



Research Administration Forum

September 8, 2022

Welcome and Reminders

- This is NOT being recorded
- We will answer questions at the end of each segment as time permits
- Submit questions via Zoom Q&A window
- Use the “raise hand” option to ask a question orally. You will be allowed to unmute.
- Slides will be posted on the ORA website following the meeting

Agenda

- **Welcome & Announcements** – *Marcia Smith*
- **Contract and Grant Administration Hot Topics** – *Tracey Fraser*
 - Grant Updates
- **Extramural Fund Management Hot Topics**
 - NRSA Childcare Allowance – *Katie Cadle*
 - The New Final Financial Deliverable Procedure – *Yoon Lee*
 - FY22 Single Audit – *Yoon Lee*
- **Open Forum – Questions, Discussion** – *All*



Research Administration
Contract & Grant Administration

Process for Requesting Relinquishments and PI Changes

September 8, 2022

Tracey Fraser

Summary

- 1. Grants and Contracts are issued to UCLA, not to individual PIs**
- 2. Significant changes to an award such as a relinquishment to another entity or a proposed change in PI must be supported in writing by the Department Chair or Dean**
- 3. Requests must be submitted promptly to the sponsor by the Authorized Organizational Representative (AOR) i.e., OCGA**

Relinquishment

- **EPASS is not required**
- **However, prior to processing the request, OCGA requires written confirmation from the Department Chair or Dean that they support the relinquishment**
- **Chair should be aware of the other options available**

NIH Relinquishing Statement

APPLICANT ORGANIZATION CERTIFICATION AND ACCEPTANCE:

*In view of the fact that **we do not wish to nominate another program director/principal investigator or continue the research project at this Institution, this is to signify our willingness to terminate this grant as of [Requested Termination Date] and to relinquish all claims to any unexpended and uncommitted funds remaining in the grant as of that date, as well as to all recommended future support of this project.***

That portion of the estimated unexpended balance which has been received will be returned to the Public Health Service, upon request, with a final adjustment, if required, to be made after the grant account has been audited

I certify that the statements herein are true, complete and accurate to the best of my knowledge and belief and accept the obligation to comply with Public Health Services terms and conditions if a grant is terminated as a result of this application. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties.

PI Change Request

- **EPASS required and must include Chair's or Dean's signature**
- **Additionally, if the sponsor requires a formal letter requesting a change in PI, the letter should be signed by:**
 - OCGA (Authorized Organizational Representative)
 - Department Chair, and
 - If required by the sponsor, the old and / or new PI

PI Change Additional Documentation

- **For the new PI:**
 - Biosketch
 - Other Support / Current & Pending report
 - Level of effort (person months)
 - Certification of human subjects training if the proposed new PI will be working with human subjects
- **Scientific Justification, including any proposed changes in scope**
- **Any budget changes resulting from the proposed change**
- **For a change to, from or within a multiple PD/PI model:**
 - A new or revised Leadership Plan

Process

- Email required documentation Award Intake (awards@research.ucla.edu) for assignment
- Only Signing Officials (OCGA) can submit the request for a change of PI/PD
- While some sponsors may not specifically require formal approval for a PI Change, best practice is that the sponsor be notified of changes to PI and other key personnel

Sponsor Actions

- **In response to a request for a PI change the sponsor may:**
 - Accept the change of PI request
 - Request additional information for further consideration
 - Suspend award
 - Terminate award

Additional NIH Institutional Reporting Requirements

- **NIH recipient institutions are expected to provide safe and healthful working conditions for their employees and foster work environments conducive to high-quality research**
- **Previously, when recipient institutions requested prior approval for changes in PD/PI or other Senior/Key personnel or for a change in recipient institution, requests had to indicate if the change was related to concerns about safety and/or work environments (e.g., due to concerns about harassment, bullying, retaliation, or hostile working conditions)**

- **Effective July 9th, 2022, Authorized Organization Representatives at NIH recipient institutions are required to notify NIH within 30 days when individuals identified as PD/PI or other Senior/Key personnel in an NIH notice of award are:**
 - Removed from their position, or
 - Otherwise disciplined by the recipient institution due to concerns about harassment, bullying, retaliation or hostile working conditions

Possible NIH OER Actions

- **Coordinate with funding NIH Institute on necessary grants management actions, which may include requesting the recipient institution identify a replacement principal investigator on the award**
- **Hold pending awards associated with the PI of concern while compliance issues are resolved**
- **Decline to approve requests to transfer grants involving the PI to another institution**
- **Require special reporting requirements from the institution**
- **Require follow-ups with institutions to ensure issues have been fully addressed**

Other News

Virtual PreCon Event:

August 25, 2022 / 2:00 – 3:30PM ET

NIH Loan Repayment Programs: Supporting the Next Generation of Researchers

Do you (or does someone you know) have student debt? If so, find out how you can get up to \$100,000 repaid towards your student loans with a two-year award from the NIH Loan Repayment Programs (LRPs).

This PreCon Event is designed for students, new researchers, and administrators/mentors who want to learn how biomedical and behavioral scientists with student debt can benefit from this program. In addition, participants will hear first-hand experiences from LRP Ambassadors on planning their grant applications.

Virtual PreCon Event:

September 15, 2022 / 1:00 – 3:30 PM ET

Navigating Early Career Funding Opportunities

The NIH is committed to investing in early-stage investigators who are focused on establishing themselves as experts in their chosen research areas.

With numerous Fellowships and Career Development Award types, how do you know which is the right one for your research and career goals? Our experts will provide an overview of opportunities, discuss how networking and mentoring can strengthen your chances for success, and show you where to find resources to help you along the way.

NIH Conference
Registration

Virtual PreCon Event:

October 14, 2022 / 2:00 - 4:00 PM ET

Research Misconduct & Detrimental Research Practices

What is research misconduct and what are some detrimental research practices? Research Integrity Officers from the Office of Research Integrity (ORI), HHS and NIH will help answer this question and more, as they discuss Public Health Service (PHS) regulations on handling research misconduct allegations, responsibilities of an institution receiving PHS funds, and red flags that may help to avoid misconduct in research. Experts will explore interpersonal, institutional, and professional responsibilities in the overall ethical conduct of research during presentations, case studies, and discussions with the audience.

Virtual PreCon Event:

November 9, 2022 / 1:00 – 3:30PM ET

International Collaborations: Policies, Processes, & Partnerships

Whether you are from a domestic institution considering partnering with an overseas research organization or you are an international researcher working through the grant application process, this event will provide you with valuable tools, policies, and guidance. Administrative and programmatic aspects of the application process will be shared, as well as considerations for building a partnership.

Any Questions?



Extramural Fund Management

September 08, 2022

Agenda

- **NRSA Childcare Allowance**
- **The New Final Financial Deliverable Procedure**
- **FY22 Single Audit**

NRSA Childcare Allowance

Agenda

- **NRSA Childcare Allowance Background**
- **Eligibility & Restrictions**
- **Reimbursement Process**
- **Monthly Reconciliation**
- **Fund Closeout**
- **Federal Financial Report (FFR) and Award Closeout Considerations**

NRSA Childcare Allowance Background

- The National Institutes of Health (NIH) announced fellows and trainees supported full time by Ruth L. Kirschstein National Research Service Awards (NRSA) Individual Fellowships or Institutional Research Training Grants are eligible to request an allowance of up to \$2,500 per budget year to defray childcare costs.
- **Additional information can be found in the notices below:**
 - [NOT-OD-21-074](#) Announcement of Childcare Costs for Ruth L. Kirschstein National Research Service Award (NRSA) **Individual Fellows**
 - [NOT-OD-21-177](#) Announcement of Childcare Costs for Ruth L. Kirschstein National Research Service Award (NRSA) **Institutional Research Training Awards**
 - [NIH Frequently Asked Questions: Childcare Costs](#)
- **Notice sent via ORA News List Serve on 09/07/22**
- **108 NRSA Awards Fund End Date 09/01/22 onward**
 - 63: Individual Fellowships
 - 45: Institutional Research Training Awards

Eligibility and Restrictions

- **Eligibility Requirements**

1. Fellows/trainees must be supported full time by one of the NRSA award types listed in the notices.
2. Reimbursement covers dependent children living in the fellow's/trainee's home until the age of 13, or until the age of 18 for disabled children.
 - The reimbursement does not apply to elder or non-dependent care costs.
3. All childcare costs must be provided by a licensed childcare provider.
4. For households where both parents are eligible full-time Predoctoral or Postdoctoral fellows/trainees, each parent is eligible to receive the \$2,500 allowance.

- **Restrictions**

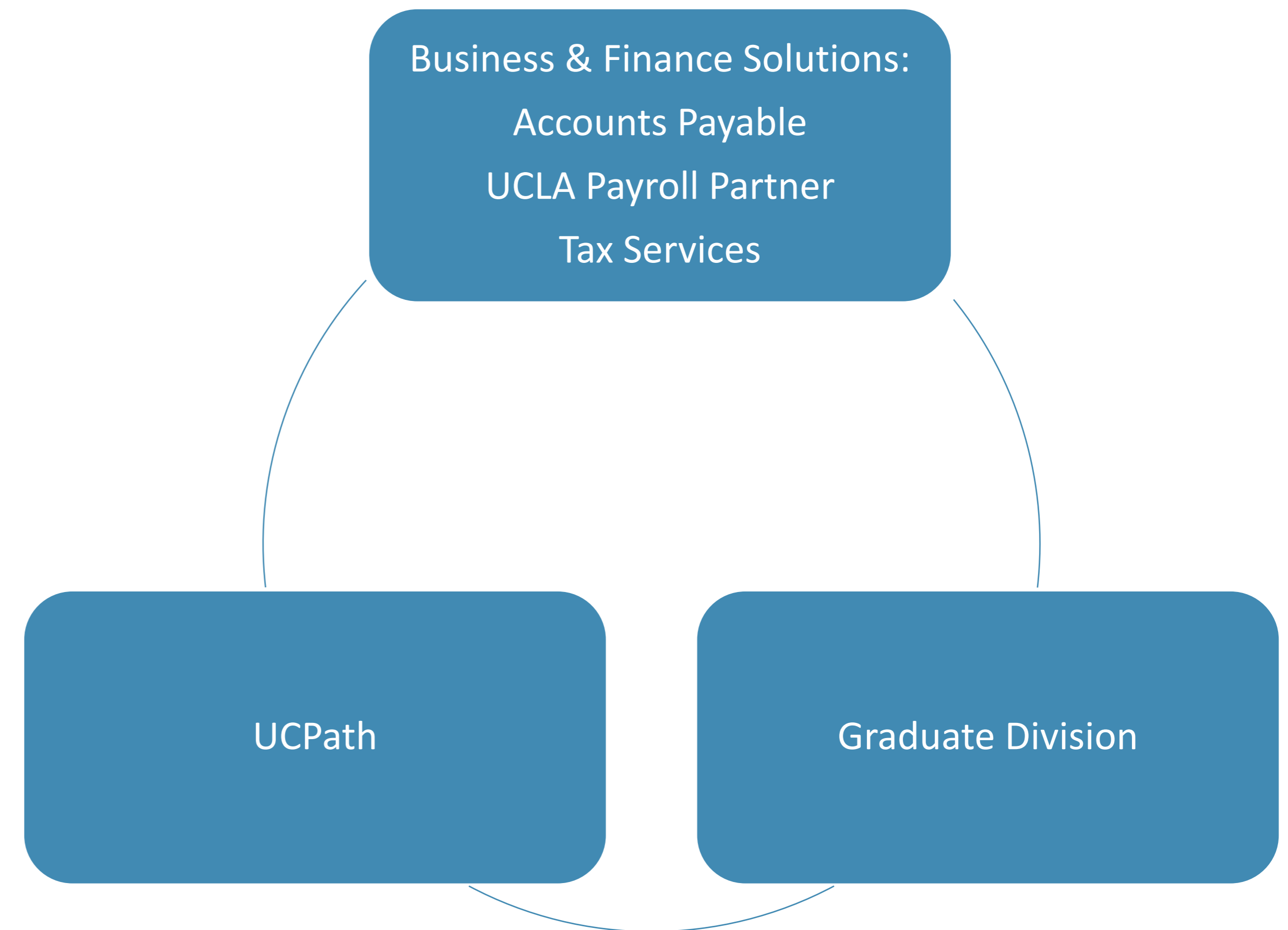
1. Childcare allowance is restricted and may not be re-budgeted without written approval from the awarding NIH Institute/Center.
2. Childcare costs incurred in previous budget periods are not eligible for reimbursement.
3. Childcare allowance is exempt from Composite Benefit Rate (CBR) assessment and Facilities and Administration (F&A) costs.

- **Recipients must maintain all supporting documentation, including that the childcare provider is licensed, and make it available to NIH upon request.**

- **EFM is working on creating a Letter of Attestation to be submitted by the fellow/trainee to the Department. This letter can then be included with the Closeout Packet (COP) to EFM.**

Reimbursement Process

- **EFM collaborated with other central offices over the last several months to develop procedures on how to process the childcare costs, given the requirements outlined by NIH.**
- **The ideal solution discussed was for childcare costs to be posted to a unique object code, as this would allow for simplified reconciliation.**
- **Due to tax considerations, childcare costs must be recorded in the same manner as stipend payments using the same system (BAR or UCPATH) and the same object code.**



Reimbursement Process

- **Postdoctoral Fellows and Trainees:**
 - Process the childcare costs through UCPATH using the same Earn and Title Codes as the fellow's/trainee's stipend payment.
 - When the childcare costs posts to the General Ledger (GL), it will post to the same sub code and object code (7770) as the stipend payments.
 - To simplify reconciliation, departments can process the childcare costs separately from the stipend payments.
- **Predoctoral Fellows and Trainees:**
 - Submit a Fellowship Award Transmittal request to process the childcare costs through Go GRAD system <https://go.grad.ucla.edu>, in the same manner stipends are requested.
 - When the childcare costs posts to the General Ledger (GL), it will post to the same sub code and object code (7501) as the stipend payments.
 - Stipend amount entered on the Fellowship Award Transmittal must be the cumulative of the stipend amount the fellow/trainee is to receive plus the childcare costs being requested.
 - If a revised Fellowship Award Transmittal is submitted to include childcare costs, the original stipend payment will be reversed, and a revised stipend payment inclusive of both stipend and childcare costs will post to the GL.
 - Graduate Division recommends departments confirm the fellow/trainee does not have any outstanding charges prior to processing a Fellowship Award Transmittal to prevent the stipend payment from being offset (current practice).

Monthly Reconciliation

- **F&A will assess on all childcare costs for both Predoctoral and Postdoctoral fellows/trainees.**
- **CBR will assess for Postdoctoral fellows/trainees processed through UCPATH.**
- **Monthly reconciliation is important to calculate total expenses:**
 1. Segregate childcare costs from stipend payments charged to the stipend object codes listed on the previous slide to ensure accuracy of payments.
 - It is possible the childcare costs will post in a single line on the GL combined with the stipend.
 2. Calculate F&A and CBR associated with the childcare costs.
 3. Exclude calculated F&A and CBR from expenses.
 4. Use the adjusted CBR as the base to calculate unallowable benefits.

Monthly Reconciliation Example: Postdoctoral Fellow/Trainee Processed in UCPath

- F&A is 8% and CBR is 17.20%

Category of Expense	Sub Code	Object Code	Description	Expenditure
Stipend + Childcare costs	05	7770	JUN PAYROLL 220630M0	\$6,500.00
CBR	06	8850	JUN PAYROLL 220630M0	\$1,118.00
F&A	9H	3810	OVERHEAD CHARGES	\$609.44
Total				\$8,227.44

Expenditure is the sum of stipend + childcare cost

- Segregate childcare costs from stipends**
 - \$4,000 [Stipends] + \$2,500 [Childcare costs] = \$6,500 [Total expenses]
- Calculate F&A and CBR associated with the childcare costs**
 - \$2,500 [Childcare costs] * 17.20% [Entire CBR rate] = \$430
 - (\$2,500 [Childcare costs] + \$430 [Entire CBR rate]) * 8% [F&A Rate] = \$234.40
 - \$430 + \$234.40 = \$664.40 [Unallowable CBR & F&A assessed to Childcare costs]
- Exclude calculated F&A and CBR from expenses**
 - \$8,227.44 [Total expenses] - \$664.40 [Unallowable CBR & F&A assessed to Childcare costs] = \$7,563.04 [Adjusted expenses]
- Use adjusted CBR as the base to calculate unallowable benefits assessed on stipends**
 - \$1,118 [Cumulative CBR] - \$430 [CBR assessed on childcare costs] = \$688 [Adjusted CBR]
 - ORA News Announcement: Unallowable Benefits FY22-23

Monthly Reconciliation Example: Predoctoral Fellow/Trainee Processed in BAR

- F&A is 8%

Category of Expense	Sub Code	Object Code	Description	Expenditure
Stipend + Childcare costs	05	7501	SHAKESPEARE,W 22S	\$6,500.00
F&A	9H	3810	OVERHEAD CHARGES	\$520.00
Total				\$7,020.00

Expenditure is the sum of stipend + childcare cost

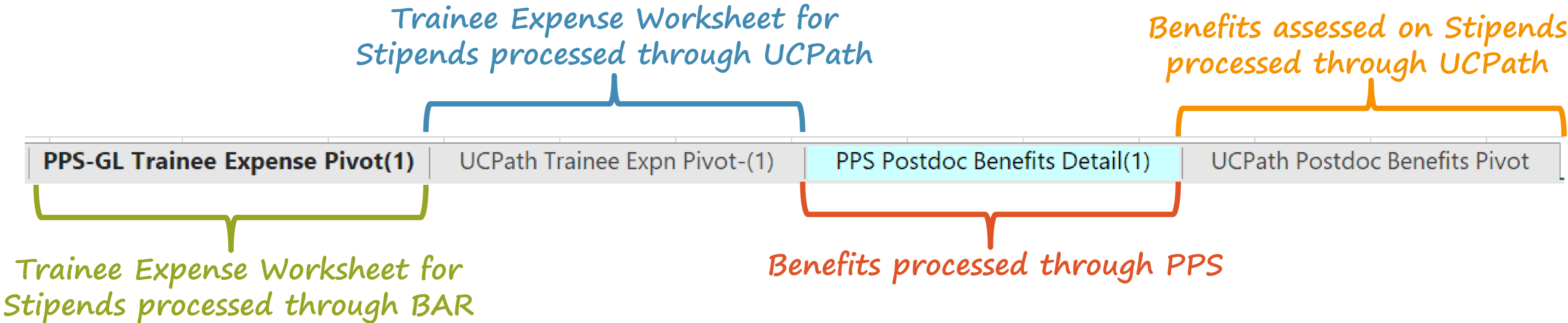
- Segregate childcare costs from stipends
 - $\$4,000$ [Stipends] + $\$2,500$ [Childcare costs] = $\$6,500$ [Total expenses]
- Calculate F&A associated with the childcare costs
 - $\$2,500 * 8\%$ [F&A Rate] = $\$200$
- Exclude calculated F&A from expenses
 - $\$7,020$ [Total expenses] – $\$200$ [F&A assessed] = $\$6,820$ [Adjusted expenses]

Removing Unallowable F&A and CBR

- **Department should work with EFM Accountant to remove the unallowable F&A and CBR referenced in step 2 on slides 9 & 10.**
 - Request EFM Accountant to process an F&A adjustment to remove all F&A assessed on childcare costs.
 - Request a [Benefit Cost Transfer \(BCT\)](#) to remove all CBR assessed on the childcare costs.
- **Remove these expenses prior to generating the Closeout Packet (COP) to minimize the manual adjustments necessary to the COP.**

Fund Closeout

- At time of closeout, the Department should manually adjust the Closeout Packet to exclude the childcare costs.



COP Adjustments: Trainee Expense Worksheets

- Purpose of the worksheets are to segregate stipends between paid and unliquidated obligations for reporting on the Federal Financial Report (FFR).
- The Trainee Expense worksheets will include the childcare costs in the stipend amounts, as these costs are charged with the stipend object code.
- Childcare costs should be manually excluded from the worksheets, adjusting formulas as needed.

Before adjustment:

Sub	Paid/ Lien	Sub-Object Title	Grand Total	Bruin, Joe
05-Stipends	Lien	STUDENT AWARD - PAYMENT	0	0
	Paid	STUDENT AWARD - PAYMENT	6500	6500
05-Stipends Total			6500	6500

Includes both stipend + childcare costs

After adjustment:

Sub	Paid/ Lien	Sub-Object Title	Grand Total	Bruin, Joe
05-Stipends	Lien	STUDENT AWARD - PAYMENT	0	0
	Paid	STUDENT AWARD - PAYMENT	6500	6500
		CHILDCARE COSTS	-2500	-2500
05-Stipends Total			4000	4000

Exclude childcare costs

COP Adjustments: UCPath Postdoc Benefits

- **Purpose of the worksheet is to calculate the unallowable benefits assessed on stipends processed in UCPath and segregate the allowable benefits between paid and unliquidated obligations for reporting on the Federal Financial Report (FFR).**
- **The UCPath Postdoc Benefits worksheets will include the CBR charged to both childcare costs and stipends.**
- **Childcare costs should be manually excluded from the worksheets, adjusting formulas as needed.**

COP Adjustments: UCPath Postdoc Benefits Pivot

Before adjustment:

Allowable Benefits

Paid/Lien	Total	Bruin, Joe
Lien	0	0
Paid	968.19	968.19
Total Allowables	968.19	968.19

Unallowable Benefits

Lien	0	0
Paid	149.81	149.81
Total Unallowables	149.81	149.81

Grand Total 1118.00 1118.00

Includes CBR for both stipends + childcare costs

After adjustment:

Allowable Benefits

Paid/Lien	Total	Bruin, Joe
Lien	0	0
Paid	968.19	968.19
Total Allowables	968.19	968.19

Unallowable Benefits

Lien	0	0
Paid	149.81	149.81

Childcare costs -430.00 -430.00

Total Unallowables -280.19 -280.19

Grand Total 688.00 688.00

Exclude childcare costs

Federal Financial Report (FFR) and Award Closeout Considerations

- **Childcare costs which cross budget periods will be reported as unliquidated obligations.**
- **At the time of award closeout, any unused funds must be reported as an unobligated balance.**
- **Due to the restriction of the funds, the unspent balance will be disclosed as a comment in the Remarks section (section 12) of the FFR.**
- **The awarding Institute/Center will offset any unused funds in future years.**
- **Even though UCLA processes the childcare costs using the same object code as stipend payments, the stipend amounts listed on the Statement of Appointment forms and Termination Notices should include only stipend amounts.**

The New Final Financial Deliverable Procedure

Yoon Lee

Summary of the New Procedure

- More details of the background and the new procedures can be found in the August 2022 RAF presentation on [the ORA-RAF website](#).

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Important Upcoming Changes

- **Target Effective Date: January 1, 2023**
 - Closeout packets due on January 1, 2023, and onward.
- **Key changes:** In the final financial deliverables (the final), EFM will consider including the only expenses that are **posted to the project fund in GL** and **included in the closeout packet** (COP). If expenses are not posted to the fund in GL, EFM will not include them in the final even if they are included as adjustments in the COP for the **finals due 60 days or later** after the project period.
 - Monthly reconciliation, required by UCLA [policy 910](#), can ensure that all expenses are posted to the project fund in GL including cost transfers before submitting a COP to EFM (Refer to the reconciliation timeline in the next slide).
 - The PI/Department will be responsible for locating unrestricted funding source to cover expenses not included in the Final and transfer them off from the project fund.
- **Business scenarios:** If there are any business scenarios we should consider in developing the new procedure, email them to Yoon (yoon.lee@research.ucla.edu).
 - Any questions or comments are welcome and appreciated.

From RAF
in August 2022

Frequently Asked Questions

- **What if expenses are not posted to GL timely pending invoice processing in the AP office?**
 - EFM has reached out to the Procurement and Accounts Payable Office to explain the new procedure and importance of processing invoices for C&G funds for a timely posting to GL to recover costs and stay in compliance.
- **What if transfers of payroll expenses (Direct Retros) are not posted to GL in time due to a system bug or a defect in UCPATH?**
 - For the issues that can be addressed by CRU, EFM will reach out to BFS-CRU to explain the new procedure and importance of resolving GL related tickets affecting C&G funds to recover costs and stay in compliance.
 - For the issues that need to be addressed by UCPATH Center, the department can include such expenses in the COP along with the service ticket submitted to the CRU and adequate supporting documentation. EFM will review such costs and include them in the final when appropriate.
- **What if adjustments of CBR or GAEL are not posted to GL in time due to a system bug or a defect in UCPATH?**
 - Effective July 1, 2022, EFM took over processing benefit cost transfers and GAEL transfers via financial journal. EFM can process financial journals to address benefit or GAEL errors and will coordinate with BFS not to post duplicate correction entries.
- **What if a subawardee does not submit invoices on time?**
 - Follow up on getting subaward invoices timely. Remind the subawardees of the invoice due date and that late submission can result in non-payment.

Frequently Asked Questions

- **How will NRSA training grants be handled?**
 - A closeout packet will continue to be required. EFM will not include additional expenses not posted to GL at the point when a COP is submitted. It is consistent with the treatment of other funds under the new procedure.
 - For unliquidated obligation, no change to the current procedure. EFM will report unliquidated obligation based on eligible expenses for the remaining appointment period outside the reporting period regardless of whether it is posted to GL in the subsequent period or not.
- **How will the funds subject to the policy 913 be handled?**
 - For industry sponsored clinical trials, the sponsor does not require the final financial report. EFM will continue to prepare the internal financial report and close the fund once documents required by Policy 913 are obtained. If there are expenses coded to unrestricted funding, process cost transfers to capture all costs incurred for the project on the project fund and submit a closeout packet along with the Policy 913 documentation.
 - For other funds subject to the policy 913, EFM will apply the new procedure to prepare the final financial report to submit by the deadline when required. Transfer of the balance and fund closeout will be processed when documents required by Policy 913 are obtained.
- **Do you have any other business scenarios to discuss?**
 - Email Yoon, yoan.lee@research.ucla.edu. Let's work together to find solutions to overcome challenges to stay in compliance and recover costs.
- **EFM will prepare a consolidated list of frequently asked questions and post it to the EFM website.**

FY21-22 Single Audit

Yoon Lee

Single Audit (Uniform Guidance Audit)

- PwC started audits for the FY22; Financial Statement Audit and Single Audit.

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Overview

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)

From RAF in September 2021

FY22 Financial Statement and Single Audit Scope

- R&D is not selected for Single Audit testing. Certain procedures over the prior year findings will be performed as well as general inquires and reviews of internal controls. PwC is in process of selecting Type B programs.

Campus	Financial Statement Audit					Uniform Guidance
	Full Scope	Risk Assessment Analytics	Specified procedures for certain balances	UCPath testing	Out of scope	
UCLA	✓			✓		
UCB			✓	✓		SFA, SVOG
UCSD			✓	✓		HEERF, SVOG
UCI		✓		✓		SFA, HEERF, PRF (Med Center)
UCSF			✓	✓		SFA, PRF (Med Center)
UCSB		✓				
UCD		✓		✓		SFA, HEERF
UCSC					✓	
UCR					✓	HEERF
UCM					✓	

SFA: Student Financial Assistance | **SVOG:** Shuttered Venue Operation Grant | **HEERF:** Higher Education Emergency Relief Fund | **PRF:** Provider Relief Fund

RFC and Audit Contact in EFM

• If you receive any audit inquires, please forward them to RFChelp@research.ucla.edu.

• **Research Finance Compliance (RFC) Team**

◦ Responsibilities include audit support, industry updates, EFM procedure updates, training, fiscal closing activities, fiscal compliance monitoring (e.g., effort reporting, e-verify, etc.), and EFM liaison for UCPATH matters.

◦ Val Gomez:

◦ valeria.gomez@research.ucla.edu

◦ MK Jung:

◦ mk.jung@research.ucla.edu

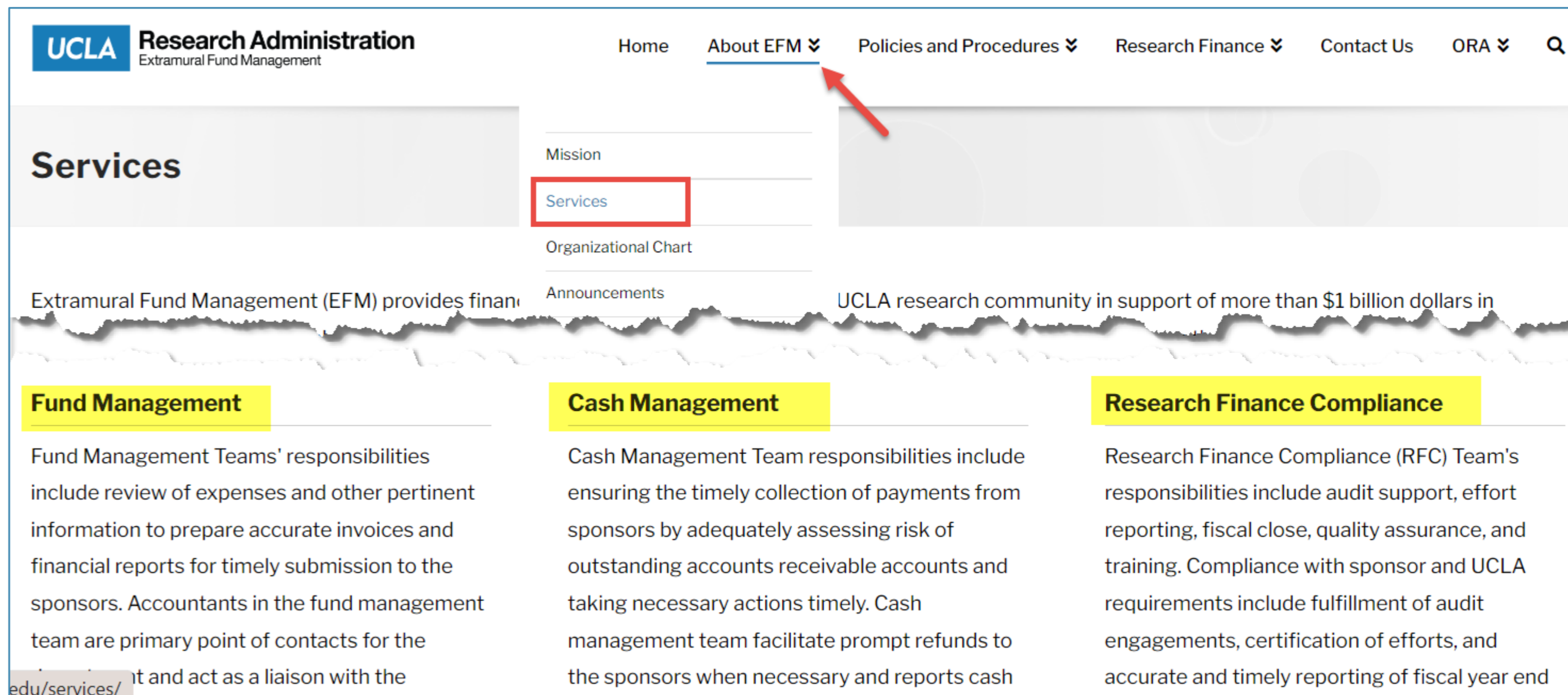
◦ Alan Fu:

◦ alan.fu@research.ucla.edu

◦ Sianna Rubalcava:

◦ sianna.rubalcava@research.ucla.edu

All EFM services can be found under **“About EFM>Services”**



Any Questions?

Contact Information

EFM Website

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

Katie Cadle

Phone: (310) 794-0223

Email: kcadle@research.ucla.edu

Audit and UCPath inquiry

Email: RFChelp@research.ucla.edu

Yoon Lee

Phone: (310) 794-0375

Email: yoon.lee@research.ucla.edu



September 2022 Research Administration Forum Q&A

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Contract and Grant Administration Hot Topics

Q1: Can we change the timeline we put in subaward agreements for the final invoice to no later than 30 days, so we have time to process the invoice for payment for this new process?

A1: For FDP subawards we cannot change the invoicing timelines for subs. While we could consider it for non-FDP its unlikely to solve the issue because, like UCLA, most entities cannot get their invoices submitted within 30 days because transactions need to work their way through their financial systems. A more practical way to deal with tight turnarounds for final invoices might be to request OCGA / OST to include a shorter budget period in the final year of the subaward agreement - so have the sub finish a month or two before the UCLA project period and still give them 60 days to issue their invoice and allow us to meet out final reporting requirements. As long as we make the project end date clear when the award is set up this option generally works well.

Extramural Fund Management Hot Topics

Q1: Is this \$2500 childcare cost something we need to account for in the budget for new grant proposals, and each new year budget submit during the RPPR? Or is it going to be automatically included by the NIH?

A1: For fellowship grants, refer to [NIH Childcare cost FAQ. B.2](#). For training grants, refer to [NIH Childcare cost FAQ.C.2](#).

Q2: Is there a specific reason we will not be permitted to offer these as one-time-payments via BruinBuy using these same object codes? To prevent benefits from assessing altogether?

A2: Due to income tax considerations, it is necessary for childcare costs to be processed using the same source system used to process stipend payments; UCPATH for Postdoctoral trainees/fellows and BAR for Predoctoral trainees/fellows. These source systems have processes in place to manage income tax consideration adequately; however, a downside is that these systems are unable to accommodate an additional object code to separate childcare costs from stipends.

Q3: Who is responsible for entering the childcare costs into UCPATH? Division MSO? Compensation office?

A3: Departments are responsible for entering childcare costs into UCPATH directly. Each department may have a different individual processing stipends. The individual processing stipends in UCPATH today can process childcare costs in the same manner.

Q4: Is \$2500 Child Support a Norm or just an example?

A4: \$2,500 is the maximum allowance each full time trainee/fellow is eligible to receive per budget period, as referenced in the [NIH Childcare cost FAQ. A.2](#).

Q5: Will EFM create templates for these calculations that can be used?

A5: No, templates are not going to be created. Departments are responsible for completing calculations during monthly reconciliation to determine total allowable expenses, and including reconciliation in the Closeout Packet (COP). Refer to the RAF EFM slides for September 2022 for additional instructions on how to complete the calculations.

Q6: Is it possible for trainee to request less than \$2,500 for childcare? If so, how can we tell the difference between stipend vs. childcare if they are both posted on the GL with the same object code?

A6: Yes, it is possible that childcare costs can be charged less than the \$2,500 awarded by NIH per budget period. Since the same object code must be used for childcare costs and stipends, we will not be able to tell the difference by just looking at the GL. The documentation reconciling the actual childcare costs vs. stipends per individual needs to be maintained outside the system, and needs to be indicated in the closeout packet.

Q7: The \$2,500 is for a 12 month appointment. Is it prorated for 9 month appointments?

A7: Please reach out to EFM with more details regarding this question as the answer depends on why the appointment is 9 months. Per NIH, short term trainees/fellows are not eligible for the childcare allowance. Refer to [NIH FAQ. A.3.](#) for more information.

In the case of early terminations, recipients may not use any unused portion of the childcare allowance and it will be deobligated by NIH as part of the closeout process. Refer to the [Notice](#) for more information.

Q8: Are individual divisions going to be responsible for covering the CBR charged to the childcare costs? Or will EFM provide a central FAU to cover the CBR that has been charged?

A8: The department will not be responsible for covering the CBR assessed to childcare costs. The department can leave the FAU for the debit side in the Benefit Cost Transfer (BCT) form blank and EFM will move costs to the central funding.

Q9: Would it be possible for accounting to create an object code specifically for the childcare costs so that they are not assessed any F&A?

A9: EFM attempted to create an object code exempt from F&A to use for this purpose; however, UCPATH and BAR, which childcare costs must be processed through to adequately address income tax considerations, are unable to accommodate an additional object code to separate childcare costs from stipends.

If the department has a secondary 77/78xxxx account-cc to link to the fund, a request can be made to the EFM accountant to set it up with zero F&A. And this can be used exclusively for childcare cost to separate childcare costs and avoid F&A assessment.

Q10: The question about the object code, would be so that they are treated similarly to the way tuition and fees are currently excluded from overhead. Is that possible?

A10: EFM attempted to create an object code exempt from F&A to use for this purpose; however, UCPATH and BAR, which childcare costs must be processed through to adequately address income tax considerations, are unable to accommodate an additional object code to separate childcare costs from stipends.

If the department has a secondary 77/78xxxx account-cc to link to the fund, a request can be made to the EFM accountant to set it up with zero F&A. And this can be used exclusively for childcare cost to separate childcare costs and avoid F&A assessment.

Q11: Will UCPATH be able to address this kind of 'unallowable' charge eventually? It has been 4 years since inauguration.

A11: Due to the way UCPATH determines object code for payments, it is unlikely that this will be changed in the future.

Q12: In the new Ascend system, will there be a new object code to systematically separate childcare costs (similar to subawards)? This will help with avoiding all these after-the-fact calculations.

A12: The reason calculations are needed is because childcare costs must be charged in the same source system as stipend payments and the source systems are unable to accommodate an additional object code to separate childcare costs from stipends.

Q13: Can UCLA utilize a specific object code for this childcare cost that does not assess CBR/F&A so fund managers don't have to do this reconciliation?

A13: EFM attempted to create an object code exempt from F&A to use for this purpose; however, UCPATH and BAR, which childcare costs must be processed through to adequately address income tax considerations, are unable to accommodate an additional object code to separate childcare costs from stipends.

Q14: Suggestion - For postdocs in UCPATH, adding a project code to the childcare cost expense should help. The actual CCC, CBR and 9H should all be projected coded, which will make it easier to separate from the regular stipend payments.

A14: Yes, it is possible to add a project code in UCPATH for the childcare costs. This code will then be fed to the General Ledger and can be used to help distinguish between stipend and childcare costs.

Q15: Why don't we separate the childcare by issuing an exempt object code from indirect?

A15: EFM attempted to create an object code exempt from F&A to use for this purpose; however, UCPATH and BAR, which childcare costs must be processed through to adequately address income tax considerations, are unable to accommodate an additional object code to separate childcare costs from stipends.

Q16: Does childcare costs include food, drink, and diapers that you may provide to caregiver?

A16: No, the childcare allowance is restricted for payments to licensed childcare providers. Refer to [NIH FAQ. A.5.](#) for additional information.

Q17: Will we be provided instructions on processing the BCT where the "new FAU" details are not Department FAUs, so they actually result in a refund of the CBR assessed? Or are Departments expected to cover these CBR costs?

A17: The department will not be responsible for covering the CBR assessed to childcare costs. The department can leave the FAU for the debit side in the Benefit Cost Transfer (BCT) form blank and EFM will move costs to the central funding.

Q18: Can we payout the childcare costs at one time or does it need to be broken down into months?

A18: Yes, childcare costs can be processed at one time. Regardless of when the costs are paid out, supporting documentation must be maintained showing how the payment amount was determined.

Q19: Is it possible for UCLA to create a new object code that complies with tax withholding rules but exempt from CBR/F&A?

A19: EFM attempted to create an object code exempt from F&A to use for this purpose; however, UCPATH and BAR, which childcare costs must be processed through to adequately address income tax considerations, are unable to accommodate an additional object code to separate childcare costs from stipends.

Q20: Supporting documentation, does that mean we need receipts from the caregivers? Copies of licensing to show they are approved to provide the childcare, and thus we are able to cover those costs with this new allocation to our trainees?

A20: Yes, departments are responsible for maintaining this information as supporting documentation and make it available to NIH upon request. Refer to [NIH FAQ, A.8.](#) for more information.

Q21: On the form 10s, the grad form doesn't allow for project codes. Can their form be altered to allow for project codes when we process them for grad students?

A21: BAR, the system used by Grad Division to process Fellowship Award Transmittals, has a system limitation that prevents a project code from being added.

Q22: During your meeting with OT Wells, can you also communicate the necessity for us (at the Department level) to obtain access to invoices submitted via Transcepta? Since its roll-out, we've been unable to even see what is being invoiced; it goes directly into the system (bypassing us) and gets paid directly. We can't even see the invoice after the fact.

A22: ORA is planning to meet with Procurement and Accounts Payable team including a few campus representatives to better understand challenges and explore solutions.

Q23: Is the effective date for the new closing procedures 1/1/2023 and not now?

A23: Yes, the target effective date of the new procedures is January 1, 2023.

Q24: About timely GL posting: Who is in charge of Purchasing for PO that needs approval to proceed? Sometimes it goes on forever, and seems the process is going nowhere. BB doesn't show who is viewing or approving.

A24: Approval process of the PO can be best answered by Procurement and Accounts Payable office. Here is the email address where an inquiry can be sent: purchasing@finance.ucla.edu