Welcome!

Marcia Smith
Associate Vice Chancellor for Research
Agenda

• Welcome and Announcements - Marcia Smith

• OCGA – Patti Manheim
  ▪ OCGA Proposals and Awards FY15/16 – Patti Manheim
  ▪ Grant Updates – Kathy Kawamura
  ▪ Subaward Process Timelines – Mary Haskins

• EFM – Yoon Lee
  ▪ Staff Updates – Yoon Lee
  ▪ New Fund Closeout Procedure – Yoon Lee
  ▪ Change to Restriction of Object Codes – Jen Ear
Patti Manheim
OCGA Proposal and Award Data

October 13, 2016
## Proposal Submissions

FY14 – FY16

<table>
<thead>
<tr>
<th>Administering Office</th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCGA</td>
<td>Count</td>
<td>4,855</td>
<td>4,922</td>
</tr>
<tr>
<td></td>
<td>Dollars</td>
<td>$3.6 B</td>
<td>$3.7 B</td>
</tr>
<tr>
<td>Overall Campus</td>
<td>Count</td>
<td>5,385</td>
<td>5,470</td>
</tr>
<tr>
<td></td>
<td>Dollars</td>
<td>$3.7 B</td>
<td>$3.8 B</td>
</tr>
</tbody>
</table>

- Average of 23 proposal submissions per working day for all of UCLA
- Average of 20 proposal submissions per working day for OCGA
- Office of Contract and Grant Administration handles 90% of transactions
On-Time Proposal Submissions to OCGA FY15 – FY16

- Increase in proposals received 5 days or more.
- 70% (7 out of 10) non-compliant.
Requested Dollars by Sponsor Type
FY14 – FY16

- Federal Gov't
  - FY2014: $3.0 B
  - FY2015: $3.0 B (0% change)
  - FY2016: +5%

- Business & For-profit
  - FY2014: $1.5 B
  - FY2015: -48%
  - FY2016: +9%

- State and Other Gov't
  - FY2014: $0
  - FY2015: -32%
  - FY2016: +26%

- Higher Education
  - FY2014: $1.0 B
  - FY2015: -20%
  - FY2016: -20%

- Charitable & Non-profit Orgs
  - FY2014: $0
  - FY2015: +14%
  - FY2016: +27%

Complex applications continue to rise.
- Prospective agreement to problematic terms and conditions
- Vague and/or unfamiliar guidelines
- Unique/non-standard sponsor submission systems
- Often require F&A Requests for Exception
Complex versus Expedited Awards
FY13 – FY16

- Continuing steady increase of complex awards
- Decrease in standard expedited awards
- Non-standard/non-favorable terms and conditions
- Protracted processing times
- Input/approval from a number of parties
Award Processing Times – Expedited versus Complex
FY13 – FY16

- Consistent processing timeline for expedited awards.

- Five business day reduction in processing times for complex awards!
Expedited Award Processing
FY16

- Favorable terms – no negotiation/no signature
- Missing Internal documents (signed eEDGE forms, EPASS, IRB/ARC Approvals)
- FCOI reviews (small percentage)
Expedited Award Processing
FY16

- Majority of expedited awards did not require input from department, RPC, IRB, ARC, etc.
- Ensures two-day turnaround time.
- Complete proposal materials lead to efficient, quick award processing and fund number assignment.
Complex Award Processing FY16

- Missing Internal documents (signed eDGE forms, EPASS, IRB/ARC Approvals)
- Protracted negotiations
- Internal UCLA/UCOP review/approvals
Complex Award Processing
FY16

- Complex awards require increased interaction outside OCGA.
Complex Award Processing
FY16

- OCGA Action Only: 6
- One External Agreement Action: 17
- Two or More External Agreement Actions: 27

Award Processing Net Work Days (Median)
Common Agreement Statuses
FY16

- Pending Internal Documents: 1,856 (40.0%)
- Pending Sponsor: 1,412 (30.4%)
- Pending RPC Review: 478 (10.3%)
- Pending PI/Department: 386 (8.3%)
- Pending Miscellaneous: 509 (11.0%)
Awards Received without Proposal
FY16

- Average of 63 awards per month.
- $132.3M awarded dollars.
Awards Processing Timelines – Award Received *with* versus *without* Proposal FY16

<table>
<thead>
<tr>
<th>Complex Awards</th>
<th>Awarded/Fully-Executed</th>
<th>11</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fully-Executed/Award Received Without Proposal</td>
<td>25</td>
</tr>
<tr>
<td>Expedited Awards</td>
<td>Awarded/Fully-Executed</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Fully-Executed/Award Received Without Proposal</td>
<td>3</td>
</tr>
</tbody>
</table>

Net Work Days (Median)
Awards Received without Proposal
FY16

- 30% of Charitable/Non-Profit awards received without proposal.
- 15% of all awards received without proposal.

<table>
<thead>
<tr>
<th>Sponsor Type Category</th>
<th>Awarded/Fully-Executed</th>
<th>Fully-Executed/Award Received Without Proposal</th>
<th>Sponsor Type Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Government</td>
<td>1,949</td>
<td>74</td>
<td>2,023</td>
</tr>
<tr>
<td>Business &amp; For-Profit</td>
<td>30</td>
<td>16</td>
<td>46</td>
</tr>
<tr>
<td>State &amp; Other Government</td>
<td>127</td>
<td>73</td>
<td>200</td>
</tr>
<tr>
<td>Higher Education</td>
<td>804</td>
<td>167</td>
<td>971</td>
</tr>
<tr>
<td>Charitable &amp; Non-Profit</td>
<td>822</td>
<td>337</td>
<td>1,159</td>
</tr>
<tr>
<td>Organizations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall Total</td>
<td>3,732</td>
<td>667</td>
<td>4,399</td>
</tr>
</tbody>
</table>
OCGA Sponsor

- CTAO
- PI
- Campus Counsel
- OHRPP
- RPC
- VCs
- Other UCs
- Dvlpmt
- EFM
- OIP
- UCOP
- Tax Svs
- OARO
- ISR
- Purch.
- Chairs
- Cap Progs
- Deans
- Risk Mgmt
- ISR
- OARO
- CTAO
- PI
- Campus Counsel
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- VCs
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- Dvlpmt
- EFM
- OIP
- UCOP
- Tax Svs
- OARO
- ISR
- Purch.
Staff Updates

NEW Staff:

- Tameka Pratt – Grant Analyst
  Program Assistant with the Department of Justice. Expertise in pre- and post-award activities including review of grant LOIs and proposals, monitoring expenditures and financial statements, and reviewing federal grants and cooperative agreements.

- Tawnya Charters – Grant Analyst
  Harvard University Graduate School of Arts and Sciences. NSF proposal experience, managed NSF fellowship grants supporting over 350 fellows.

- Emery Ham – Proposal Intake Specialist
  Quality Assurance Administrative Assistant/Coordinator at a radiological diagnostic firm. Extensive data creation, review and audit expertise.
Questions?
Grant Updates

Research Administrator's Forum
October 13, 2016
NASA – ROSES
(Research Opportunities in Space & Earth Science)

NASA RA - ROSES 2016
NASA ROSES Budget FAQs

Full Budget
Cover Page – Budget
Proposal Attachments – Total Budget

Blinded Budget
Proposal Attachments – Proposal Document
Includes “Blinded” Detailed Budget & Justification
  “Do NOT included any values for salary, fringe or overhead”
NASA – ROSES
(Research Opportunities in Space & Earth Science)

Cover Page - Budget

• Data entry detailed budget that lists all cost
• Includes salary, fringe, and indirect costs
Proposal Attachments – Total Budget

- Full Budget Justification
- Full Detailed Budget can be in any format
  - Incl personnel, fringe, subs, overhead
NASA – ROSES
(Research Opportunities in Space & Earth Science)

Proposal Attachments – Proposal Document
Includes “Blinded” Detailed Budget & Justification

• Detailed Budget & Budget Justification
  ▪ “Do NOT included any values for salary, fringe or overhead”
  ▪ Do include subcontracts/subawards & consultants
NIH – Continuing Resolution

NOT-OD-17-001

- Non-competing Continuations to be awarded “generally up to 90%”
- Additional funds maybe provided following FY2017 appropriations enacted

Reminder: NIH Salary Cap & NRSA stipend levels & tuition/fees paid at current FY2016 rates
NIH – eCommons

Prior Approval – Withdrawal Request

Rejection: 2 days after proposal submission

Withdrawal: more than 2 days after proposal submission; prior to review & summary statement

eCommons
- SO or PI can initiate request
- If PI initiated, PI to route to OCGA for SO Approval
- Email OCGA to ensure timely submission
- SO approval required for Withdrawal
NIH – eCommons
Prior Approval – $500k Proposal Request

• PI contact PO to discuss scientific reasoning for submitting proposal over $500k
• If PO approves, PO to send email to PI/SO
  ▪ PI to log into eCommons / Prior Approval tab
  ▪ click “List My Requests”
  ▪ under “Request Type”, choose “$500k Request”
  ▪ Enter: Title, FOA, Submission Date, Justification
• If PO approves, PO send approval email to PI

Please provide approval email to OCGA when submitting proposal for review/submission.
NIH – Good Clinical Practice (GCP)

Effective after January 1, 2017

NOT-OD-16-148

• Good Clinical Practice (GCP) – training provides level of assurance for Clinical Trial and Human Subject compliance; “assures safety, integrity, and quality of clinical trials”

• Applies to ALL NIH-funded Investigators & Staff (i.e. research/study coordinator, research/study nurse, etc.) “involved in the conduct, oversight, or management of Clinical Trials”

• GCP training certification last three years
NIH – Good Clinical Practice (GCP)

Effective after January 1, 2017

How can I tell if my Investigators or Staff have completed their GCP Training?

• Go to the [OHRPP CITI Training Website](http://www.citiprogram.org)

### CITI Training Completion List

CITI Training Completion List - As a courtesy, OHRPP provides a searchable listing of UCLA personnel who have completed the CITI training. The list is updated Monday through Friday. Please allow 24 hours after completing the CITI training for your name to appear on the list. OHRPP cannot guarantee that the list is complete. If you completed the training and your name does not appear on the list, please follow the link at http://www.citiprogram.org to obtain a copy of your CITI certification of completion.

<table>
<thead>
<tr>
<th>Last Name</th>
<th>First Name</th>
<th>DEPARTMENT</th>
<th>DEPT</th>
<th>Learner Group or Course Taken</th>
<th>Completion Date</th>
<th>Expiration Date</th>
<th>Type of Course</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bruin</td>
<td>Joe</td>
<td>Best Dept Ever</td>
<td>1111</td>
<td>Good Clinical Practice</td>
<td>10/13/2016</td>
<td>10/12/2019</td>
<td>GCP</td>
</tr>
</tbody>
</table>
NIH – Institutional Training Grant

............Coming Soon!!!!!
MASTER TRAINING
http://www.research.ucla.edu/ocga/training-calendar.html

OCTOBER
NSF FastLane and Research.gov
Wednesday, October 19, 2016
Kinross, Suite 210
9:30am-11:30 am

New training currently under development.
Outgoing Subaward Process Timelines

Includes an update on *FDP Subaward Forms* (outgoing & incoming)

Mary Haskins, OCGA Outgoing Subaward Team
**How:**
- How long does it take to process an outgoing Subaward/Subaward Amendment?
- It depends!

**Why:**
- Processing timelines are only as good as the documents submitted to the Subaward Team.
- There are Common Issues, which have increased, that slow down processing timelines.

**Who:**
- Probably not you - but this may be affecting your outgoing Subaward process timelines.
Common Issues that Slow Down Outgoing Subaward Process Timelines

**UCLA OCGA Subaward Checklist Form**  
(i.e. the internal UCLA form to request that a Subaward/Subaward Amendment be issued)

- Not submitted or not submitted to **ocgasubawards@research.ucla.edu**
- Incomplete, inconsistent (doesn’t match backup docs), or outdated (not “**Revised 12/1/2015**”)
- Lack of corresponding **Attachments**
  - UCLA Subrecipient vs Contractor Determination Form
  - Subrecipient Commitment Form (or LoI for FDP Pilot Participants) from Authorized Official
    - For Foreign/Nonprofit/For-profit: the additional documents triggered by Commitment Form
  - Subrecipient Scope of Work (SoW) – adequately detailed to clearly define responsibilities and monitor progress
  - Subrecipient Subject Use Approvals
**Checklist:** Not submitted or not submitted to ocgasubawards@research.ucla.edu

*Reminder:* the OCGA Subaward Team does **not** have access to the BruinBuy system.

---

**UCLA OCGA SUBAWARD CHECKLIST**

*(USE FOR ALL NEW OR AMENDED SUBAWARDS ISSUED BY UCLA)*

**EMAIL THIS COMPLETE FORM WITH ALL REQUIRED BACKUP DOCUMENTATION TO:**

ocgasubawards@research.ucla.edu

<table>
<thead>
<tr>
<th><strong>NEW SUBAWARD</strong></th>
<th><strong>AMENDMENT and/or CHANGE ORDER TO CURRENT SUBAWARD</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>(Complete all information, except *section)</td>
<td>(Complete all information, including * section)</td>
</tr>
</tbody>
</table>

**UCLA INFORMATION**

1. UCLA Requisition or Purchase Order # ________ Amendment # ________
2. UCLA PI ____________________________________________
3. UCLA Department ___________________ Dept Contact _______ Ext: ________
4. UCLA Account & Fund No ___________________ 4a. For mailing purposes only: Recharge ID
5. Award number of the UCLA Grant/Cooperative Agreement ____________________________________________
6. Name & address of person to whom invoices should be sent: ____________________________________________

**SUBAWARD INFORMATION**

7. Subrecipient Name: ____________________________________________
8. Subrecipient Address: ____________________________
   Phone No.: ____________________________ Email: ____________________________
9. Name & address of person to whom payment should be sent (Requisition VCK No. should match with...
**Checklist:** Incomplete or outdated – not using “Revised 12/1/2015”

**Reminder:** if you have saved previous versions of Subaward forms on your local computer, please replace them with the versions dated 12/1/2015.

**Comments:**

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**Conflict of Interest-UCLA Principal Investigator** certifies that he/she □ Does / □ Does Not have a financial interest of any kind in the proposed Subrecipient. If he/she does, please notify the OCGA Subaward team at ogasubawards@em.ucla.edu.

I have reviewed the Subrecipient’s budget (attached) and believe that all cost stated therein to be reasonable and appropriate for the work to be performed in Subrecipient’s statement of work (attached). In the event this action represents an increment continuation or a no cost time extension, I certify that the Subrecipient’s performance goals have been achieved and to the best of my knowledge, the costs included are reasonable and appropriate for the work performed.

---

Signature of Principal Investigator or Authorized Representative

Date
Checklist: Lack of Attachments

14. This action budget period start date: ___________________________ end date: ___________________________
15. This action funds obligated in the amount of: ___________________________
   Cumulative funding to date: (if applicable) ___________________________

**ATTACH THE FOLLOWING DOCUMENTS (if applicable):**
- UCLA Award Snapshot
- UCLA Subrecipient vs Contractor Determination
- Subrecipient Commitment Form
- Subrecipient Statement of Work
- Subrecipient Budget and Justification
- PHS FCOI form
- Subrecipient IRB approval (if Human Subjects are used)
- UCLA Fair & Reasonable Cost Analysis Form
- Subrecipient IACUC approval (if animals subjects)
- Subrecipient F&A (indirect cost) rate agreement (if subrecipient is not a universi

**LACK OF ATTACHMENTS WILL SLOW DOWN THE PROCESS OF YOUR OUTGOING SUBAWARD**

**OTHER:**
- If subrecipient must provide cost sharing, matching funds, in-kind, provide detail in comments.
- Is program income anticipated? Yes ☐ No ☐
- Special funding requirements provide detail in comments.
- The subaward will flow down any prime sponsor restrictions. If there are additional restrictions that should be included, please describe in comments.
So....

If the correct Checklist is submitted,
to the correct email address (as noted on Checklist),
with the correct Attachments (as noted on Checklist),
the processing timeline for your Subaward will be good.

If *everyone on campus* does this, it will be even better.
ALSO -
Federal Demonstration Partnership (FDP) Subaward Forms Update

**What:**
- A streamlined, standard set of terms and conditions that have been widely accepted, that comply with federal regulations and policies, and that help expedite issuance, review and negotiation of certain subawards between FDP member institutions.

**When and Who:**
- Federally-funded research where all three parties are FDP members (i.e. 3 = FDP):
  - *Prime Sponsor*
  - *Pass-through Entity (PTE)*
  - *Subrecipient*
Effective July 1, 2016, EFM allowed an additional 7 calendar days for the department to submit a closeout packet when a fund includes expenses of FDP partner sub-awardee.
FDP Subaward Forms Update – *updated annually around Sept.*

### Attachment 2
Research Subaward Agreement
Federal Award Terms and Conditions

#### Sponsor Agency
- NIH
- NSF
- USDA
- EPA
- NASA
- AFOSR
- ARO
- ONR
- AMRMC
- AMRAA
- Other Agency

**Required Data Elements**
The data elements required by Uniform Guidance are incorporated as follows:
(Select One)

- [ ] Copy of Award Notice
- [ ] As Entered

<table>
<thead>
<tr>
<th>Federal Award Issue Date</th>
<th>FAIN</th>
<th>CFDA No.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>CFDA Title</td>
</tr>
</tbody>
</table>

#### Agency-Specific Certifications/Assurances
By signing this Research Subaward Agreement, Subrecipient makes the certifications and assurances required by Uniform Guidance: 2 CFR 200 et seq.

### General Terms and Conditions
1. Conditions on activities and restrictions on expenditure of federal funds in appropriations acts are applicable to this subaward to the extent those restrictions are pertinent. This includes any recent legislation noted on the Federal Awarding Agency’s Award Conditions website.

2. 2 CFR 200 and 45 CFR Part 75.

3. The Grants Policy Statement, including addenda in effect as of the beginning date of the period of performance or as amended found at:

4. Interim Research Terms and Conditions found at:

and Agency Specific Requirements found at: except for the following:
FDP Subaward Forms Update – new Attachment 2 requirements may slow down processing (outgoing and incoming) as we may need to reach out to you/PI:

• Multiple PIs (MPIs): If the Federal Award [NIH Only] includes MPIs, include a copy of the MPI Leadership Plan;

• If under Data Sharing and Public Access Policy, include a copy of approved Data Management/Sharing Plan; and

• Human Subjects Data:
  - Identify if Human Subjects Data will be exchanged under this Subaward project, and if so:
    - Which direction, and
    - Set forth the terms of the exchange of human subjects data.
**Subawards**

- Please share this information with investigators and research administrators in your department/unit.

- In addition, if you have any questions about outgoing Subawards, please contact the OCGA Outgoing Subaward Team:
  - Assistant Director of Outgoing Subawards, Sharon Lam, slam@research.ucla.edu
  - Subaward Officer, Mary Haskins, mhaskins@research.ucla.edu
  - Website: [http://www.research.ucla.edu/ocga/sr2/Subawards.htm](http://www.research.ucla.edu/ocga/sr2/Subawards.htm)

- General questions? Thank you!
Extramural Fund Management
October 13, 2016
Today’s Topics

- Staff Update
- New Fund Closeout Procedure
- Change to Restriction of Object Codes
Staff Update

- **Val Gomez**
  - Promoted to Accountant II, October 1, 2016
  - Manage Physics and Astronomy, Molecular Cell and developmental biology, and various departments under division of Life Science.

- **Maribel Gomez**
  - Joining EFM as Accountant I, starting Monday, October 17, 2016
  - Will manage Anderson Graduate School of Management, School of Arts and Architecture, Herb Alpert School of Music, International institutes, and some other departments on north campus.
New Fund Closeout Procedure

Yoon Lee
Status Update

RAF in September 2016

- Background, goals and objectives of new fund closeout procedure
- Procedure overview
- Exclusion of expenses in absence of documentation
- Examples of high risk transactions that will be subject to exclusion when adequate documentation is not provided for federal and federal pass through funds:
  - Administrative salaries
  - Equipment purchased late

Later in October 2016

- A draft of the procedure will be posted to EFM website to solicit feedback. Your feedback is welcome and appreciated.
- When posted, it will be announced through ORA listserv.
Notifications

EFM will send multiple notifications to the PI and the department research administrator to communicate that a fund will soon expire or has expired and a closeout packet (COP) is due to EFM.

- Fund expiration notifications: No change
  - 90 days and 30 days prior to and on the day of fund expiration
  - PI and the department administrator

- COP reminders: will be sent 15 calendar days prior to the COP due date

<table>
<thead>
<tr>
<th>Under current procedure</th>
<th>Under new procedure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund group</td>
<td>For all sponsored project funds</td>
</tr>
<tr>
<td>Timing</td>
<td>15 days prior to the COP due date</td>
</tr>
<tr>
<td>Recipients</td>
<td>PI, Department administrator</td>
</tr>
</tbody>
</table>

Under current procedure Under new procedure

For federal funds only

For all sponsored project funds
**Closeout Packet Deadlines**

- Closeout packet (COP) deadline will remain same.

<table>
<thead>
<tr>
<th>Final due date to the Sponsor</th>
<th>COP due date to EFM</th>
</tr>
</thead>
<tbody>
<tr>
<td>60 days or more after the fund end date</td>
<td>30 days prior to the sponsor deadline (e.g. if the sponsor deadline is 90 days, the COP due date is 60 days after the fund end date)</td>
</tr>
<tr>
<td>15-59 days after the fund end date</td>
<td>Sponsor deadline divided by 2 (e.g. if the sponsor deadline is 40 days, the COP due date is 20 days after the fund end date)</td>
</tr>
<tr>
<td>14 days or fewer after the fund end date</td>
<td>EFM requires minimum 7 calendar days prior to the sponsor deadline.</td>
</tr>
</tbody>
</table>
Notifications - FAQ

- I do not receive any notifications. What should I do to receive them?
  - EFM sends out automatic notifications using department contact info in PATS. First contact your local IT office to add yourself to a distribution list stored in PATS.
  - For more detail steps, refer to FAQ #25 on EFM website.

- It is critical to have the updated contact information in PATS to receive notifications.
  - For the federal fund closeout procedure, EFM used to manually forward COP reminders for departments missing the contact info in PATS.
  - As communicated at RAF in November 2015, the manual forwarding service discontinued effective January 1, 2016.
Past Due Financial Deliverables

- While planning to implement new fund closeout procedure effective January 1, 2016, EFM is addressing past due financial deliverables.
- High priority will be place for federal and federal pass through funds.
- Wave 1 population (Federal past due deliverables due June 30, 2014 or prior) was completed in April – June 2015.
- Federal fund closeout procedure was issued in May 2015 and applicable to federal funds expired June 30, 2015 or after.
- Wave 2 population: Federal financial deliverables due July 1, 2014 through September 30, 2015 but not completed.
- EFM accountants have been contacting the department that have wave 2 population to request submission of COPs.
- The same procedure applied to address the wave 1 population will be applied to the wave 2.
Change to Restriction of Object Codes

Jen Ear
Object Code Review

- Guess the picture

Dodo Bird
Object Code Review

- Guess the picture

Dinosaur
Object Code Review

- Guess the picture

Floppy Disks
Object Code Review

- Guess the picture
Object Code Review

- What’s the theme?

Change is good
Object Code Review

- What is an object code?
  - Object codes describe the nature of expenses in general categories and are intended to assist departments in budget planning and reporting.

- Restrictions on object codes
  - Restriction designations of “Allowable”, “Warning” and “Unallowable” are assigned to each object code.
  - Restrictions are intended to provide guidance to department users to identify what generally allowable costs are and potentially questionable costs that may require additional documentation and/or justification.
  - Restrictions assist in ensuring the University is in compliance with sponsored research guidelines.
Object Code Review

- Restrictions on object codes (cont’d)
  - With changes in regulations, such as Uniform Guidance, it is appropriate that a review of restrictions is performed periodically to ensure alignment with current guidelines
Object Code Review

- Evaluating Appropriateness of Restrictions
  - Do our restrictions on object codes align with current industry standards and regulations?
  - Are our restrictions too stringent by requiring justification when industry standards do not?
  - Are our restrictions too lax by not highlighting costs generally considered questionable by industry standards?
  - Are we leaving too much room for interpretation?
  - What are the implications of restriction changes?
Object Code Review

- Impact Assessment
  - Considerations were made for all of the questions previously posed
  - EFM and CFS reassessed 437 object codes within the financial system.
  - To supplement our review, data analysis for FY14 and FY15 was conducted to determine frequency and dollar amount associated to object codes on restricted contract and grant funding.
Object Code Review

- Comparisons of Restrictions Before and After

<table>
<thead>
<tr>
<th>RESTRICTION</th>
<th>BEFORE</th>
<th>AFTER</th>
<th>INTO</th>
<th>OUT OF</th>
<th>NET CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowable</td>
<td>208</td>
<td>209</td>
<td>18</td>
<td>(17)</td>
<td>1</td>
</tr>
<tr>
<td>Warning</td>
<td>90</td>
<td>60</td>
<td>11</td>
<td>(41)</td>
<td>(30)</td>
</tr>
<tr>
<td>Unallowable</td>
<td>139</td>
<td>165</td>
<td>29</td>
<td>(3)</td>
<td>26</td>
</tr>
<tr>
<td>Close</td>
<td>0</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>TOTAL</td>
<td>437</td>
<td>437</td>
<td>61</td>
<td>(61)</td>
<td></td>
</tr>
</tbody>
</table>

- Changes yield increases and decreases in several restriction categories
- Overall 61 object codes have restriction changes proposed
Codes with Proposed Restriction Changes

<table>
<thead>
<tr>
<th>Change From</th>
<th>Change To</th>
<th>Allowable</th>
<th>Warning</th>
<th>Unallowable</th>
<th>Closed</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowable</td>
<td></td>
<td>11</td>
<td>6</td>
<td></td>
<td></td>
<td>17</td>
</tr>
<tr>
<td>Warning</td>
<td></td>
<td>18</td>
<td>23</td>
<td></td>
<td>3</td>
<td>41</td>
</tr>
<tr>
<td>Unallowable</td>
<td></td>
<td>3</td>
<td></td>
<td>3</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>18</td>
<td>11</td>
<td>29</td>
<td>3</td>
<td>61</td>
</tr>
</tbody>
</table>

- 17 Moved out of Allowable
  - 11 Warning and 6 Unallowable
- 41 Moved out of Warning
  - 18 Allowable and 23 Unallowable
- 3 Moved out of Unallowable into Closed
Object Code Review

- Highlight of Changes
  - Warning to Unallowable
    - 4700: Office Supplies
      - FY14: $1,659,327.92 (798 count)
      - FY15: $1,686,675.88 (813 count)
    - Code will have a hard stop in the system impeding the use of the code on restricted funding.
    - For project specific supplies, department should utilize allowable code 4771: Project Specific Office Type Supplies

<table>
<thead>
<tr>
<th>Object Code</th>
<th>Applicable Subs</th>
<th>Restrictions</th>
<th>Object Code Title</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4700</td>
<td>X - X X X - -</td>
<td>WARNING</td>
<td>OFFICE SUPPLIES</td>
<td>PENCILS, PAPER, BINDERS, CALCULATORS...</td>
</tr>
<tr>
<td>4771</td>
<td>X - X X X - -</td>
<td>ALLOWABLE</td>
<td>PROJECT SPECIFIC OFFICE TYPE SUPPLIES</td>
<td>OFFICE TYPE SUPPLIES TO BE USED FOR SPECIFIC PROJECT</td>
</tr>
</tbody>
</table>
Object Code Review

- Highlight of Changes
  - Allowable to Unallowable
    - 3248: Bad Debt Expense-other
    - 3398: Fines And Penalties
    - 3405: Land Use

<table>
<thead>
<tr>
<th>Object Code</th>
<th>Applicable Subs</th>
<th>Restrictions</th>
<th>Object Code Title</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3248</td>
<td>X - X X X - -</td>
<td>ALLOWABLE</td>
<td>BAD DEBT EXPENSE-OTHER</td>
<td></td>
</tr>
<tr>
<td>3398</td>
<td>X - X X X - -</td>
<td>ALLOWABLE</td>
<td>FINES AND PENALTIES</td>
<td>FOR SPONSORED FUNDS, SPECIAL DOCUMENT REQ'D</td>
</tr>
<tr>
<td>3405</td>
<td>X - X X X - -</td>
<td>ALLOWABLE</td>
<td>LAND USE</td>
<td>INTERNAL SERVICE-RECHARGES ONLY</td>
</tr>
</tbody>
</table>

- Combined FY14: $0.00 (0 count)
- Combined FY15: $0.00 (0 count)
- Code will have a hard stop in the system impeding the use of the code on restricted funding.
Object Code Review

- Highlight of Changes
  - Allowable to Warning
    - 3285: Custodial Services

<table>
<thead>
<tr>
<th>Object Code</th>
<th>Applicable Subs</th>
<th>Restrictions</th>
<th>Object Code Title</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3285</td>
<td>X - X X - -</td>
<td>ALLOWABLE</td>
<td>CUSTODIAL SERVICES</td>
<td></td>
</tr>
</tbody>
</table>

- FY14: $56,366.60 (100 count)
- FY15: $40,548.33 (65 count)

- Facilities maintenance type charges are normally considered part of the indirect cost pool.
- The code will appear as a warning item and department administrators will have to provide justification on the allowability of the expense as a direct cost.
Object Code Review

- **Implementation**
  - Change in system will be in the coming months
  - GA website will be updated to reflect changes

- **Communication**
  - Campus will be notified upon implementation

- **Resources**
  - Non-Payroll Object Code Lookup
Object Code Review

Questions
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