Post-Award Financial Management Procedures Effective July 1, 2014

To complement the Contracts & Grants (C&G) system implementation, Contracts and Grants Accounting (CGA), in consultation with a cross-campus team, has established new processes and clarified existing procedures to support and improve compliance with University policies, federal regulations, and the terms and conditions established by our sponsoring agencies. Below are key process changes effective July 1, 2014; for a complete list of process updates, please visit: controller.berkeley.edu/CGA/process-improvements

Managing throughout the award period:

- Use PI Portfolio to see a “layman’s” view of financial data UPDATED DAILY
  Know how much time and money is left for each award/fund simply by logging in. See “spent to date” totals for each fund as of the prior business day, with payroll expenses by mid-month. Reports include allocations to Co-PIs and other departments, subaward spending, and overhead costs calculated daily.
  o F&A will be calculated daily, making it easier to stay on top of balances.
- Use award-specific Cost-Sharing CF1 in expense chart strings to identify/track these costs as they are incurred
- New BAIRS report provides ability to view Authorization to Spend across all funds
- Notify CGA if award activities will generate Program Income
  When income is directly generated by a supported activity or earned as a result of an award, that income is considered part of the award, is subject to the sponsor’s terms and conditions, and must be spent on that award. As soon as you have identified an activity that will generate Program Income, notify CGA to set up tracking.
  o CGA will establish a CF1 specifically for Program Income to use in ChartStrings for both expenses and revenue.

(continued)
At award expiration:

- More advance notice of award’s approaching expiration date
  With advance warning emails at 90, 60, and 30 days, PIs and RAs can review award status, plan for timely closeout, and avoid last-minute spending and adjustments.
  - Request no-cost extensions no later than 60 days prior to award expiration.

- All expenses MUST be recorded in the General Ledger to be included in Final Invoice/Final Financial Report
  If expected expenses have not yet been received or posted to the GL, accrue the expected amount in BFS.
  - Post accruals before the cutoff date for the second accounting period following the award expiration date (i.e., beginning of the 3rd month post expiration)
  - Subawardees are now contractually required to submit their final invoice within 45 days of award expiration
  - Use ONLY the UPAY process for payroll transfers. Never use BFS for payroll cost transfers.

- New Closeout Certification form with online submission process
  Due 70 days after the award expiration date, attach a BAIRS Fund Summary by Account Report demonstrating all actual and accrued expenses have posted.
  - Closeout Certification + GL Report replaces Concurrence Report (also known as Closeout Instructions for an Award)
  - Include other documents, such as Cost Sharing Contribution Report or other supporting documentation, when submitting the Certification.

- Request POs be closed before Final Financial Report is issued (+90 days)
  Ensures no open contractual obligations exist on closed awards, prevents inadvertent vouchering against closed award PO.

- At approx. 120 days after expiration, any overspending will be deficit cleared to the department’s unrestricted fund, regardless of dollar amount.

Contracts and Grants Accounting is partnering with the Sponsored Projects Office, Campus Shared Services and others across campus to support departments and researchers with the implementation of these processes. Complete process descriptions, how-to guides and training videos will be available on the CGA website:

controller.berkeley.edu/CGA

and log in TODAY to view sponsored award financial information in PI Portfolio

calanswers.berkeley.edu/piportfolio