



# Extramural Fund Management

---

August 11, 2022

---

# **Changes to the Final Financial Deliverable Revision Procedure**

Yoon Lee

# Payment Management System

- **The Payment Management System (PMS) is a tool to help grant recipients draw down funds and file the Federal Financial Report (FFR).**
- **For federal grants from DHHS, NASA, Department of Labor, Corporation for National and Community Services(CNCS) and a few more agencies, UCLA draws cash on the letter of credit (LOC) with US Treasury through PMS.**
  - Grants on LOC do not require UCLA to submit an invoice to get payments.
  - UCLA can draw cash under a designated document number in the PMS for each grant.
  - UCLA is required to report expenditures, cash receipt and cash disbursement through the FFR.
- **PMS automatically prohibit a grant recipient's access to the document to draw cash after the liquidation period, 120 days after the project end date.**
  - UCLA currently processes the final draw based on the expenditures finalized through a closeout packet. In order to regain access, the sponsor's approval is required. The sponsor notifies PMS directly when approval is granted.
- **It is privilege to have access to LOC as a low-risk auditee and this privilege can be revoked by the sponsor at the individual grant level or at the institution level.**

# Revision to the Final FFR – LOC grants in PMS only

- Effective immediately, **August 11, 2022**
- Overall process to request a revision for the final financial deliverable remains same. Additional steps (**Step #4**) are applicable for DHHS LOC Grants in PMS only when the expenses increase.
  1. Department submits [a revision request form](#) to EFM. No change to the form.
  2. EFM FM reviews if the revision request form is complete and meets conditions for EFM to process revision (e.g. meeting the threshold for revision, the expenses are posted in GL, explanation for revision is adequate, etc.)
  3. If no, EFM FM communicates to the department that it is not meeting conditions for revision.
  4. If yes, EFM FM submits [a request for a late draw in PMS to the sponsor \(GMS\)](#), copying the PI and the department administrator(s).
    - a) If GMS approves the request, EFM FM proceeds to prepare a revised FFR and communicates the revised final amount to EFM CM along with the GMS' approval. EFM CM will work with PMS to reopen the document on LOC to draw cash based on the GMS's approval.
    - b) If GMS reject the request, EFM FM communicates the sponsor's rejection to the PI and the department administrator(s) and request to transfer expenses from the project fund.
- The revision procedure document is available on the EFM website, [Policies and Procedures](#).
  - All updates will be reflected in the document on the website by August 16<sup>th</sup>.

# Background for the Change

## Final Financial Deliverables: Late Submission

- NIH NOT-OD-21-102: Reminders of NIH Policies related to Closeout

- NIH NOT-OD-21-149: Process for Requesting Drawdowns Outside of the Liquidation Period

- Prior to submitting the payment request in PMS, submit a **prior approval request** to the IC Grants Management Specialist listed in the Notice of Award.
- The request must provide the PMS subaccount, NIH grant number, the amount of funds being requested, and a justification for the late payment request. The recipient must also describe what action is being taken to preclude similar situations in the future.
- The IC will review the request and if it is determined that the justification is adequate, will notify the recipient of the approval (Requests will be reviewed and considered on a case-by-case basis).
- Once approved, NIH will notify PMS of the approval. The recipient may submit the payment request in PMS.

NOT-OD-21-102 issued April 2, 2021 and NOT-OD-21-149 issued July 8, 2021

UCLA Research Administration

From RAF in May 2022

# Important Upcoming Changes

- **Target Effective Date: January 1, 2023**
  - A revision request submitted to EFM on January 1, 2023 and onward.
- **Key changes:** No change to a downward revision request. For an upward revision request,
  - Increasing thresholds for revision as follows;

	Current	January 1, 2023 ~
When a closeout packet is submitted	\$5,000	\$10,000
When a closeout packet is not submitted	\$10,000	\$30,000

- Reducing the number of revision and the window for a revision as follows;

	Current	Due Date	
Number	Up to 2	Within 120 days	after the original final due date or the submission date of the final, whichever is later
Timing	1	Within 60 days	

*60 days after the original final due date is aligned with NIH requirement (180 days from the project end date).*

- **Soliciting Feedback**
  - Any questions or comments are welcome and appreciated. Share your feedback with Yoon, [yoon.lee@research.ucla.edu](mailto:yoon.lee@research.ucla.edu).

# Any Questions?

## Contact Information

### EFM Website

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

### Audit and UCPATH inquiry

Email: [RFChelp@research.ucla.edu](mailto:RFChelp@research.ucla.edu)

### Yoon Lee

Phone: (310) 794-0375

Email: [yoon.lee@research.ucla.edu](mailto:yoon.lee@research.ucla.edu)

