

# UCLA AUDIT & ADVISORY SERVICES

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Director  
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## CHIEF ADMINISTRATIVE OFFICERS:

### Re: Contracts & Grants Fund Backlog Initiative – Phase II

On June 25, 2008, the first phase of the Fund Backlog Initiative was presented to the campus to address the number of delinquent financial reports overdue to various research funding agencies. At the beginning of Phase I, almost 500 reports and other deliverables were outstanding according to the information in the InfoEd database. As a result of your supportive response and the collaborative effort between the campus community and EFM, over 200 financial reports were filed, the database was updated and cleansed, and Phase I is almost complete. Only 12 financial reports remain to be filed for projects ended June 30, 2006, or earlier. Thank you to you and your staff for the cooperation and effort given to this endeavor.

We would like to continue the momentum by beginning Phase II of the Fund Backlog Initiative. Phase II will consist of completing financial reports and closeouts for those projects with end dates on or before **June 30, 2007**. Campus departments and organized research units (ORUs) now have until **November 30, 2008**, to perform any cleanup or adjustments.

Please remind staff of the following:

1. Inapplicable, unallowable, and/or erroneous costs must be moved out of the fund to an unrestricted, non-sponsored fund.
  - a. Payroll expense transfers to remove salaries and benefits must be processed by online UPAYs, recognizing that if the original transaction is more than 6 months old, special processing must occur in campus Payroll (brown UPAYs).
  - b. Non-Payroll Expenditure Adjustment Requests (NPEARs) must be processed using the online NPEAR application, again recognizing that if the original transaction is more than 120 days old, special processing must occur in collaboration with EFM.

1. **NO additional costs may be transferred onto the fund at this late date.**
2. All supporting documentation for the adjusting transactions must be retained by the PI's department as the office of record, per UCLA guidelines.

As with Phase I, the process for Phase II is as follows:

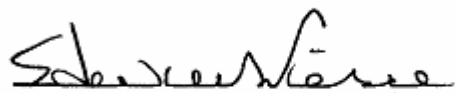
1. For each fund with a report due date of **June 30, 2007**, or earlier, the responsible academic department or ORU will:
  - a. Review all general ledger transactions and complete all necessary adjustments.
  - b. Perform a Facilities & Administrative (F&A) cost reconciliation.
  - c. Prepare a Closeout Packet, if desired, to facilitate the closeout process and communication with EFM. If a packet is submitted, it will be utilized by EFM as supporting documentation for expenses reflected on the general ledger.
  - d. Send an email to the Fund Backlog Initiative mailbox, [fbinitiative@research.ucla.edu](mailto:fbinitiative@research.ucla.edu), with the following information:
    - i. Subject line: "Fund#XXXXXX PI Name End Date." For example, "RE: Fund 25545 Young 6/30/07."
    - ii. In the body of the email, include:
      1. Department Contact Name
      2. Department Contact Phone
      3. Total Direct Cost
      4. Total F&A
      5. Total Project Cost
      6. Projected Balance (EFM will contact the department regarding any variance)
      7. List of any "Pending Transactions" (supporting documentation must be scanned and attached to the email). Reminder: No additional costs allowed.
      8. FAU of an unrestricted, non-sponsored fund to which costs identified to be unallowable/inapplicable and fund overdrafts can be transferred. Any resulting transfers by EFM will be communicated to the appropriate department administrator.
    - iii. Scan and attach the copies of the supporting documentation for the pending transactions and for any required cost share.
    - iv. Effort certifications for each fund must also be completed for all personnel paid on the fund and to document any committed cost sharing of personnel costs.

Please start immediately to notify EFM of funds ready for closeout in accordance with the above process. EFM will first start to work on closing the funds for which they receive email notification to the [fbinitiative@research.ucla.edu](mailto:fbinitiative@research.ucla.edu) mailbox. After December 1, 2008, EFM will begin to close out all other funds with report due dates of June 30, 2007, or earlier, based on general ledger ("Official Book of Record") information. **Once the financial report is filed by EFM, it will be considered "Final" and will not be revised.**

The project has the full cooperation and continued support of Vice Chancellor Peccei, Associate Vice Chancellor Sue Abeles, and their respective units which include: EFM, the Office of Contract & Grant Administration (OCGA), Payroll, Purchasing, General Accounting, and Accounts Payable. If you are unable to meet the November 30, 2008, deadline, please contact Project Manager Lynne Yorita as soon as possible. She is available to answer questions or assist in addressing special needs or situations. She can be reached at [yorita@iad.ucla.edu](mailto:yorita@iad.ucla.edu).

We recognize and appreciate the energy and focus that has been given to this backlog issue and again thank you to you and your staff for the continued support and cooperation.

Sincerely,



Edwin D. Pierce CPA, CFE

Director

cc: S. Abeles  
R. Peccei  
S. Waugh  
L. Yorita