



University of California
Office of the President

Senior Vice President—
Business and Finance

Research Administration Office

Memo

Operating Guidance

No. 02 - 02
March 15, 2002

CONTRACT AND GRANT OFFICERS

Subject: UC Campus Subaward and Inter-Campus Award Administration

INTRODUCTION:

This Operating Guidance Memo provides revised guidance on the procedures for the administration of subawards and inter-campus awards among University of California campuses, Division of Agriculture and Natural Resources (DANR), and the Office of the President (OP). This memo includes as Attachment I, a revised "Notification of Campus Subaward (Extramural Funds)" as well as a new model, "Notification of Inter-Campus Award (University-Funded)" form (Attachment III).

The Notification of Campus Subaward (Extramural Funds) replaces the form, last revised in 1999, distributed with an update to Operating Guidance Memo No. 93-18, Supplement 1. Campuses, DANR or OP use this subaward form when extramural funds from an external prime award to one campus, DANR or OP need to be transferred via a subaward to another University campus, DANR, or OP.

Attachment III, the Notification of Inter-Campus Award (UC-Funded) is new. It can be used as a model for awards to campuses from University-funded programs. It is in response to the growing need to provide standardized information in such fund transfers in order to administer awards among campuses from the increasing number of University-funded programs.

NOTIFICATION OF CAMPUS SUBAWARD (EXTRAMURAL FUNDS):

The Notification of Campus Subaward (Extramural Funds), Attachment I, should be used within the University of California system, excluding the three Department of Energy (DOE) Management and Operating (M&O) Laboratories. It applies to all University campuses, DANR, and OP when providing a subaward to any other University campus, DANR, or OP under an award from an external prime sponsor. Awards and subawards from campuses to UC DOE Laboratories use the Memorandum Agreement provided in Operating Guidance Memo No. 99-06. (<http://www.ucop.edu/raohome/cgmemos/99-06.html>.)

This Notification provides the recipient campus with the administrative information needed to properly set up the subaward. The sponsor codes for the Corporate Financial System (CFS) and the Corporate Contract and Grant System (CGX) are different. The CFS sponsor code should be that of the source of the prime award funding. The CGX sponsor code is that of the awarding University campus, OP, DANR or the

*Note: The addressees above represent the standard distribution of Contract and Grant Memos. Additional addressees, if any, may be added based on the subject of the Memo. See cc's.

specific University program, if it has been assigned its own sponsor code. When federal grant funds are involved, the Catalogue of Federal Domestic Assistance (CFDA) number must be provided.

The paragraph indicating the date of the accepted Scope of Work and Budget can be modified as indicated if those items are attached rather than referenced by date.

In addition to the information provided on the Notification itself, the Notification can include any of the following as applicable:

- A copy of the prime award document or a distillation from the prime award of all the appropriate flow-down requirements for the subaward;
- Copy of the approved Scope of Work and Budget unless the proposal versions of these items, referenced by date on the Notification, are the final approved versions; and
- Any special terms and conditions or responsibilities required as noted in the Notification.

The Notification and these procedures cannot be used when providing subawards to or receiving subawards from the University's DOE Laboratories. Subawards to or from the University's DOE Laboratories must use the Inter-University Transaction Agreement and the Memorandum Agreement distributed with Contract and Grant Operating Guidance Memos Nos. 98-11, December 18, 1998 and 99-06, November 18, 1999. This Notification also cannot be used for subawards to non-University entities. Updated guidance on subawards to entities outside the University of California system will be provided in a separate memo in the near future. Campuses currently all have internal procedures which implement *Business and Finance Bulletin 43, Materiel Management, Exhibit E, Cost-Reimbursement Type Subagreements for Research, an Informal Guide* [<http://www.ucop.edu/ucophome/policies/bfb/bus43y.html>] for preparing subawards to entities outside the University of California system. Individual Contract and Grant Offices are the primary source of information for issuing subawards outside the University system.

Billing Procedures:

Attachment II, Billing Procedures, updates and replaces Operating Guidance Memo 93-18, dated November 24, 1993, on billing procedures for multiple campus awards. These procedures simplify the process of managing campus subawards, but are not meant to preclude campuses from agreeing, in advance, on other, more efficient procedures as applicable under a prime award. For example, even though advance payments to participating campuses are not mentioned, this is certainly an option if the prime campus has received advance payments from the sponsor and can, therefore, make advances in its subawards.

These procedures include a model for the Intercampus Request for Reimbursement form for Extramural Funds Accounting Offices to use when billing the campus which has the prime agreement. This form is only used for extramurally funded awards and not for University-funded awards. For University-funded awards, follow the procedures outlined below in the section covering that subject.

For some prime award requirements, the Intercampus Request for Reimbursement form does not provide the expenditure information which the prime award campus may need. In such cases, a standard line-item invoice may be submitted to the prime award campus instead of the Intercampus Request for Reimbursement form. The Notification of Campus Subaward document provides for that option as well as the option that the invoice may need to be sent to the prime award campus department first for payment approval when such review and approval is required by the prime award.

Financial Closing:

For extramurally funded subawards, the recipient campus must submit its final claim no later than 60 days after the award period ends. Unless the prime campus provides a special format for the final financial report, the Intercampus Request for Reimbursement (or an invoice) may be used as long as it is clearly marked "Final".

The recipient campus shall not automatically carry forward any unobligated balance beyond the end date of the period of performance unless there is a prior approval to do so by the prime award contact and the prime award Contract and Grant Officer. Federal grants awarded under the Federal Demonstration Partnership may be exempted as long as the prime campus also has a no-cost time extension. The recipient campus must provide the prime campus Principal Investigator and Extramural Funds Accounting Office a written notice of its intention to carry forward an unobligated balance on its final claim after confirming with the prime campus that it is also obtaining a no-cost time extension.

NOTIFICATION OF INTER-CAMPUS AWARD (UNIVERSITY FUNDED):

There are several options for award administration for University-funded programs among UC campuses and divisions. One option is that the Contract and Grant Office of the campus or division where the program is located can write a Memorandum of Understanding (MOU) for a specific University program, if the program and the Contract and Grant Office determine that an MOU containing program requirements would be appropriate. A second option is that either the Contract and Grant Office or the program administration itself can complete and sign the Notification of Inter-Campus Award (University-funded) (Attachment III) or write an award letter as the award document to a recipient campus Contract and Grant Office or directly to the Principal Investigator. If the program sends out award notices or letters directly to the recipient Principal Investigator, the recipient campus Contract and Grant Office must be copied. In either procedure, the specific information items set forth in the Notification of Inter-Campus Award must be included in an award letter in order to facilitate the award administration.

This Notification and the procedures described below cannot be used when providing awards to the University's DOE Laboratories. Awards to the University's DOE Laboratories must use the Memorandum Agreement distributed with Contract and Grant Operating Guidance Memo No. 99-06, November 18, 1999. They also cannot be used for awards to non-University entities. Awards from University-funded programs to non-University entities must first be allowable for each specific University-funded program. Some University-funded programs are restricted to only making awards within the University system. Generally, all University-funded programs are restricted to making awards only within the State of California. The OP Budget Office can be consulted to help make this determination. Secondly, any awards to non-

University entities must be done in consultation with the University-funded program's campus or division Contract and Grant Office.

A sponsor code is not needed for the Corporate Financial System (CFS) in an inter-campus since the funding is from the University budget. The CGX sponsor code is that of the University campus/division where the program is located or the sponsor code for the program itself, as many large University programs have their own sponsor code. The decision to create a new sponsor code for a University-funded program is made by the OP Research Administration Office (RAO). If the program's funding to other campuses is significant, a new sponsor code for that program may be appropriate. Any request for a new sponsor code should be sent to RAO.

With University-funded programs, the authority to draw down funds is transferred to the recipient campus, using the program fund number with a department account number provided by the recipient campus department or, for some systemwide programs, the campus General Accounting Office. Where several awards from the same fund number are made to the same campus department, a separate account number, cost center, or program code is required for each award so that the funds are separately accounted for. Some systemwide programs provide Special State Appropriation fund draw downs to a single campus General Accounting holding account number for all campus awards from that Special State Appropriation fund number. In such cases, the campus General Accounting Office then redistributes the funds to the appropriate campus department account numbers.

The funding program must partially complete and include the Interlocation Transfer of Funds (UFIN 1520) Information Sheet, provided as Attachment IV to this Memo, with any award notification, MOU, or letter. Programs can modify this form as needed to ensure that all the necessary information for a smooth transfer of funds authority is provided. The recipient campus department must complete this form and return it to the awarding program in order for the program to provide the correct information on its Interlocation Transfer of Funds (UFIN 1520), in accordance with its campus procedures. The awarding program initiates the fund transfer to the recipient campus based this information. Further guidance on initiating interlocation transfers with the UFIN 1520 can be obtained from the campus Budget Office of the campus initiating the transfer.

In addition to the information provided on the Notification Award or in an MOU, the program may include any of the following attachments as applicable:

- A copy of any administrative or reporting requirements;
- A copy of the approved Scope of Work and Budget, unless the proposal versions of these items, reference by date on the Notification, are the final approved versions; and
- Any special terms and conditions or responsibilities required as noted in the Notification.

Refer: Samuela A. Evans
(510) 987-9849
Samuela.Evans@ucop.edu

Subject: 02, 06, 08. 10
Organization: U-115

Cancel: C&G Memos No: 84-34, 84-34, Sup. 1; 93-18; and 93-18 Sup. 1.



David F. Mears
Director
Research Administration Office

Attachments

Cc: Extramural Funds Managers
General Accounting Managers
Barbara Lester, OP Corp. Acct.
Bonnie McKellar, OP Budget Off.
Carol McClain, OP Office of Research

ATTACHMENT I

University of California, [Prime Campus/Division]

Notification of Campus Subaward No. _____
[Extramural Funds]

To: _____ (participating campus C&G Officer)
Campus/Division: _____
Subject: (Prime Sponsor Name) _____ [] Grant [] Contract No. _____
Project Title: _____
Campus/Division Prime PI Name: _____ Dept.: _____
Participating Campus PI: _____ Dept.: _____
Performance Period: from _____ to _____

The amount of \$ _____ is allocated from the above-cited award for the participation of your campus. Copies of all award documentation are enclosed. As a campus subaward, this project is to be administered pursuant to *University Contract and Grant Manual* Section 10-240 through 10-248, as supplemented by relevant Contract and Grant Memos. The fund number for this award that we have assigned for purposes of reporting in the Corporate Financial System (CFS) is _____, which is in the fund block: [check one as applicable] [] federal; [] State agency; [] other govt; [] private]. The sponsor code we have assigned for CFS purposes is _____ and the sponsor category is _____. The ultimate sources of the funds for this award (check one): [] are not [] are partially [] are entirely federal; CFDA No. _____.

For Contract and Grant Reporting System (CGX) purposes, the sponsor code for reporting this award should be the code for [campus/division name and sponsor code]. The direction and monitoring of the research effort will be carried out as described in the project [proposal dated _____ OR Scope of Work attached].

Please advise your Extramural Funds Office of this award. Funds should be appropriated in accordance with the budget (including direct costs, indirect costs, and cost-sharing elements) [approved for this project on _____ OR attached]. Please note that any actions which require prior approval must be coordinated with this office. [Any special terms and conditions or responsibilities are listed on an attached sheet.]

Please arrange for your Extramural Funds Accounting Office to submit to our Extramural Funds Accounting Office [OR prime campus department with contact name and address] copies of the Intercampus Request for Reimbursement (See Attachment II) [OR a standard campus invoice] for billing purposes. The final request should be marked "Final" and submitted to our Extramural Funds Accounting Office [OR prime campus department] on or before _____. Funds to cover expenditures will be transferred to your campus according to procedures outlined in Accounting Manual Sec. F-351.

Technical progress reports shall be provided to _____ at [campus/division] on or before _____. Equipment inventory reports are due to this office by _____. A final patent report is due to this office by _____.

March 15, 2002

Page 7

Please direct any questions regarding administration of this project to _____ at
_____.

Contract and Grant Officer

[Prime Campus/Division]

Date _____

Attachments

cc:

_____ (prime campus PI)

_____ (prime campus Extramural Funds Accounting Officer)

ATTACHMENT II

UC CAMPUS SUBAWARD (EXTRAMURAL FUNDS) BILLING PROCEDURES AWARDS

CONTRACT AND GRANT OFFICE:

1. When the prime campus Contract and Grant Office sends the participating campus Contract and Grant Office the subaward with the Notification of Campus Subaward document (Attachment I), with all pertinent attachments, it also sends the prime campus Extramural Funds Accounting Office a copy of this document.
2. Then participating campus Contract and Grant Office sends its campus Extramural Funds Accounting Office as part of its award set up a copy of the Campus Subaward documents, with all pertinent attachments.

EXTRAMURAL FUNDS ACCOUNTING OFFICE:

Billing --

1. On a monthly basis, but not less frequently than every quarter, the participating campus should send an Intercampus Request for Reimbursement [see form below] to the prime campus Extramural Funds contact person or an invoice to the prime campus department contact if the Campus Subaward states that the prime campus department must receive an invoice. If the Campus Award document states that an invoice is required, then a standard line-item invoice may be used in place of the Intercampus Request for Reimbursement. The request form or invoice can be faxed or sent via e-mail from an e-mail address in the recipient campus Extramural Funds Office.
2. The participating campus should initiate an Intercampus Request for Reimbursement to the prime campus Extramural Funds Accounting Office no later than the last Friday of the month in order for the financial journal to be included in that month's activity. If the Intercampus Request for Reimbursement is received by the prime campus EMF Accounting Office after that date, the prime campus has the option of processing the transfer as that month's business or holding the request until the following month.

Transfer of Funds --

1. The prime campus transfers the funds as requested on the Intercampus Request for Reimbursement via a financial journal.
2. Whenever possible, transfer of funds should be done and responded to in the same month requested.
3. Without undue delay, a copy of the transfer of funds should be sent to the participating campus Extramural Funds Office for an immediate response to avoid any unreconciled transfer of funds appearing on the Financial Control accounts.
4. For a complete discussion of the intercampus financial transfer, refer to Accounting Manual Sec. F-351.

Closing --

1. The participating campus should submit its final claim, marking the Intercampus Request for Reimbursement or invoice as "Final" no later than sixty days after the award period has ended.
2. The participating campus shall not automatically carry forward any unobligated balance to the next year unless there is prior agreement in writing between the Principal Investigators and the Contract and Grant Offices of both campuses. However, grants awarded under the Federal Demonstration Project shall be exempted. The participating campus may carry forward any unobligated balance without prior approval as long as such carry forward is allowed by the prime grant and the intention is clearly conveyed to the prime campus Extramural Funds Office on the final claim.

INTERCAMPUS REQUEST FOR REIMBURSEMENT (REQUEST NO. _____)

Date: _____

To: _____
(Extramural Fund Manager) (at UC Campus)

Subject: Awarding Agency _____ Allocation \$ _____
Award Number _____ Period of Performance _____
Award Balance _____ Carry forward Yes _____ No _____

	Our Campus	Your Campus
Fund Number	_____	_____
Principal Investigator	_____	_____
Department	_____	_____

Below is the summary of expenditures and payments for the period from __/__/__ through __/__/__:

Total Expenditures	\$ _____
Less: Payments Received	\$(_____)
Reimbursement Now Requested	\$ _____

Please prepare the necessary financial journal crediting our Financial Control Account 1195__0 and referencing our Fund Number (stated above).

This financial report is a ___Final___ Not Final.

If you have any questions, please call _____ at _____.

(Signature of Authorized Official) (Position Title)

ATTACHMENT III

University of California [Program Name]
Notification of Inter-Campus Award No. _____
[University-Funded]
[Modification No. ____ (if applicable)]

To: _____ (participating campus C&G Officer OR Principal Investigator)
Campus/Division: _____
Project Title: _____
Recipient Campus PI: _____ Dept.: _____
Performance Period: from _____ to _____

The amount of \$ _____ is allocated from the above-cited University program for your campus. Copies of all award documentation [are enclosed/referenced/website location]. As an award from a University-wide program, this project is to be administered pursuant to *University Contract and Grant Manual* Section 10-253.

For Contract and Grant Reporting System (CGX) purposes, the sponsor code for reporting this award is _____ which is the sponsor code for [campus/division OR program]. The direction and monitoring of the research effort will be carried out as described in the project [proposal dated _____ OR Scope of Work attached].

Please complete and return the attached Interlocation Transfer of Funds Information Sheet to [Program Admin.] with the information requested including account number to which the awarded funds should be transferred. Funds should be appropriated in accordance with the budget [approved for this project on _____ OR attached]. Funds will be transferred to the account number you provide from the fund number stated above via an Interlocation Transfer of Funds (UFIN 1520) initiated by the granting program.

Technical and final financial reports shall be provided to _____ on or before _____.

Please direct any questions regarding administration of this project to _____ at _____

[Contract and Grant Officer OR University Program Director]
[Campus/Division]
Date _____

Attachments

cc: _____ (Campus Contract and Grant Office)
_____ (Program)
_____ (General Accounting Officer)

ATTACHMENT IV

UC [CAMPUS/DIVISION AND PROGRAM NAME]
INTERLOCATION TRANSFER OF FUNDS (UFIN 1520) INFORMATION SHEET

Recipient Campus: _____ Agreement No.: _____
Project Title: _____
Principal Investigator _____ Project Director: _____
Dept. / Administering Unit: _____ Dept. Administrative contact: _____

Allocation by Fiscal Year Budget FY _____ \$ _____
Allocation by Fiscal Year Budget FY _____ \$ _____

ACCOUNT INFORMATION

(Please provide a "legacy" account number, i.e., x-xxxxxx-19900-3, etc.)*

LEDGER ACCOUNT NAME	LOC	ACCOUNT No.	FUND No.	SUB	Cost Ctr.; Prog Code; DAFIS	AMOUNT

*If you are unsure about this process, contact the Budget or Accounting Office, ask for the person who handles Interlocation Transfers for your campus.

Note: Berkeley Campus Interlocation Transfers cannot be processed without the Berkeley Chart String Number:
Example 1-58000-19900-11347-62-X

RECIPIENT CAMPUS FUND MANAGER [Copy of Transfer of Funds From will be faxed to this number.]:

Name: _____

Address: _____

Telephone No.: _____ Fax No.: _____

E-Mail: _____

If you would like the Dept Fund Manager to receive a copy of the approved transfer form
please provide name and fax number: _____

SPECIAL INSTRUCTIONS or additional routing information:
Cost Centers, Chart strings, DAFIS #s; Dept. codes; Program codes]

Please fax the completed form to _____ at () -

Please direct your questions to: [Program Contact]

Name: _____

Telephone No. _____

E-mail: _____