Rate
What are the payment bases for sponsored research awards?

- Payment bases determine how UCLA will earn and record revenue. The three payment bases are Cost Reimbursement, Firm Fixed-Price, and Firm Fixed-Rate. An award can have any combination of these payment bases: cost reimbursable, firm fixed price and firm fixed rate. The payment basis will be specified in the sponsor award document and noted on the Award Snapshot Section III: Award Demographics. The payment basis will be reflected for each award sequence, for the respective transaction budget period.

- **Cost-Reimbursement**: Payment is based on actual costs incurred. Revenue is earned when allowable and applicable costs are incurred up to the total approved budget. Unspent cash balances must be returned to the sponsor.

- **Firm Fixed Price**: Payment is based on a fixed specified amount, regardless of costs incurred. Revenue is earned in accordance with the payment schedule or as milestones are completed. Unspent cash balances can be retained by the University in accordance with UCLA Policy 913.

- **Firm Fixed Rate**: Payment is based on a fixed rate applied to number of units performed. An example of this type of project is a clinical trial where funding is based on the number of patients participating in the trial and payment is received incrementally. Unspent cash balances can be retained by the University in accordance with UCLA Policy 913.
**Single Payment Basis:** Code will populate automatically based on the Payment Basis stored in PATS and will update daily based on a nightly feed.

**Multiple Payment Basis:** Code will need to manually be entered by ORA Staff.

**Next Steps:**

- Grants team will review all awards with **Multiple Payment Basis** and **update field** in OASIS if Payment Basis **can be determined**.

- Grant team will **collaborate** with EFM and **impacted departments** to identify appropriate Payment Basis Code if it **cannot be determined** independently.

- Please **indicate Payment Basis** when **submitting linkage requests** to EFM for **Multiple Payment Basis** Awards.
Award and Project Screens within Oracle
Awards and Projects in Oracle PPM | Overview

The concept of Fund and Expense Account-Cost Center will be replaced with Awards and Projects in Oracle PPM.

CURRENT STATE (UCLA Financial System)

Today, Fund represents a sponsored award (contract, grant, cooperative agreement, etc.).

Today’s combination of expense account and cost center is a subgrouping of Fund.

FUTURE STATE (Oracle PPM)

Tomorrow, the equivalent of Fund will be Award.

Projects will be a subgrouping of the Award and will be used as a vehicle to separate budget and expenses within the award.
Awards and Projects in Oracle PPM | Search Features

Award Search

UCLA Research Administration
# Awards and Projects in Oracle PPM | Search Features

## Project Search

### Search Features

#### Search

- **Project Name**
- **Project Number**
- **Project Manager**
- **Team Member**
- **Customer**
- **Project Set**

#### Search Results

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<th>Project Name</th>
<th>Project Number</th>
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<th>Project Status</th>
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Awards and Projects in Oracle PPM | Headers

Award Header

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### Awards and Projects in Oracle PPM

#### Project Header & Burden Schedule

**Manage Award Projects**

*U Maryland MTDC 56% - U Maryland MTDC 56%*

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**650045_EV_46890: Details**

- Management
- Financial
- Compliance
- Personnel

**Burden Schedule Overrides**

- Award Project Burden Schedule: MTDC 56%
Awards and Projects in Oracle PPM | Funding

Award & Project Funding

Manage Award Funding

U Maryland MTDC 56% - U Maryland MTDC 56%

Funding Summary

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Funding Graphs

Funding Summary

Project Funding Details

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Any Questions?

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