



# NEWS FROM GCA

GRANT & CONTRACT ACCOUNTING

## Spring 2019

### Upcoming Events

The summer GCA Forum is scheduled for Tuesday, August 13 from 11:00-12:00 in Foege N130A. We hope to see you there!

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### Biennium Crossover: Impacts on Grant Budgets

This summer will see the crossover from the 2017 Biennium (7/1/17-6/30/19) to the 2019 Biennium (7/1/19-6/30/21). This is a State of Washington process where the expiring biennium's records are closed and a new set of records is opened. While this primarily applies to state budgets, the process impacts all UW budgets, including grant budgets.

#### *Cost Share*

If your grant budget receives non-FEC cost share from a biennium-based contributing budget, you must tag all contributing transactions from the expiring biennium in the [Non-FEC Cost Share System](#) before 7/2/19. After that point, these transactions will no longer be available for tagging.

#### *Interim Reports and Invoices*

The two-year biennium period includes 25 accounting months rather than 24. Month 25 of the expiring biennium runs in parallel with Month 1 of the new biennium—or, to put it more plainly, for most of July, charges will be posting to both biennia:

- Month 25 charges belong to June and are shown as June charges in MyFD, but can post through most of July, well after the normal month-end close.

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- Meanwhile, ordinary July expenditures will post to Month 1 of the new biennium.

This impacts grant budgets that have interim reports or invoices due for periods ending June 30th because these items are generally due before Month 25 is complete. In order to meet sponsor deadlines, GCA will treat 7/5/19 as the last day of June:

- The invoice or report will NOT include Month 25 charges, even though they will ultimately show as June charges in MyFD.
- It WILL include any Month 1 charges that post 7/1-7/5/19, though these will show as June charges in MyFD.
- For budgets invoiced monthly, the sum of the June and July invoices should match that of the months' MyFD Transaction Summaries.
- If you are providing backup for a report or invoice, you will need to use these dates as well. This information can be accessed through the B.I. Portal [Variable Reporting Period Transaction Summary](#).

#### ***System Issues***

- For several weeks during the transition period, award amounts will not show in the MyFD Budget Summary view. However, they will still be available in [GrantTracker](#).
- July MyFD Transaction Summaries will include transactions described as "(Balance Forwarded – TC31)" where the dollar value is struck through. You may disregard these—they are system transactions related to the biennium crossover and do not impact your award amount or expenditure totals.
- Systems necessary for processing transactions may be down during parts of the crossover period. See [IT Connect](#) for the most up-to-date outage schedule.

#### ***Resources***

[GCA Biennium Crossover page](#)

[Procurement Services Biennium Close page](#)

[Biennium Close FAQ](#)

[MyFD Biennium Close page](#)

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## Changing Org Codes

There are two ways to submit change requests, depending on how many budgets you need to update at once.

If you need to change the org code for **1 to 5 budgets**, please send a change request via GrantTracker using the Budget Setup topic.

If you need to change the org code for **more than 5 budgets**, please fill out the Bulk Org Code Update form, available [here](#) under the “Revisions to Existing Budgets” section, and email it to [gcahelp@uw.edu](mailto:gcahelp@uw.edu).

## Inclusion of Late Posting Charges on Financial Reports and Invoices

Late-posting charges present a challenge to GCA because what we submit to the sponsor needs to match the University’s financial system of record (FIN).

When GCA prepares financial reports and invoices, we use the data in the MyFD Budget Summary (or the BI Portal’s Variable Reporting Period Budget Summary for reports through 6/30, as transactions at the fiscal year end are not immediately available in MyFD – see Biennium Crossover article for more detail).

Sometimes reports or invoices are due before all charges related to the reporting period have posted to the budget. This can be due to a number of reasons – vendor delays in processing an order, late reimbursement approvals in ARIBA, etc.

### Example

You might have purchased a piece of equipment in March, but if the order wasn’t processed by the vendor until May, the transaction would not appear in MyFD until May (if ARIBA) or June (if ProCard).

***If we need to submit a financial report reflecting all expenditures through 3/31/19, can we include the above equipment purchase on the report, since it was purchased in March?***

No. We would prepare the report based on what is already in the system, using the March 2019 Budget Summary in MyFD.

***But what if we need to report the equipment purchase to the sponsor?***

We would still prepare the financial report based on the expenditures posted during the reporting period to FIN as the system of record. If there is a **separate** section for projected costs, the equipment can be included there. Another option is to include a note about the purchase on or with the report, so that the sponsor is aware that the equipment has been purchased and will be included on a future financial report.

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*Other options:*

- 1) If the financial report does not have a section for notes, create a supplemental document with information on the equipment purchase.
- 2) Include information on the equipment within the progress report (if one is to accompany the financial report).

At the end of the day, we don't want the financial report to reflect charges we cannot validate. If we included projected charges on the report and are later audited, we would be questioned about the discrepancy between the system and the report.

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### **Requests for Early Interim Invoices**

During fiscal year closing periods for sponsors (commonly June 30 or December 31) GCA often receives requests for early interim invoices (invoices generated before the month has closed in the UW system).

Generating these invoices has led to numerous issues later on:

- Duplicate expenditures due to errors in manual manipulation of invoicing system.
- Additional invoices generated for the same month, because not all expenditures are accounted for on the first invoice. This has caused confusion with the sponsor and some have initially refused to pay the second invoice.
- Erroneous billing periods generated on future invoices due to manually forcing the end date for the early interim billing in our invoicing software.

All of these issues impact our Invoicing and Cash teams and can take a lot of their time to resolve.

If a sponsor asks for an early interim invoice, let them know that the UW has not officially closed out the month, and not all expenditures have posted to your budget.

Ask the sponsor if they are willing to accept an estimate of expenses that they can use to accrue in their system. We have found that most sponsors are satisfied with this alternative.

If you are uncomfortable with providing alternatives to your sponsor, forward the request to GCA at [gcahelp@uw.edu](mailto:gcahelp@uw.edu) or [GrantTracker](#) and we will be happy to do it for you.

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### **Unallowable Expenditures: Contributions or Donations**

GCA received a Statement of Difference/Invoice Suspension from NIH, which brought to our attention a donation made via a “round up for charity” option when paying for Lyft rideshare services. The sponsor caught this charge during a routine review of department backup documents included with their invoice submission.

Per Federal Acquisition Regulation (FAR) 31.205-8 Contributions or Donations, this is an unallowable expenditure.

Departments are strongly encouraged to review all receipts from contractors and staff for these types of transactions. If you find evidence of donations on the receipts, they must be deducted from the final amount of reimbursement before submitting for payment.

When GCA receives notification from our sponsors that an invoice was short-paid or rejected due to the discovery of contributions or donations, we will forward a copy of the notice to the department contacts. You will then need to remove the unallowable amount from your budget as soon as possible.

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### **Updated Cost Share Addendum**

Are you still using an old cost share addendum? Although we rolled out the updated versions last year, you might have missed them.

There are four addendum options available, depending on which faculty effort cycle you are using and whether the cost share commitment is effort-based or dollar-based. The updated forms are designed to be more user-friendly; among other things, they leave less room for error or discrepancies by auto-filling key categories based on whether effort-based or dollar-based is selected.

Some notable improvements include:

- Applicable fringe and/or IDC amounts are calculated separately for each expense category.
  - Assuming the correct fringe rate, F&A rate, and IBS are used, each category will match the commitments displayed in the eFECS system.
- More formulas mean less data entry and fewer potential mistakes, as information only needs to be entered once.
- Information from the Faculty Effort Calculator tabs flows onto the Addendum.

If you haven't yet, make the switch today by clicking [here](#)! There's also a handy [user guide](#) to help you complete the forms.

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## **SLU F&A Rate Change**

Effective July 1, 2019, the standard F&A rate for research located at South Lake Union will increase from 76% to 76.5%. The new rate is [negotiated](#) to last through June 30, 2020. The actual F&A rates for research awards will remain unchanged except for fixed price surplus accounts, which will be updated to the new rate.

F&A is automatically calculated on most awards, with some requiring manual adjustments. Just a reminder—if at any point you think there might be an error in the F&A being charged, please don't hesitate to submit a GrantTracker Note under the Indirect Cost topic to request a reconciliation.

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## **No invoices on advance budgets**

GCA used to create invoices and submit them to the sponsor on advance budgets, but we will no longer do that going forward. Without a fully-executed agreement in place, we do not have the authority to bill the sponsor and should not do so. Even when the sponsor itself is requesting the invoice, if we agree to bill and receive payment, essentially we are blindly accepting the sponsor's terms and conditions before the agreement is finalized.

As a reminder, GCA also cannot create invoices for budgets in temporary extension status – i.e. when a budget has been extended beyond its contractual end date in the expectation that the sponsor will be extending the award, but before a formal, fully-executed modification has been received. As with advance budgets, we cannot bill during temporary extension because we lack a formal agreement with the sponsor for that period.

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## **Reminder: Budget setup system delays**

When a budget is created or updated in our financial systems, it will not appear in MyFD, ARIBA, or GrantTracker until the next day. It will be available in Workday for payroll on the second day, and in the Procard and Central Travel Account the following Monday.

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## **Reminder: Close open balances in ARIBA**

Please be aware that GCA will proceed with closing budgets to status 4 even when ARIBA open balances exist. GCA does not have authorization to clear these balances. In

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order to liquidate the open balance encumbrance in ARIBA, please complete the webform located [here](#).

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### **Get to know GCA!**

Beginning in this issue with the Grant Analyst team, we are adding profiles of GCA staff to help you as our customers learn more about the people behind the GrantTracker notifications in your inbox.

#### ***Austin Campbell***



#### **Where did you grow up?**

Olympia, WA

#### **UW start date?**

2015

#### **GCA start date?**

2018

#### **What are your hobbies?**

Traveling, running, hiking, golfing, skiing, and cooking

#### **Favorite movies?**

Pulp Fiction, Clueless

#### **Favorite place to eat in Seattle**

The Shambles

#### **What's your favorite thing about working at GCA?**

I learn new things each day from interacting with campus and my colleagues

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**Azalea Vasquez**



**Where did you grow up?**

Philippines, Hawaii, and Seattle

**UW start date?**

1999

**GCA start date?**

2008

**What are your hobbies?**

Video games and fashion

**Favorite movies?**

My Neighbor Totoro and the Fast & Furious franchise

**Favorite place to eat in Seattle**

Agua Verde

**What's your favorite thing about working at GCA?**

I really like the people, the customers, and the work!

**Cheryl Haycox**



**Where did you grow up?**

Seattle

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**UW start date?**

2010

**GCA start date?**

2010

**What are your hobbies?**

Reading, listening to music, photography and tinkering with things

**Favorite movies?**

Pixar, Disney, Tootsie, Grease, Miss Congeniality

**Favorite place to eat in Seattle**

Voula's

**What's your favorite thing about working at GCA?**

I like that GCA keeps improving processes so that we can provide the best possible service to campus and sponsors. I love when we make someone else's job easier by doing our job well

***Doug Pistoresi***



**Where did you grow up?**

Sammamish, Washington

**UW start date?**

2017

**GCA start date?**

2017

**What are your hobbies?**

Travel, Husky football, other Seattle sports, reading, movies

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**Favorite movies?**

Lord of the Rings, Scrooge, Gettysburg, Dr. Zhivago, La La Land

**Favorite place to eat in Seattle**

Canlis and Tai Tung

**What's your favorite thing about working at GCA?**

I like the people that I work with, the diverse work that we do and knowing that we're helping the UW!

***Michelle Davis*****Where did you grow up?**

Outside of Seattle

**UW start date?**

2013

**GCA start date?**

2017

**What are your hobbies?**

Currently addicted to Animal Crossing

**Favorite movies?**

Zootopia, Ghibli films

**Favorite place to eat in Seattle**

Anywhere with good croissants

**What's your favorite thing about working at GCA?**

Great coworkers! They're very knowledgeable and nice to work with

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**Susan Wilbanks**



**Where did you grow up?**

In rural Alabama, just south of Birmingham

**UW start date?**

1999

**GCA start date?**

2011

**What are your hobbies?**

Reading, writing fiction, singing, traveling, and following Auburn football. War Eagle!

**Favorite movies?**

Bull Durham, Black Panther, The Shawshank Redemption

**Favorite place to eat in Seattle**

JuneBaby or 74<sup>th</sup> Street Ale House

**What's your favorite thing about working at GCA?**

Knowing that my work helps make so much fascinating and impactful research possible

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**GRANT & CONTRACT ACCOUNTING**

**GRANT TRACKER**

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