



# Award Acceptance and Set-up

Post Award Management of  
Extramural Funds  
(PAM of EMF)

Friday, February 13, 2009

Instructor: Florence Lu



# Course Objectives

- Understand the rules that govern sponsored project awards made to UCSF, so that funds are set-up properly and in compliance with all applicable rules and regulations, including:
  - how to review an award synopsis
  - how to use the information to manage your award
  - how to use information on both the Research Administration System (RAS), and on the campus chart of accounts

# Course Contents

- Introduction (Mission, Getting Started)
- Types of Agreements
  - Formal Agreements: Assistance Mechanism
  - Formal Agreements: Procurement Mechanism
- Award Setup Cycle
  - Award Distribution
  - Set up in Financial & Administrative Systems
    - Research Administration System (RAS)
    - Account Fund Profile (AFP)
    - General Ledger (GL)
- Fund Advance Request
- Roles
- Keys to Success
- Summary

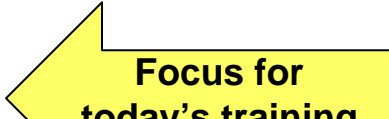
# UCSF's Mission

- Instruction
  - Teaching (students) and training (fellows, residents)
- Research or Scientific Discovery
  - Normally funded by Federal, State, Local or Private organizations, e.g. NIH
- Community or Public Service
  - Activities that benefit the general public, e.g. San Francisco General Hospital
- Patient Care and Health promotion
  - Medical Center Hospital

# Getting Started

- Before embarking upon any scope of work, the principal investigator or faculty member and key administrators must determine:
  - What **resources** are needed to meet the **mission** of the University of California
    - Human resources
    - Plant, property, equipment (PPE)
    - Cash
  - What type of **agreement** would be the most appropriate to secure the required resources

# Types of Agreements

- State General Support (19900)
  - Professional Fee Services (Consulting, CME, Agency Funds)
  - Technology Licensing (Patents, Copyrights)
  - Other Management (Clinic Management, Training Affiliations)
  - Sales and Service Educational Activity (Sales, Recharges)
  - Intramural Awards (UC Mexus, Roman Reed)
  - Gifts / Donations
  - Endowments
  - **Sponsored Projects**
- 

Refer to UCSF Guidelines and Requirements for Funds Received from Extramural Sources at:

<http://finance2.ucsf.edu/budres/policies/documents/EMFGRv20070701.pdf>



# Formal Agreements

Most Common Types of Formal Sponsored Project Agreements:

- Assistance Mechanism
  - Grant
  - Cooperative Agreement
- Procurement Mechanism
  - Contract



# Formal Agreements: Assistance Mechanism

## ■ Grant

- Idea originates with the “performer” (PI).
- Purpose is to transfer money, property, services, or anything of value to recipient in order to accomplish a public purpose.
- No substantial involvement is anticipated between sponsor and recipient during the performance of the activity.



# Formal Agreements: Assistance Mechanism

- Cooperative Agreement
  - Idea *may* originate with the “performer” (PI)
  - Principal purpose is to transfer funds to the recipient to accomplish a public objective.
  - Substantial involvement is anticipated between sponsor and recipient during the performance of the activity.



# Formal Agreements: Procurement Mechanism

## ■ Contract

- Idea originates with the sponsor.
- Principal purpose is to acquire property or services for direct benefit or use of sponsor.
  - Sponsor determines a contract procurement is appropriate.
  - Terms are negotiated back and forth.
- A contract is often referred to as a procurement.

# Formal Agreements: Procurement Mechanisms

- Contract Types
  - Cost Reimbursement Contract
  - Fixed-Price Contract
  - Time-and-Materials Contract
  - Labor-Hour Contract

There are also variations of the above contract types.

# Formal Agreements:

## Procurement Mechanisms

### ■ Cost Reimbursement Contracts

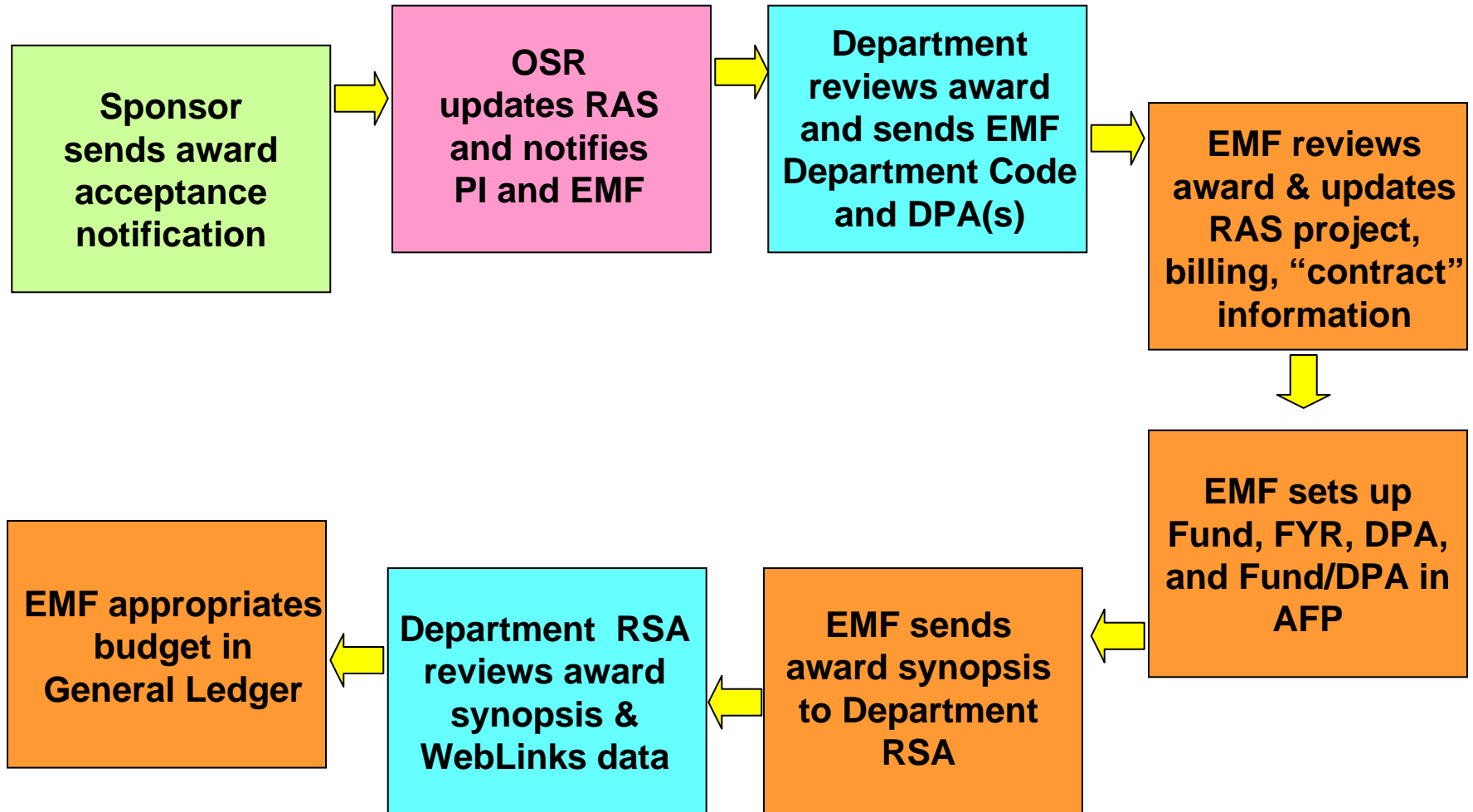
- Provide for payment of allowable incurred costs, to the extent prescribed in the contract
- Establish an estimate of total costs for the purpose of obligating funds and establishing a ceiling that the contractor may not exceed
- Used when uncertainties are involved in contract performance which do not permit costs to be estimated with sufficient accuracy to use a fixed-price contract

# Formal Agreements: Procurement Mechanisms

## ■ Fixed-Price Contracts

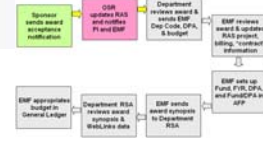
- Provide for a firm price or, in appropriate cases, an adjustable price
- If providing for an adjustable price contract:
  - May include a ceiling price, a target price, or both
  - Unless otherwise specified in the contract, these prices are subject to adjustment only by operation of contract clauses providing for equitable adjustment or other revision of the contract price under stated circumstances.

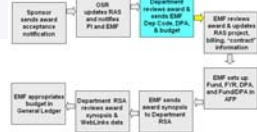
# Award Setup Cycle



# Award Distribution

- Official notification is transmitted to the campus that an award has been accepted.
- Award is created in the PeopleSoft research system (RAS), which pulls data from proposal express module to the award profile.
- OSR e-mails notification of a **new** award to the principal investigator **and** to [EMFAwards@ucsf.edu](mailto:EMFAwards@ucsf.edu). For award modifications or non-competitive renewals, OSR e-mails notification of the award to [EMFMods@ucsf.edu](mailto:EMFMods@ucsf.edu) only.
  - Even though the PI receives the RAS email, the PI does not have access to RAS.

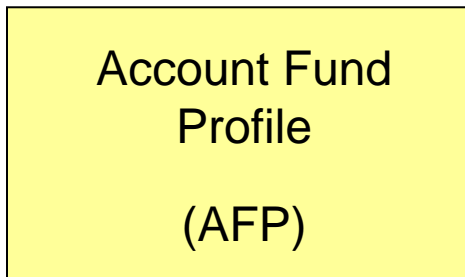




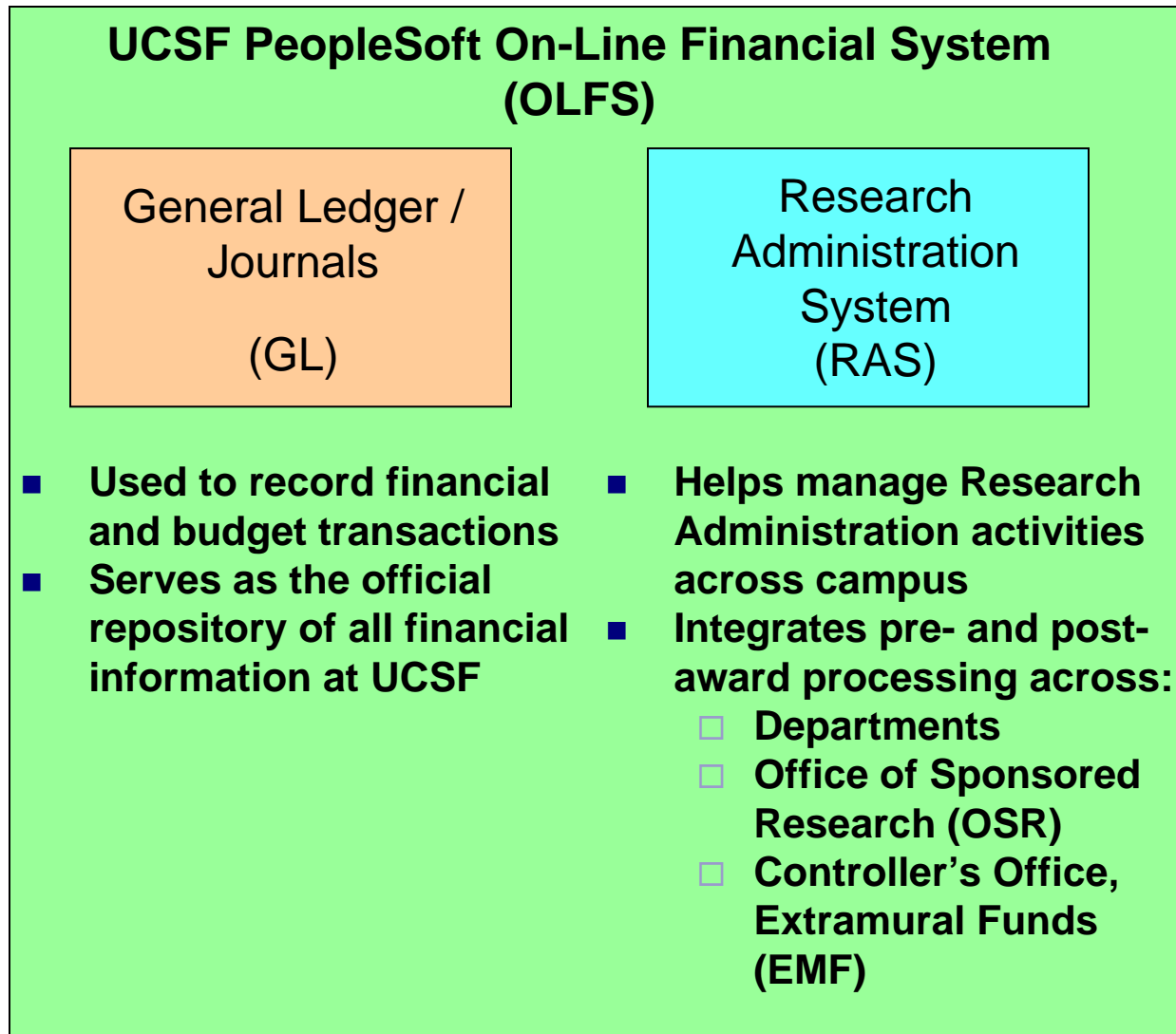
# The Award

- Read it.
- Review it.
- Understand it.
- Use reliable advisers.
- Ask your OSR representative or your department experts.
- Send EMF Department Code, DPA and budget information promptly.

# Financial/Administrative Systems



- Used to setup and maintain UCSF's chart of accounts
- Provides chartfield data to all UCSF administrative systems
- Connects UCSF's financial information to UC-wide financial information

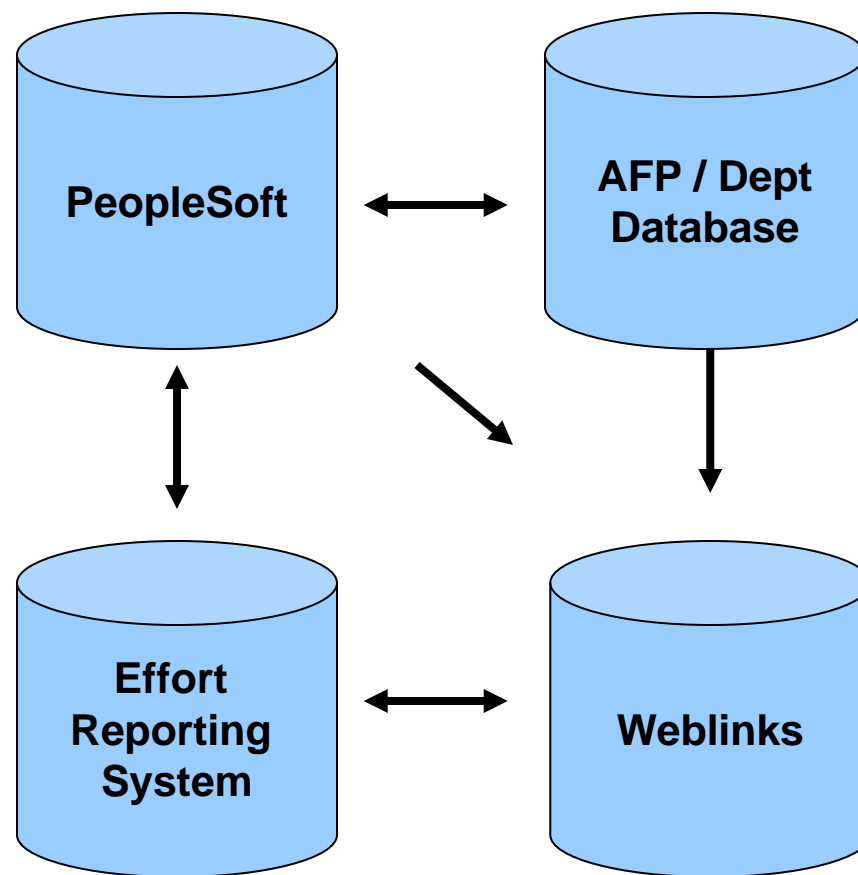




# Research Administration System

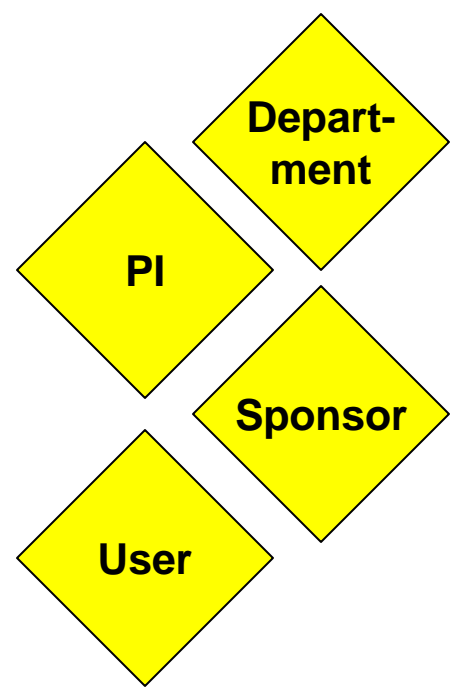
Six integrated PeopleSoft modules support RAS activities:

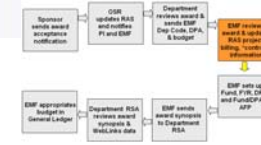
- **Proposal Express:**
  - Pre-award proposals
  - Negotiations
- **Grants**
  - Integrated Award setup
  - Modifications
- **Projects**
  - Award transactions by project
- **Contracts**
  - Award payment terms
- **Billing**
  - Invoicing
  - Letter of Credit drawdown
- **Accounts Receivable**
  - Payments
  - Collections
  - Accounts receivable tracking



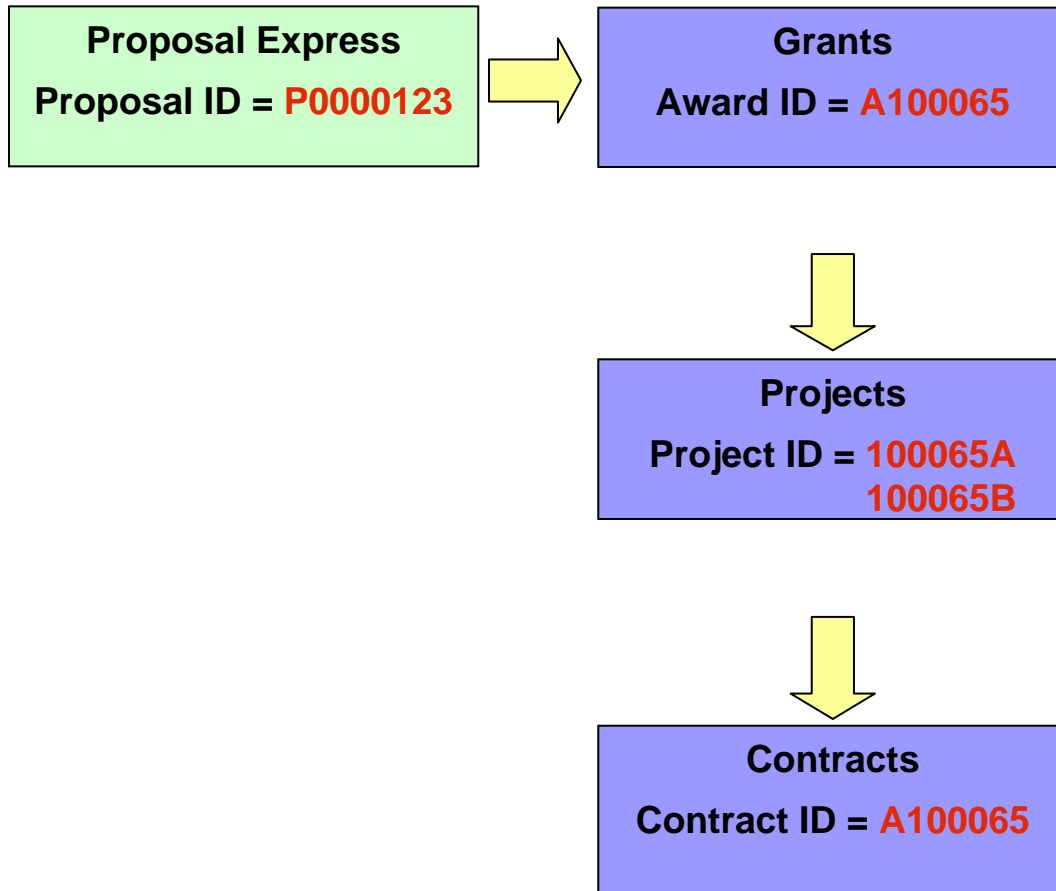


# RAS Process Components





# RAS Identifiers

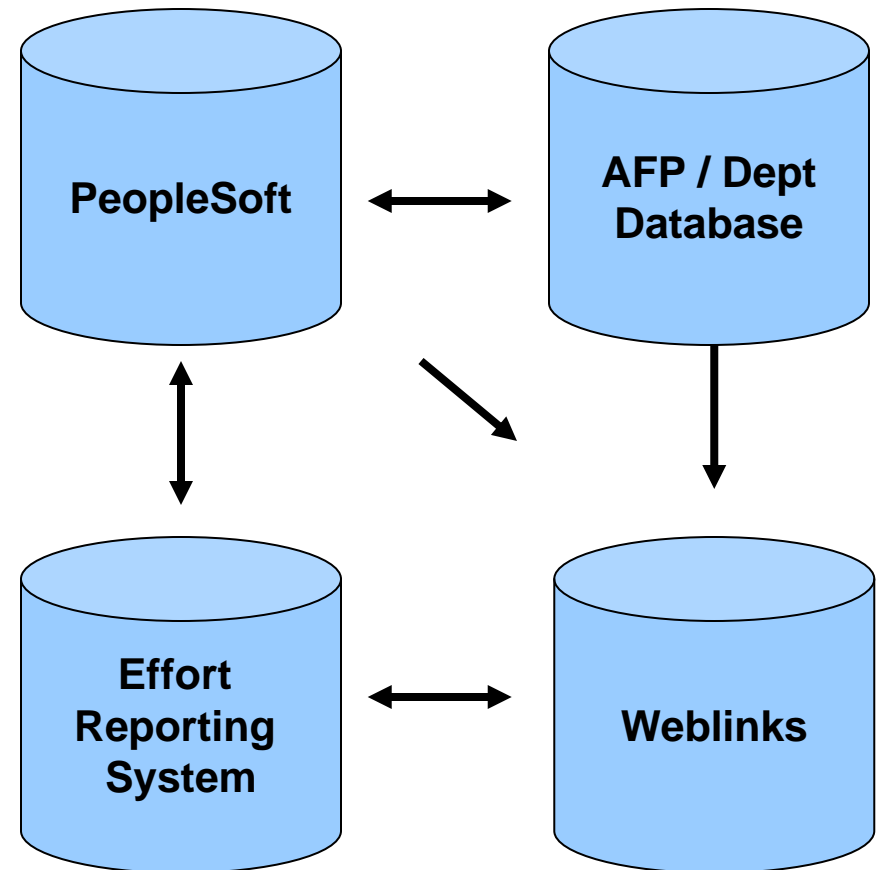


- Principal Investigator
- Start and End Date
- Sponsor
- Terms and Conditions
  
- Project Type
- Project PI
- Project Department
- F&A Base and Rate %
  
- Contract Type (e.g., LOC)
- Billing Information
- Contract Billing Limit
- Status

# Account Fund Profile (AFP)

Account Fund Profile defines UCSF chart of accounts or chartfields. AFP is used by UCOP for reporting university-wide financial information.

- **Fund Number**
  - Allows separate reporting for each award
  - Provides foundation of government and university fund accounting systems
- **DPA**
  - Identifies functional activities of the university
  - Records activities within department according to function
- **NCA**
  - Records transactions by classification (e.g., asset, liability, revenue, expense, unexpended balance)
- **Program Code**
  - Tracks Cost Sharing





# AFP Chartfield Attributes

**Fund**  
Fund Number = **18389**



**Fund Year**  
Fund Year = **01**



**DPA**  
DPA Code = **628060**



**NCA**  
NCA Value = **438888**

- Department Code
  - Begin and End Date
  - UCOP Group Code
  - STIP ID and Account
  - IC Base Code/Rate
  - Award ID
  - Primary Project ID
- 
- Begin and End Date
  - Federal Trans. Number
  - Period ID
- 
- Department Code
  - Function
  - Academic Discipline
- 
- Account Type (e.g., expense, revenue, asset, liability, fund balance)





# Fund Ranges

## ■ Other Relevant Fund Number Ranges:

State General Fund	19900 (Permanent Budget)
Endowment Funds	34000 – 35999
Gift Funds	36000 – 56999 AND 80000 – 80999
Sales and Service Funds	60000 – 76999* (approved recharges, departmental discretionary funds) <i>*except 71000-71999 as Private Contract 7/1/2008</i>
Agency Funds	00110 – 00190 AND 00200 - 00299



# Awards/Funds Not Included in RAS

- 19900 Funds
- Agency and Plant Funds
- Endowment/Foundation/Gift Funds
- 6xxxx Funds (Pro Fees, Reserves, Recharges, Sales/Service)
- NCIRE JPA Funds
- Intramural Awards (e.g. CIRP, REAC)
- Expired Sponsored Project Funds (End Date earlier than 7/1/2004)



# Awards/Funds Included in RAS

## Proposal and Award Information Only:

- UCOP Awards (e.g., BCRP, TRDRP, UARP)
- UC Portion of UC Discovery Grants
- Material Transfer Agreements into UCSF
- Other \$0 “awards” (e.g., Confidentiality Agreements)

## Proposals, Awards and Financial Processing:

- Intercampus Subcontracts to UCSF from other UC Campuses
- Contracts, Grants, Fellowships, Agreements from:
  - Local/City/County Government
  - State Government
  - Federal Government
  - Private Sponsors (Non-profit and For-profit)



# DPA/Fund Combinations

- The Fund is owned by a department and has the department's DEP Code associated with it.
- The DPA is also owned by a department.
- If you own the Fund or DPA, you will be able to view the financial information in WebLinks.
  - Fund owner can view all DPAs coupled with fund.
  - DPA owner can only view that DPA-Fund combination.
- Example: Program Project Grant
  - 4449XX-33333
    - Prime department owns Fund 33333 and can view all financial information for Fund 33333 for all DPAs.
  - 4449YY-33333
    - Sub-project department owns DPA and, therefore, can view only the 4449YY-33333 information.



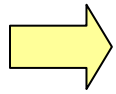
# Fund Year Usage

Type of Award	Fund Year Assignment
UCOP funds (e.g., UARP, BCRP, TRDRP)	No fund years
Multi-year awards that require an annual FSR	Assign new fund year for each year
Multi-year awards that require an FSR at end of competitive segment only	Assign new fund year for each competitive segment e.g., FY01=5 years
Single period awards (less than one year or one year or longer); e.g., city contracts, clinical trials, some subcontracts	Use FY01 only e.g., FY01=14 months



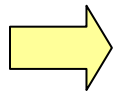
# Linking Awards/Projects to Funds/DPA's

**Award ID = A100065**  
**Project ID = 100065A**



**Fund**  
**18389**

**PI ID = 029129198**  
**Project ID = 100065A**

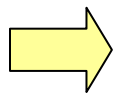


**DPA**  
**628060**

**Fund**  
**18389**

**Fund Year**  
**01**

**PI ID = 027653421**  
**Project ID = 100065B**



**DPA**  
**657843**

**Fund**  
**18389**

**Fund Year**  
**01**

*Note:*  
 Award #A104999 or smaller = converted RAS funds existed prior to 4/2006  
 Award #105000 or above = new funds created after RAS 4/2006

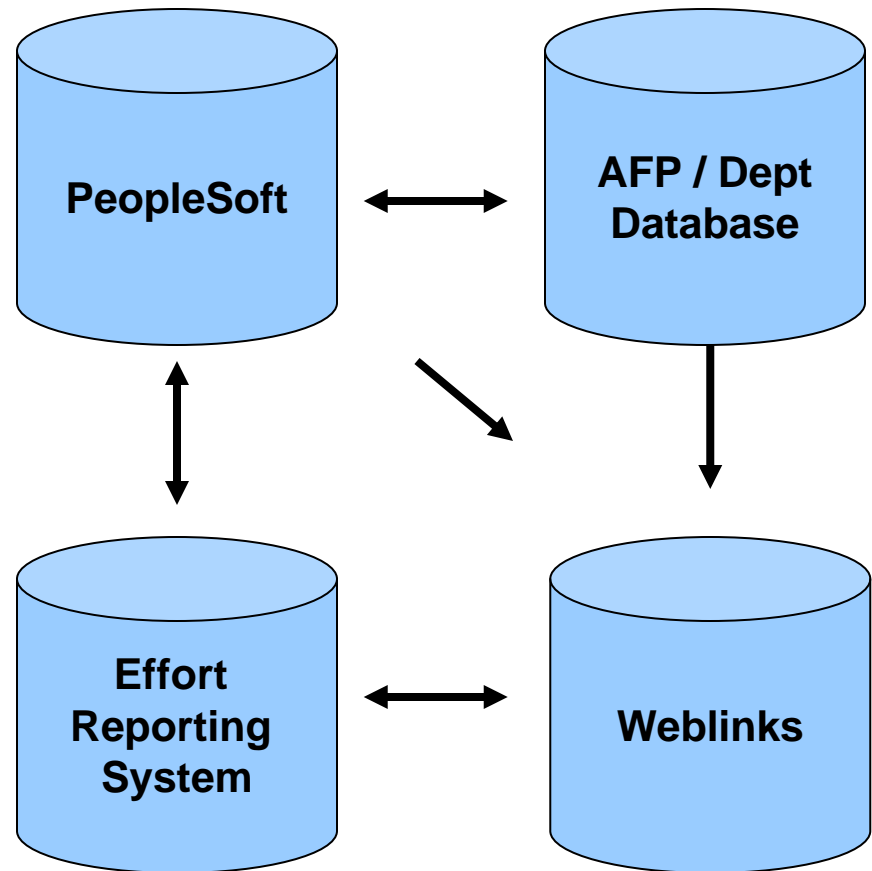


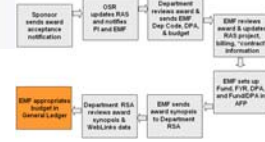


# General Ledger and WebLinks

PeopleSoft Journals are used to create financial and budget journals and post them to the General Ledger.

- ALL of the components that comprise the generally accepted accounting principals (GAAP) are applied to EACH award.
- **Journals**
  - On-line or system-generated
  - Budget or financial
  - Debits must equal credits
- **WebLinks**
  - GL Transaction Detail
  - Budget Status Report
  - Research Financial Summary Report by Fund/FY
  - DPA Summary
  - Expenditure Summary by NCA Group



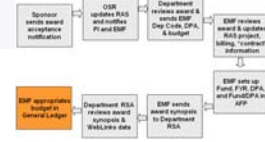


# Transaction Classification Meaning

Assets = Liabilities + Fund Balance  
 what you have = what you owe + what you own

Cash Plant, Property and Equipment (PPE) <b>Accounts Receivable</b>	Accounts Payable <b>Deferred Revenue</b>	<ul style="list-style-type: none"> <li>* Revenue</li> <li>* Expenditures</li> <li>* Fund Balance</li> <li>* <i>[Income Statement]</i></li> </ul>
---	---	--

[http://acctg/peoplesoft/journals/training/jobAids/Debits\\_and\\_Credits.pdf](http://acctg/peoplesoft/journals/training/jobAids/Debits_and_Credits.pdf)



# Budget Appropriation Journal

- EMF will process a budget journal to appropriate the award using Budget NCA Groups.
  - If the award has specific line item budget restrictions, EMF will appropriate the award to specific cost categories at the NCA group level (not the specific expenditure NCAs)
    - e.g., training grants and many contracts
  - For other awards, including NIH modular awards, installment grants, and other prepaid awards (but excluding clinical trial awards), EMF will use only two NCA groups:
    - 438888 Direct Unallocated
    - 490000 Indirect (F&A)
  - All budget journals must have a zero (\$0.00) balance in any Fund/FY combination.



# Budget Appropriation Journal

## RAS

## General Ledger

Award Amount = \$100,000.00

Total Budget = \$60,000.00

Project ID = 100065A

<b>DPA</b> 628060	<b>Fund</b> 18389	<b>Fund Year</b> 01	<b>Project ID</b> 10065A
----------------------	----------------------	------------------------	-----------------------------

Total Budget = \$40,000.00

Project ID = 100065B

<b>DPA</b> 657843	<b>Fund</b> 18389	<b>Fund Year</b> 01	<b>Project ID</b> 10065B
----------------------	----------------------	------------------------	-----------------------------

NCA	Fund	DPA	FY	Project	Amount
330030	18389		01		\$ 100,000
438888	18389	628060	01	100065A	\$ -48,000
490000	18389	628060	01	100065A	\$ -12,000
438888	18389	657843	01	100065B	\$ -32,000
490000	18389	657843	01	100065B	\$ -8,000

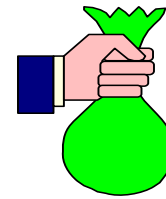
# Fund Advance Request

- PI may request a DPA/Fund number to spend funds in advance of UCSF's receipt or finalization of an award (if appropriate).
- 3 types of requests
  - FDP pre-award costs - new fund
    - **Note:** FDP pre-award costs = 90 days (not 3 months)
  - Project period began; award not received (mostly contracts) – new fund
  - Need new fund year on existing fund – new fund year

# Fund Advance Request

- New campus procedure as of 08/15/2005.
  - Complete the Fund Advance Form from the OSR website.
  - Estimate amount of direct costs and F&A costs for the time period requested.
  - Send the request to OSR, either C&G or Industry unit, provided that:
    - proposal was previously submitted thru OSR, AND
    - the sponsor agency has indicated its intention to fund the project, meaning a strong likelihood of receiving funding, AND
    - the Department Chair / Unit Director guarantees funding.
  - Ensure COI/CHR/IACUC approvals are in place if applicable.
  - Refer to form and procedure for Fund Advance Request at:  
<http://www.research.ucsf.edu/CG/forms/cgUCSFform.asp>
- EMF sets up a new Fund using PTA (prior to award) in the Fund title.
  - Only the AFP set up is completed to allow for spending.
  - RAS is not updated since there is no award information.

# Non-Profit Prepayments



- Sponsors should send payments directly to EMF.
- For checks received by departments:
  - Fax or email a copy of the check to EMF.
    - Include the Fund and Award Number.
    - Include the Sponsor Name.
  - Deposit check. If unable, send checks to Box 0897.
  - **Send email request to EMF for Cash journal.**
    - EMF must prepare the journal within the RAS system to ensure cash is recorded correctly.



# Role of the RSA

Research Services Analyst (RSA) must:

- View the Award Profile;
- Download the award documents, if necessary;
- Notify EMF if there is a need to:
  - (1) change the department code
  - (2) add a DPA  
[http://www.acctg.ucsf.edu/general\\_accounting/forms/DPA%20REQUEST\\_Revised\\_05\\_07.xls](http://www.acctg.ucsf.edu/general_accounting/forms/DPA%20REQUEST_Revised_05_07.xls)
  - (3) update the PI information at the project (fund-FY-DPA) level

# Role of Extramural Funds (EMF)

EMF must:

- Confirm award information:
  - Sponsor information
  - Whether it is cost reimbursement versus prepaid
  - Whether the award will flow through PS billing and accounts receivable
- Set up RAS project, billing, and “contract” information.
  - Most awards activate ALL of PeopleSoft modules, including billing and accounts receivable.
  - Billing and accounts receivable is not activated in PeopleSoft for special state appropriations; the 199xx general fund share of the UC Discovery awards; and intramural awards where the prime source is the 19900 general fund or 3xxxx endowments.
- Set up Account-Fund Profile (AFP).
- Generate the Award Synopsis.
- Appropriate the budget.



# Keys to Success

- Plan with PI
- Keep an Organized Filing System
- Complete First Steps for Managing Award
- Learn Laws, Policies and Regulations
- Ensure Compliance



# Keys to Success:

## Plan with PI

- Congratulate your PI.
- Review award documents & discuss with the PI.
  - Award terms and conditions, restrictions
  - Staffing plans (payroll projections)
  - Purchasing/spending authorization
  - Reporting requirements
- Prepare sub-agreement and/or consultant forms, if needed.
- Confirm IACUC and CHR approvals are in place.



# Keys to Success:

## Keep an Organized Filing System

### ■ Proposal Files

- Copy of the final proposal submitted
- Documentation including working budget

### ■ Post-Award Files

- Award documentation (notice & synopsis)
- Sub award information
- Personnel information
- Correspondence
- Transactional documents
- Ledgers



# Keys to Success:

## Complete First Steps-Managing Award

- Notify and/or recruit staff & make payroll changes
- Include this in your PI's and other key personnel effort management tracking system
- Set-up files (electronic and hard copy)
- Keep an "Account/Fund/FY" chart
- Set up a Cost Share Tracking System
- Purchase initial equipment & set up blanket orders
- Notify Recharge departments
- Keep a calendar of renewals/continuation due dates for all grants by each PI



# Keys to Success:

## Learn Laws, Policies and Regulations

- Federal law, regulations, policy, guidance
  - A-21 for grants, contracts, cooperative agreements
  - A-110 for Financial Assistance Awards
  - A-133 federal audit
  - Cost Accounting Standards
  - Federal Demonstration Partnership (FDP)
  - NIH Grants Policy Statement
- Non-profit agency regulations
- UCSF charging practices for federal awards



# Keys to Success:

## Ensure Compliance

- Guide PI on rules of compliance:
  - OMB circular A-21
  - A-110 for Financial Assistance Awards
  - A-133 Federal audit

**Note:** These will be discussed in more detail in a later compliance module.



# Contact Information

- EMF Contacts by Function:

[http://acctg/extramural\\_funds/contacts/index.htm](http://acctg/extramural_funds/contacts/index.htm)

# Summary of Tasks

Task	OSR	RSA / PI	EMF
1. Receive award notification.	✓		
2. Update RAS award information and forward notification to PI & EMF.	✓		
3. Review award document.		✓	✓
4. Send Dep Code, DPA & budget information to EMF.		✓	
5. Update RAS project, billing, and “contract” information.			✓
6. Set up Fund, Fund Year, DPA, and Fund/DPA combinations in Account Fund Profile (AFP).			✓
7. Send award synopsis to RSA.			✓
8. Review award synopsis & WebLinks data and meet with PI to plan.		✓	
9. Appropriate budget in General Ledger.			✓