

UNIVERSITY of WASHINGTON



NEWS FROM GCA

GRANT & CONTRACT ACCOUNTING

2022 4th Quarter Newsletter

Next GCA Forum

February 16th 2023 11 a.m. – Noon

Zoom info will be sent prior to event.

If you would like to suggest a topic please email gcahelp@uw.edu.

Recording and slides from past forums can be found [here](#).

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Updates and Important Reminders

Staffing Changes at GCA

We are excited to announce the following promotions in GCA:



Juan Lepez was hired as our new Director in September of this year. Juan has served as the Associate Director in GCA since July of 2018. He's been working as both the Associate Director and Interim Director since February, when Lily Gebrenegus left GCA.



Vince Gonzalez replaces Juan as our new Associate Director, effective December 1st! Vince has served as a manager in GCA for over 5 years. Most recently, he was managing our Budget Set Up team.

Congratulations to Juan and Vince!!!



Process Change: Discontinued Courtesy Grant Tracker Reminders

In order to meet our high volumes of daily required work despite low staffing, GCA has been forced to cut back on some of the non-processing extra notices and reminders that we have provided in the past. As a result, we will no longer send courtesy Grant Tracker reminders when interim milestones are due or past due.

Trends: Late Charges being Denied by NIH/Federal Sponsors

Last year, NIH changed their process for awardees to request reimbursement for charges posted after the final financial report is submitted and the Payment Management System (PMS) account is closed.

Late charges cannot be drawn until the PMS account is re-opened. The process to get approval from NIH is time-consuming. Requests begin with GCA asking for a justification from the department on why the issue occurred and what measures have been implemented to prevent late charges in the future. Then GCA forwards the information to OSP to make the official request to the GMS and the PMS officer at NIH. NIH can take months to make their determination, and there is no guarantee that a request will be approved.

In the past 4 months, we have been seeing more rejected requests from NIH. As a result, GCA will only consider requests for exceptional situations. The justification must clearly state what caused the issue and must detail what systems have been put in place to prevent it from reoccurring.

To avoid these issues, it is extremely important that departments post charges by the Final Action Date.

Payment Notifications for Grants and Clinical Studies

Our Cash team monitors incoming payments to the UW bank account and the Lockbox for grant and contract payments. If the department sends out invoices, which is common for clinical trials/studies and certain other types of awards, GCA is unlikely to recognize the payment if the sponsor doesn't include a budget number. We rely on departments to let us know which payments belong to which budgets. If the sponsor sends a payment notification to your email or a department email, please forward that information to [GCA HELP](#). Please include the budget number that the payment should be applied to so we can post the funds accurately.

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When Pending Transactions are Problematic

On an average day at GCA, the Grant Analyst team receives multiple requests to either hold a budget open after its Final Action Date due to pending charges or to reopen a budget that has already been closed to status 3. In many cases these requests to reopen arrive after we have already submitted a final invoice or report to the sponsor.

Almost all of these requests come with extenuating circumstances. For example, maybe a contractor or subawardee submitted their final invoice late, or a payroll correction became bogged down in the system. Low staffing levels and high staff turnover can delay reconciliation of budget transactions. GCA understands that these are very real challenges, and we try to offer whatever flexibility we can to ensure that all allowable expenditures can be posted to your grant budgets.

However, late transactions can have serious consequences. Sponsors are not obligated to accept a late or revised final report or invoice, and any resulting deficit is the department's responsibility. Also, frequent requests to submit late invoices or to reopen the payment window for letter of credit drawdown risks damage to the UW's reputation with our sponsors. If unchecked, this could lead to loss of expanded authorities on federally sponsored awards.

So, what can you do to reduce the likelihood of late-posting transactions to your award budget? We recommend the following steps:

1. Don't wait until just before the Final Action Date, or even until just before the budget end date, to begin your review of grant expenditures. Reconcile your budgets at least quarterly and preferably monthly.
 2. If you are managing a training grant or fellowship, review stipend transactions monthly to ensure that they are posting to the correct object codes. If you see an error, contact the ISC immediately to get the correction in motion.
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3. As part of your budget reconciliation process, keep track of award activity that should result in expenses, such as:

- a. Travel
- b. Outgoing subawards
- c. Supply and equipment purchases

Follow up with travelers, subawardees, and vendors/suppliers to ensure that invoices and reimbursement requests are submitted timely.

4. Where possible, work with employees who are separating from your department or going on long-term leave to ensure a smooth handoff and clarity on the status of any ongoing issues.

We believe these steps are even more important than usual over the next six months as we prepare for Finance Transformation. The better shape your budgets are when we enter the system crossover, the better you and your department will weather the inevitable bumps and hiccups of such a major change.

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If you have any questions about topics discussed in this newsletter or would like to suggest topics for future newsletters, please contact us via email at gcahelp@uw.edu. Inquiries related to a specific budget should be sent via [Grant Tracker](#).

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Season's Greetings from GCA!!

