Contracts and Grants System

Integrating and Improving Financial Management for Sponsored Awards

March 13, 2014
Shared Goals
Infrastructure Projects Serving the Campus Research Community

• Reduce burden on faculty & administration and improve data for proposal submission and award management. Provide timely budget and expense reporting, analysis and cost projection capability to campus.

• Eliminate multiple entry points for data common to multiple systems. Regularize data capture to improve efficiency and accuracy of report information on campus and for sponsors.

• Replace outdated infrastructure and move critical processes to integrated systems on stable, supported platforms. Eliminate paper-based and stand-alone processes to secure and streamline data handling.
Award Life Cycle

CGA replacing post-award InvAR system with C&G (BFS 9.2)

Start Here

Proposal Dev ID Funding & Write Proposal

Institutional Clearances

Proposal Submission & Sponsor Review

Not Funded: Review Comments & Resubmit

Funded Awards – Terms & Conditions

Award Setup

Spending & Purchasing

Tracking & Accounting

Additional Funding

Financial Reporting and Close-Out

C&G data available via
- PI Portfolio
- BAIRS

SPO updating pre-award Coeus system with Phoebe

Berkeley UNIVERSITY OF CALIFORNIA
What is the C&G Project?

**Purpose**
- Create a dedicated subledger to serve the special accounting requirements of contracts and grants
- Implement a stable technical platform and replace the aging InVar system

**Benefits**
- Improves and expands functionality
  - Cash flow
  - Reporting
  - Financial compliance
- Integration with other campus financial and HR systems

**Contracts and Grants**

- Enables more timely financial data for departments
  - Overhead calculated daily (rather than monthly)
  - Revenue and expense data updated daily (rather than monthly)
- Standardizes tracking and reporting processes, improves controls
  - Revenue is aligned with expenses on BAIRS reports
  - Standard element is used to identify PI
  - Standard method is defined for tracking Cost Share and Program Income
  - Overspending can be monitored and/or controlled
- Addition of new ChartFields and attributes to standardize and improve data captured
  - More places to record data to standardize practices across departments
    - PI is captured at the award level as well as the project level
    - Other non-PI individuals can be associated to the award
  - Ability to track expenses to budget year
  - Consistent ChartField values = better reports for departments, sponsors
Implementation Goals

Contracts & Grants System

PIs, Departments, CAOs
- Authority to Spend information that’s accurate and timely
- Clear, practical business processes supported by tools, systems

CSS-Research Administration
- Defined use of COA for accurate and consistent reporting of award financial data
- Consistent application of business processes across all campus departments and research units
- Support with deadlines, documentation to improve compliance with terms and regulations

Contracts and Grants Accounting (CGA)
- Accurate and consistent capture/tracking of all award financial data, deadlines, documentation
- System and processes that support and improve compliance with sponsor requirements and federal regulations

Campus
- Secure technical platform with continued progress toward true data integration across systems
## Challenges and Opportunities

### Post-Award

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Opportunities</th>
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<tbody>
<tr>
<td>Contracts and Grants Accounting (CGA) must replace the aging, stand-alone InvAR system</td>
<td>Move to a BFS technology platform that integrates grants management with other campus and UC financial entities</td>
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<tr>
<td>Chart of Accounts is not set up to consistently and completely support award financial info</td>
<td>Improve/expand Chart of Accounts and develop consistent practices to support grants management</td>
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<td>PIs and their teams have differing needs, practices and expectations</td>
<td>Develop a consistent award management approach, supported with training and documentation, that still provides flexibility</td>
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<td>Grants management is filled with complex business rules that vary based on sponsors</td>
<td>Automate calculations to provide easier and more accurate information</td>
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<td>Relevant data comes from many systems (GL, HCM, Payroll, Phoebe), not integrated or delivered in a timely fashion</td>
<td>Integrate systems to provide “real-time” data for informed spending decisions, improved compliance</td>
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Expanded Chart of Accounts

• The C&G suite introduces an award-specific sub-ledger into BFS 9.2, integrates the grants management technology platform with other campus and UC financial systems

• introducing new ChartFields specific to award management
  – Project: a body of work defined by the sponsor agreement
  – Activity: the budget/reporting period required by the sponsor

• New ChartFields will be used in BFS/C&G from go live, but feeder systems will have to be upgraded to incorporate and use the new fields
  – Until companion systems can be upgraded/integrated, mapping tables will be necessary to relate the ‘old’ Chart Strings to expanded Chart Strings in C&G
“Real Time” Data at Go Live in BAIRS and PI Portfolio

• Daily calculation of F&A as expenses recorded in the system
  – one F&A transaction for every expense transaction, with the daily total F&A expense reported in PI Portfolio and BAIRS

• Daily recognition of revenue for cost reimbursable and scheduled payment awards
  – revenue booked using the same ChartFields as the underlying expense (directly associates revenue to expense/award)
  – both direct and indirect expenses booked daily, i.e., one revenue transaction row for every corresponding expense and F&A transaction row

• Scheduled recognition of revenue for fixed price awards
  – revenue booked using the same ChartFields as the initial budgeted expense
  – depending on the award terms, revenue recognized either ratably (i.e., even amounts over award period), or as milestones are met
Additional Enhancements at Go Live

• Expenses tracked to specific budget periods
  – New “Activity” ChartField defines budget period, associates expense transactions to period regardless of transaction date

• Revenue aligns with expenses on BAIRS reports
  – Revenue transactions booked using the same ChartFields as expenses

• Budget transactions will move from the TempBudg ledger to the Commitment Control (KK) ledger
  – KK is not used for recording revenue budgets

• 6 New BAIRS reports
  – Existing BAIRS reports will remain
  – New BAIRS reports will be used for go live and forward reporting
    • Report will provide ability to view authorization to spend across all funds
Tracking Cost Share

• A specific range of ChartField1 values -- beginning with 2 -- has been established to identify and track cost sharing in a consistent manner.
  – Establish a CF1 for each cost-shared award (2xxxx), selecting the attribute “cost share” to associate it with the specific award
  – Code/transfer transactions using the CF1

• Using an award-specific CF1 to budget and record cost sharing transactions will provide a proper audit trail required by federal regulations. This is an interim solution until other systems are integrated.
Training and Communications
Key Audiences for Contracts & Grants

- Financial Managers
- Faculty/PI/ORU Directors
- BAIRS Users
- Dept Managers
- Campus Admins/Deans & Directors
- System Admins
- Tech Support
- Research Admins
- Bear Buy Users
- BFS Users
## Research Community Training

<table>
<thead>
<tr>
<th>Key Topics</th>
<th>Details</th>
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<tr>
<td>C&amp;G Chartfields and award structure: how Chart Strings map to populate new</td>
<td>how Chart Strings map to populate new fields in COA; error handling for</td>
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<td>fields in COA; error handling for feeder systems</td>
<td>feeder systems</td>
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<td>Budget submission process for award set-up</td>
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<td>Planning for and tracking cost share</td>
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<td>Planning for and tracking program income</td>
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<tr>
<td>Entering and Maintaining information in C&amp;G panels: dept contact info;</td>
<td>“conversations”</td>
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<td>Award close-out procedures</td>
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Project Timeline

March 2013
- Business processes defined and system functionality, fit/gap identified

October
- System configuration and modification to meet requirements
- Outreach to departments to map existing data to new award structure
- System testing…CGA training GOLIVE

February
- Training for users on future business processes

June 2014

Scheduled go live date:
- July 1, 2014
Integration Timeline

- **Summer 2013/ Fall 2013**
  - C&G Team meets with CGA and dept SMEs to define business processes and interfaces
  - Configuration and modifications of C&G modules defined to meet business needs, integrate with other systems
  - PI Portfolio goes live with award data

- **Late 2013/ Early 2014**
  - New C&G ChartField structure created, ChartFields attributed, confirmed by dept SMEs
  - Mapping table created to default existing BFS field values to new C&G ChartFields
  - Interfaces from feeder systems (HCM-PPS, Bear Buy, etc..) updated to map to C&G ChartFields when C&G goes live

- **Spring 2014**
  - C&G rigorous system testing, new ChartFields populated using mapping table
  - C&G staff training, plus user training to prepare for go-live
  - PI Portfolio–Phase 2 goes live with fac. Fund data
  - BFS 9.2 goes live
  - No change to BAIRS reports

- **C&G Golive ~July 1, 2014**
  - C&G goes live, integrates modules, new ChartFields in BFS 9.2 production.
  - Expense, and revenue balances updated daily.
  - Overhead calculated daily
  - Cost Sharing and Program income tracked
  - Revenue aligned with expenses in BAIRS
  - PI Portfolio displays data updated daily

- **Cal Answers used for financial reports (transition from BAIRS), C&G ChartFields viewable in Cal Answers**
  - (use of CF1 and CF2 remains the same)

- **PI Portfolio displays more timely payroll data**

- **New ChartFields used in all systems**

- **UC Path Goes Live**
  - New ChartFields used in all systems
  - Cal Answers for HR and Finance is live, BAIRS Retired
  - PI Portfolio displays more timely payroll data

- **C&G Chartfields available in BFS at golive:**
  - GL journal entry
  - Voucher inquiry/entry
  - Available later in:
    - Bearbuy
    - BAIRS, then Cal Answers
    - UC Path (replaces HRMS-PPS)
Contracts & Grants Implementation Project

http://controller.berkeley.edu/departments/contracts-grants-accounting

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