



Extramural Fund Management

November 14, 2019

Agenda

- **Closing Expired Funds**
- **ERS Listserv Changes**
- **Ascend: Expenditure Type**

Expired Funds

Will Murdoch

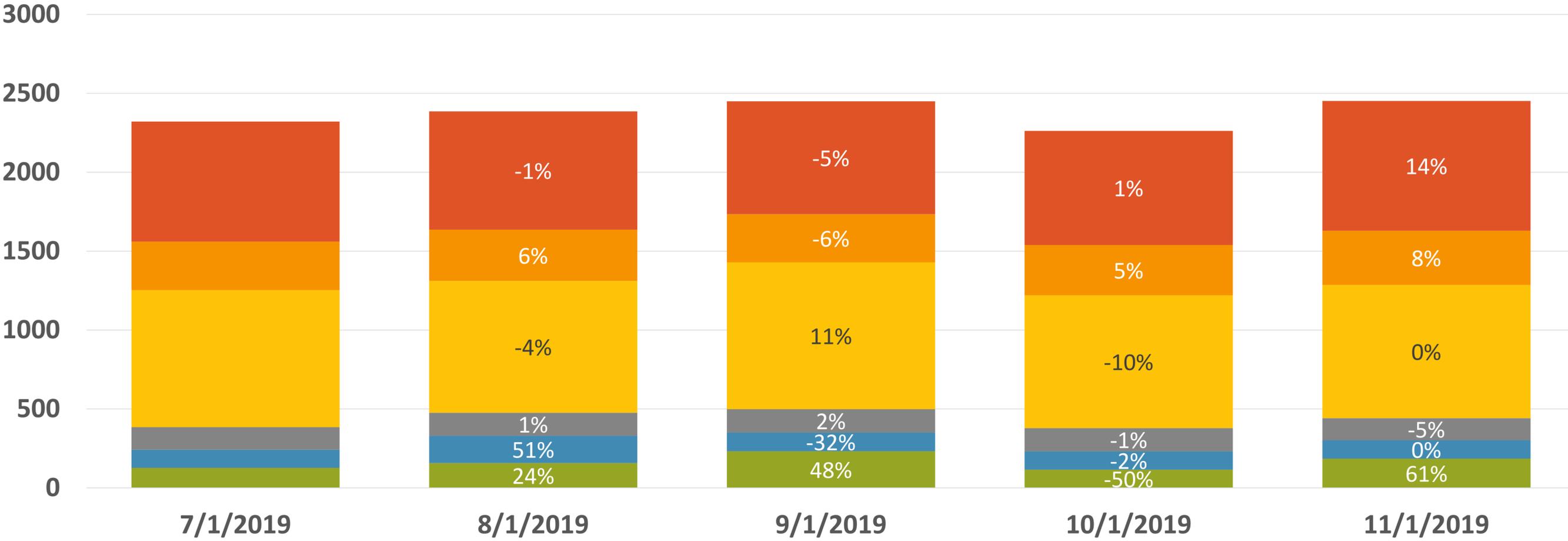
Closing Expired Funds

- **Best Practice is to close funds 120-150 days after the fund expiration date**
 - We currently have many funds over 120 days that have yet to be closed (“Y/N’d”)
 - There are five requirements to be able to close:
 - The final financial deliverable must be completed
 - Accounts Receivable are \$zero
 - Encumbrances are cleared
 - Accounts Payable are \$zero
 - Operating Balance is \$zero
 - Some of these requirements EFM can take the lead in addressing, many others need department support
- **Expired funds left open will drive unnecessary data conversion for Ascend**
 - Goal to close expired funds by June 30, 2020, then remain caught up until Go-Live July 1, 2021

Our Game Plan

- **ORIS provides monthly reports on Expired Funds 120 days after expiration that remain open**
 - Between 2,262 and 2,452 funds have needed attention for the last five months
- **We are tracking six categories of funds**
 - 1) All balances = \$zero
 - 2) Only open AR
 - 3) Only open encumbrances, or AP
 - 4) Only non-zero Operating Balances
 - 5) Multiple balances (AR, Encumbrance, AP, Operating Balance)
 - 6) The final financial deliverable has not been completed.
- **EFM is taking the lead to address categories 1 and 2 (10-15% of funds)**
- **We need departments attention and action to focus on categories 3 – 6 (85-90% of funds)**
 - Funds with open AR may require department's action depending on the reasons for a delay in collection.
 - Funds will “migrate” as departments complete action, and they move to those for EFM focus.

Total number of expired funds has remained unchanged



- 1) All balances = \$0
- 2) Only open AR
- 3) Balance in one area only (Encumbrance or AP)
- 4) Only non-Zero Operating Balance
- 5) Multiple balances
- 6) Financial Deliverables in a Non-terminal status

How can EFM Help you help us?

- **Reports are refreshed monthly**
 - School/Department specific reports can be provided to you if requested
 - Reports include helpful information:
 - Fund End Date
 - Final Deliverable Due Date
 - Final Deliverable Status
 - AR, Encumbrance, AP, and Operating Balance totals
 - Program Type
 - Sponsor Type
 - Last PAMS comment
 - We can add in comments from EFM or Department Fund Managers
- **Contact Will Murdoch if you'd like to review the expired funds in your portfolios!**

ERS updates

Will Murdoch

Current Certification Rate

- Current campus certification rate is 84% as of 11/12/19
- All outstanding reports are now past due and need to be certified ASAP

Academic Year	Fall			Winter			Spring			Summer		
	Cert Rate	Cert #	Open #	Cert Rate	Cert #	Open #	Cert Rate	Cert #	Open #	Cert Rate	Cert #	Open #
2005-2006	N/A	N/A	N/A	N/A	N/A	N/A	100%	6683	0	100%	6984	0
2006-2007	100%	6112	0	100%	6050	0	100%	6195	0	100%	6575	0
2007-2008	100%	5828	0	100%	5872	0	100%	5997	0	100%	6498	0
2008-2009	100%	5830	0	100%	5877	0	100%	6128	0	100%	7394	0
2009-2010	100%	6434	0	100%	6681	0	100%	6899	0	100%	7798	0
2010-2011	99%	6573	3	100%	6621	0	99%	6772	1	99%	7081	2
2011-2012	99%	6212	1	99%	6283	1	100%	6277	0	100%	6608	0
2012-2013	99%	5773	3	99%	5843	3	99%	5815	1	99%	6117	4
2013-2014	99%	5372	2	99%	5336	2	99%	5504	1	99%	5899	3
2014-2015	99%	5266	1	99%	5341	2	99%	5345	5	99%	5859	6
2015-2016	99%	5224	3	99%	5265	4	99%	5386	6	99%	5698	6
2016-2017	99%	5120	9	99%	5176	9	99%	5231	45	98%	5732	66
2017-2018	97%	5083	106	97%	5007	122	84%	5310	954			

Note: Academic Year 2017 - 2018 Spring effort reports include a modified effort reporting period of: April to July 2018 for 11/12 Academics, April to July 2018 for Non-Academics, and March to July 2018 for 9/12 Academics

ERS Listserve Change

- **What is the ERS Past Due and Open Effort Report Listserv?**
 - The Listserv distributes an Excel file to designated departmental contacts that lists all outstanding open and past due effort reports by individual.
 - A new Excel file is generated and sent to each department via the Listserv on the 15th day of each month.
- **What is changing with the Listserv?**
 - Previously departments could add/remove any individual in their department to/from the Listserv by reaching out to the ERS Help Desk.
 - As announced at September 2019 RAF, moving forward the Listserv will now be automated to only include current ERS Coordinators from each department. Departments no longer need to add/remove individuals by reaching out to the ERS Help Desk.
 - This change is effective November 15th, 2019.

ERS Coordinator Role

- **What is the role of an ERS Coordinator?**
 - While ERS coordination duties will vary by department, typical duties include:
 - Receiving ERS notifications and distributing the information in those notifications to the appropriate individuals within their department or area of responsibility. This includes the Past Due and Open Effort Report Listserv.
 - Tracking status of effort reports (e.g., open, certified, re-opened) and reporting to administrators.
 - Identifying incomplete and/or late Effort Reports and notifying appropriate individuals to take action.
- **Who is responsible for designating individuals as ERS Coordinator?**
 - Departments are responsible for designating at least one ERS Coordinator within their department. Departments may choose to assign multiple ERS Coordinators, and ERS Coordinators may include senior-level individuals within the department.
- **How is the ERS Coordinator function assigned in ERS?**
 - Department DSAs manage and grant access to specific ERS roles via DACSS, including the ERS Coordinator role. DSAs coordinate with department administrators on granting this access.

ERS Updates

- **What else should I know about this change?**
 - If your department does not have an ERS Coordinator assigned, EFM will reach out to inform appropriate department contacts.
 - If you are unsure who current ERS Coordinator(s) in your department are, a list can be found here:
 - <https://efm.research.ucla.edu/wp-content/uploads/ers-coordinators-list.xlsx>
 - Contact your DSA if your department needs to assign or update ERS Coordinator role in DACSS.
 - ERS Coordinators do *not* have access to view payroll details within ERS, unless this access is granted by the DSA. Ability to view payroll details is a separate role in ERS that DSAs can assign via DACSS. Contact your DSA or ershelp@research.ucla.edu if you have any questions.

Ascend: Expenditure Type

Yoon Lee

Follow-up from the last RAF in October 2019

- **Questions from last RAF in October 2019 about Expense Approval Workflow**
 - Even when an invoice is the same amount as the amount in the approved requisition, does it still require approval for payment?
 - Where do I see the list of requisitions and invoices requiring my approval?
 - What parameters are available for me to filter requisitions and invoices to find the ones that require my approval when I am one of financial unit managers?
 - What parameters are available for me as PPM Project Manager to sort/filter requisitions and invoices that require my approval?
- **Helpful resources to find answers**
 - Webinar: How will approval workflow be used in Oracle Cloud? <https://vimeo.com/362566382>
 - If you are BPE or Specialist, attend a BPA2 session for P2P in December 2019 to learn more.
 - Ascend Workflow Leads: Hemkant Patil and Kelsey Eichman
 - Expense approval workflow webinar was stated in the UCLA Ascend Trail Mix Newsletter sent October 24, 2019
 - To stay informed, sign up for Trail Mix at <https://www.ascend.ucla.edu/newsletters>

Expenditure Types in PPM

- **February 14, 2019, at RAF:**
 - Expenditure categories and types in PPM (Project Portfolio Management) were introduced.
 - Similarities and differences were highlighted compared to sub-object codes in today's Financial system.
 - Designing principles and the initial analysis was shared.
- **February 20, 2019, via ORA listerv:**
 - The initial draft of expenditure categories and types were distributed to campus for feedback.
 - This list was based on review of 120 open funds for the 3 pilot departments.
 - Consolidated 246 object codes to 75 Expenditure Types following the design principles.
 - 10 expenditure categories were established.
- **Thank you all for providing feedback!**

Expenditure Types in PPM

Summary from February 2019 RAF

- **Expenditure Types will be used like object codes today.**
 - To describe the nature of expenses.
 - To indicate allowability of costs.
 - To establish F&A bases.
- **Expenditure Types in Sub-ledger will be mapped to Expense Accounts in General Ledger.**
- **Designing Principles:**
 - Support accurate financial and management reporting with the minimum number of expenditure types.
 - Support accurate mapping to expenses accounts in General Ledger.
 - Expenditure types must not be more general than expense accounts in GL for mapping.
 - Support effective and efficient compliance monitoring.
 - Allowability
 - F&A assessment

Expenditure Types in PPM

Progress and Benefits

- **Completed a few rounds of reviews of 1,013 object costs for all funds across campus.**
 - Eliminated 494 object codes that were never used for the fiscal year of FY17-18.
 - Consolidated 519 object codes into 216 expenditure types.
 - Continue to monitor use of object codes outside 519 at each conversion practice cycle to catch all.

- **Expanded the Expenditure Type length from 15 to 40 characters to be more descriptive.**

Previously with 15 character limit	Current plan with 40 characters
STUD Award-Pay	Student Award – Payment
STUAWD Fee Off	Student Award – Fee Offset
PST DOC INS Off	Post Doc Mandatory Insurance Fee Offset
SCLRSHP CRED	Scholarship Allowance Credit

- **Expenditure types will be used only for Extramurally Sponsored Projects (C&G).**
 - Expenditure type is “E” as in “POETAF” and C&G has its own “expenditure type list” different from those of capital and internal funded projects. Expenses for non-project funds in GL will be identified by “Expense account” in CoA.
 - Allows ORA to manage the expenditure type list to meet C&G reporting needs and compliance requirements.
- **Expenditure types will be mapped to the invoice line for certain sponsor’s specific templates.**
 - We are developing the top 10 invoice and financial report templates in Oracle that will populate the data available in the system including award demographic information and actual expenses per expenditure category.

Expenditure Categories in PPM

Progress and Benefits

- **10 expenditure categories remain with updated descriptions.**
 - (1) Salary and wages, (2) Employee Benefits, (3) Materials and Supplies, (4) Travel and Transit, (5) Services, (6) Equipment, (7) Stipends, Tuition and Fees, (8) Subawards, (9) Other Direct costs, and (10) Facilities and Administration Costs
- **Enables more consistent reporting of expense grouping.**
 - Only one expenditure category will be applicable to each expenditure type unlike today, more than one sub code are applicable to an object code.
 - These 10 expenditure categories will be used for UCLA standard invoice template.
 - Each Expenditure Type will be mapped to its corresponding expenditure category as defined by UCLA.
- **Sponsor's specific templates will follow expenditure categories required by the sponsor.**
 - Each Expenditure Type will be mapped to its corresponding sponsor's expenditure category for the templates that will be available in Oracle.

Expenditure Types in PPM

Allowable, Warning, and Unallowable object codes

- **Current: All object codes are grouped in one of three following categories for its restriction.**
 - Allowable, warning, or unallowable

- **Future:**

Current State: Object code	Future State: Expenditure Type
Allowable: FS allows a cost with this object code to be processed to C&G funds.	Allowable object codes will be consolidated into a smaller number of Expenditure Types that can be selected for an expense to a C&G project.
Warning: FS allows a cost with this object code to be processed to C&G funds with “warning” at initiation.	Warning object codes will be included in the allowable Expenditure Type list with clearer descriptions to highlight that it is for the direct benefit of the project.
Unallowable: FS does NOT allow a cost with this object code to be processed to C&G funds. A cost with an unallowable object code must be charged to a non-C&G fund first and transferred to the applicable C&G fund via financial journal by EFM when warranted.	Unallowable object codes will not be available in the allowable Expenditure Type list to select for a cost to charge a C&G project. Such costs must be charged to a non-C&G funding source first and need to be moved to the applicable C&G project through the cost transfer system. Unallowable Expenditure Types will be available in the Cost transfer System for selection and all cost transfers with unallowable expenditure types will require EFM’s approval.

Expenditure Types and Categories in PPM

Departmental perspective is critical to finalize the expenditure types and your feedback by November 30, 2019 is appreciated.

- **Questions that can guide your review:**
 - Is this list complete for my invoicing and reporting needs?
 - Does this list includes expenditure types that are equivalent to the current object codes that I am frequently using?
 - Is each expenditure type descriptive enough for accurate selection?
 - Can you identify which expenditure type you will choose for object codes you are frequently using?
 - Is this list too general?
 - Does this list includes expenditure types that are frequently required by sponsor for separate line reporting in the invoice or financial report?
- **An updated expenditure type list will be sent to PAMS Listserv and ORA Listserv. Please send your feedback to yoona.lee@research.ucla.edu by 11/30/19.**

Any Questions?

Contact Information

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