Administration of Grants in CUFS
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1. **Month End Tasks for Departments**

The Grants Module records expenditure and income for the University’s research grants and contracts. Research grants are governed primarily by the length of the grant rather than accounting periods (months). The following tasks should be undertaken both at the month and year end.

**Tasks to be undertaken monthly by the departmental grants administrator.**

<table>
<thead>
<tr>
<th>Task</th>
<th>Refer to section</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review and resolve funds check failures</td>
<td>3</td>
</tr>
<tr>
<td>Review items posted to the suspense grant(s) and re-allocate to clear the grant to zero</td>
<td>4</td>
</tr>
<tr>
<td>Check for un-released grants journals and either post or delete them</td>
<td>5</td>
</tr>
<tr>
<td>Correct VAT errors as advised by the Finance Division, Tax &amp; Property Finance section</td>
<td>10</td>
</tr>
<tr>
<td>Check the status of all grants and take action to correct erroneous items/resolve overspends and under spends (Using appropriate COGNOS reports and/or Award Status Report from CUFS)</td>
<td>12</td>
</tr>
<tr>
<td>Remove erroneous commitments from grants by closing purchase orders and their related requisitions</td>
<td>13</td>
</tr>
</tbody>
</table>

Further guidance can be found at

http://www.admin.cam.ac.uk/cam-only/offices/finance/procedures/monthend/
2. Items Processed Centrally Each Month

The costs detailed below are either imported into CUFS or generated with a grants process at month end (usually during the last week of the month) before the Grants module closes. Departmental Key Contacts are notified once these costs have been posted.

- Staff costs
- Telephone charges
- Pooled labour
- Overheads
- Non-direct costs
- Marie Curie Fixed
- EC Price Adjustments
- Revenue

Just before the Grants Module is closed Overheads and Revenue are processed again to pick up any adjustments made during the last few days of the month, this usually takes place on the morning of the fourth working day after month end. While these processes are running users are requested not to enter any grants journals until they receive notification that the Grants Module has closed.

They will be reflected in the ‘Award Status’ report that departments are advised to run as part of their month end procedures.

Posting of Pooled Labour

Some sponsors may provide a budget for pooled labour. This is to pay for staff that cannot be charged directly to an individual project as their work is split within the department.

Where this is the case a central journal is processed at month end that posts this as expenditure to the grant. The charge is generated from the budget awarded by the sponsor, which is allocated over the life of the grant.

Debit : Award - Project - Task 100 – Pooled Labour – Project Org
Credit : Project Org cost centre – EZZY (source of funds) – AZZZ (transaction code)

Posting of Payroll Charges

Payroll charges are imported into the grants module at month end. Payroll charges should not be transferred from one grant to another without the permission of Human Resources.
Posting of Overheads

The overhead charges are generated by a grants process at the month end. Overheads are posted as expenditure to the grant, which maps across to the GL, split between the Chest and Department.

The Department’s share is posted as a credit to the research cost centre, source of funds EDAA, transaction code LZAA. Expenditure against this account can be incurred at the discretion of the Head of Department. Any balances at the Year-end are brought forward.

Posting of Non-direct Costs (Applications from 01 September 2009)

Grants awarded with costs calculated using the new Full Economic Costing methodology will not have overheads charged but will have an extra task (task 100) where the non-direct costs or “directly allocated costs” will be charged.

Central Research Accounting will process the non-direct costs as applicable each month. Departments will continue to be responsible for charging direct costs to the award.

**Task 100 is for the use of the Research Operations Office (ROO) only. Departments should not charge any expenditure to task 100.**

Where the sponsor is not funding all of the cost of the research an entry will be posted as a negative value under task 100 on the category University Funded to reflect the funds the University is contributing to the research project. This means that 100% of the direct and non-direct costs will be charged to the award. The proportion of the costs the sponsor will not meet will be reflected under the University Funded expenditure category as a negative entry. The total costs on the award (including the University Funded category) will equal the total costs the sponsor will fund.

The budget for the non-direct costs will be split between the Chest and Department and the costs will be posted to GL codes as appropriate.

For task 100 (non-direct costs)

<table>
<thead>
<tr>
<th>Expenditure category</th>
<th>Types</th>
</tr>
</thead>
<tbody>
<tr>
<td>PI COSTS</td>
<td>PI Costs – Chest</td>
</tr>
<tr>
<td></td>
<td>PI Costs – Dept.</td>
</tr>
<tr>
<td>ESTATES COSTS</td>
<td>Estates Costs - Chest</td>
</tr>
<tr>
<td></td>
<td>Estates Costs - Dept.</td>
</tr>
<tr>
<td>INFRASTRUCTURE TECHNICIANS</td>
<td>Infrastructure Techs - Chest</td>
</tr>
<tr>
<td></td>
<td>Infrastructure Techs - Dept.</td>
</tr>
<tr>
<td>INDIRECT COSTS</td>
<td>Indirect Costs – Chest</td>
</tr>
</tbody>
</table>
Indirect Costs – Dept.

**GL Coding for non-direct costs (Applications from 01 September 2009)**

Awards costed on an fEC basis will not have an overhead budget and the burden schedule DRR 0 @ 0% will be used to ensure that overheads are not generated. Existing awards will continue to have overheads generated and posted to the departmental research cost centre and source of funds EDAA according to the agreement with the sponsor.

Non-direct costs will be posted to the departmental research cost centre and the source of funds EZ**. The last two letters of the source of funds code will reflect the sponsor type and vat status of the award in the same way that mapped expenditure does. The transaction will be LZCE.

**Example**  The Estate Costs for a BBSRC award in department EW would map to U. EW. EWAG.EZJB.LZCE
3. Funds Checking

Potential issues can occur where transactions fail funds-checking as this means that the grants in question are not updated with the costs. Therefore, users need to review funds check failures to establish which transactions have failed and why.

For requisitions, orders, suppliers’ invoices and expense claims coded to grants funds checking takes place at the point of entry in either the AP or iProcurement module. If there are insufficient funds then the transaction will not be able to be completed and the user will need to investigate and resolve before they can continue.

Miscellaneous transactions (journals) and costs that are imported into the grants module (e.g. payroll) are funds checked in the grants module. If there are insufficient funds the expenditure item will appear in the expenditure enquiry screen but will not be processed (cost distributed). Expenditures that have failed funds checking will not transfer to the GL.

Funds check failures should be resolved before month end. If you require assistance with resolving funds check failures please contact your awards administrator in the Research Operations Office.

How to Identify Funds Check Failures

Departments will be informed by Central Research Accounting on a daily basis of any funds check failures. Notification will be sent by email to the departmental Research Grants contact (contact for year-end reports).

<table>
<thead>
<tr>
<th>Type of transaction</th>
<th>Funds checking takes place</th>
<th>If there are insufficient funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Requisitions</td>
<td>At the point of entry in either the AP or iProcurement module</td>
<td>The transaction will not be able to be completed and the user will need to investigate and resolve before they can continue.</td>
</tr>
<tr>
<td>• Purchase orders</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Suppliers’ invoices</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Expense claims</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Miscellaneous transactions (Grants journals)</td>
<td>In the grants module</td>
<td>The expenditure item will appear in the expenditure enquiry screen but no value will be shown; the item will not be processed (cost distributed).</td>
</tr>
<tr>
<td>• Costs that are imported into the grants module (e.g. payroll)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# How to Clear the Failures

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
<th>Action</th>
</tr>
</thead>
</table>
| 1 | Check the budget and available funds | By viewing the Award Status screen or the Project Status Report.  

*NB. Be careful if you use the Project Status Inquiry screen or the Award Status Report as they are only updated overnight.*  

The expenditure figures on the Award Status screen and the reports do not include the funds check failures. |
| 2 | If this suggests that there should be sufficient funds available | Check the budgetary control settings that have been set at award level for task and resource levels.  
   
*Award Status > Award Inquiry > Budgetary Control tab*  

If the budget or budgetary control setting needs to be changed in order to clear the funds check failure please contact your Research Support Advisor/ Administrator(RSA) in the Research Operations Office to discuss.  

Alternatively if your department does not own the award for the project again please contact your RSA. |
| 3 | If there are no available funds – check the commitments | Check that that there are no commitments lodged against the project from old purchase orders/requisitions that should have been cancelled, closed or matched to a corresponding invoice. Do this by either:  

- Drilling down on commitments from the either the Award or Project Status screens  
- Running the Open PO Report from within iProcurement  

Any “rogue” commitments should be actioned in iProcurement so that the commitment is removed and the funds unreserved. |
| 4 | If there are genuinely no funds available – transfer the item from the grant | This can be done by either:  

- Reversing the expenditure line(s) from the grants journal that has failed funds checking; or  
- Entering a new batch to transfer the failure. |
If transferring the failure with a new batch, ensure that the “all negative transactions entered as unmatched” box is ticked on the header and the value entered as a negative in order to credit the grant.

<table>
<thead>
<tr>
<th>Funds failures on Pooled Labour, Overheads and Non-Direct Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>These will be investigated by the Research Operations Office you may be contacted for further information regarding the grant expenditure.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Funds Failures on Inventory Stock Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>These will be held in a General Ledger suspense account and you will be contacted by the Central Accounting Team to resolve.</td>
</tr>
</tbody>
</table>
4. **Suspense Grant Clearance**

Some types of costs that are imported into the Grants module, such as payroll, are not validated until the import process is run. The system rejects expenditure if the item fails the validation and therefore the expenditure is not imported onto the project.

Included in the standard validation process are checks to make sure that the

- project and award codes exist
- expenditure item date falls within the project dates
- project status allows transactions
- expenditure type is valid for the project
- employee is active in the HR Table

And at task level that the

- expenditure item falls within task dates
- transaction controls are set to allow the type of charge being made
- task number quoted exists

**Your Departmental Suspense Grant**

A project and award with the format RG00000(dept. cost centre) for the award code and dept. cost centre/000 for the project codes has been set up for each departmental award organisation.

*Example: RG00000(EWAG) and EWAG/000*

All rejected items which fail the validation detailed above will be transferred to this project/award. The majority or rejected items will be from the payroll but there may occasionally be items from other month end processing such as telephone charges.

At month end departments should ensure that postings made to their suspense grant have been correctly charged out to the appropriate grants to leave a zero balance.

If you require assistance with clearing any rejected items please contact your awards administrator in the Research Operations Office.
Finding what has been charged to Suspense

Responsibility: GM Administrator
Navigate: Expenditures > Expenditure Enquiry

1. Enter the details for your suspense project in the **Project Number** field

   The ‘Exclude Net Zero Items’ box automatically ticks. This will not display any transactions that were previously cleared using the Tools and Transfer method. To avoid further duplications of already matched items, you can also click on the **GL Dates** tab and enter **Provider GL Dates** parameters e.g. the previous month. When carrying out this process every month, you can increment the date accordingly therefore displaying the most up to date transactions that require attention.

2. Click **Find**.

3. All expenditure items posted to these ‘suspense’ projects will retain the original expenditure item date.

   The **Comment** field will contain the original project, award and task number that the department intended to charge and the reason for rejection. To view the full comment you can click on the pencil icon.
Clearing the Suspense Project: the Tools and Transfer Function

Payroll expenditures can be transferred from the “suspense” project using the Tools and Transfer function available in the Expenditure Enquiry screen.

**THIS FUNCTION MUST NOT BE USED FOR TRANSACTIONS GENERATED IN AP.**

Adjustments should be entered in AP in the invoice distribution screen.

The following adjustments can be made to an expenditure item:

- **Change Comment** (individual item)
- **Split** (individual item)
- **Transfer 1** (an individual item or range)
Change Comment

It is good practice when transferring expenditures to add a comment to the entries on both projects to detail why the transfer was made.

Responsibility: GM Administrator
Navigate: Expenditures > Expenditure Enquiry
Menu: Tools > Change Comment

1. Select the expenditure item, click on the Tools menu and select Change Comment.

2. Enter the comment and click OK. The text will be added to the comment field in the Project Expenditure Items Screen and appear on the Expenditure Enquiry reports.

Important Information!
Information in the Comment field pulls through to the Sponsors billing report, which is run by Research Operations Office and used to provide data to the sponsor. Therefore it is important, especially if it relates to staff expenses claims, that this field is as detailed as possible.

If a comment field is blank or lacking in information as to who and what the expense relates to, then please investigate further by using the Item Details (refer to guidance on page 3) button or by referring to a colleague who entered the transaction or who incurred the expense. Once you have this information you must then update the Comment field by navigating to Tools, Change Comment, enter the detailed information as to what the expenditure relates to and click OK.
**Splitting Expenditure Items**

THIS FUNCTION MUST NOT BE USED FOR TRANSACTIONS GENERATED IN AP

1. In the *Expenditure Enquiry* screen enter the project code you wish to query and click on the **Find** button.

2. An expenditure item can be split in order to transfer part to another project. Select the item of expenditure and click on the **Tools** menu.

3. Select **Split** from the menu.

4. The original quantity will be entered from the line selected.

   Enter the amount to be split out from the total in **Split Quantity 1**…

   Split Quantity 2 will populate with the remaining balance.

5. Click **OK**. Re-query to see effect of the split

6. Once the transaction has split, use the Tools and Transfer process to move both transactions.

**Transferring Expenditure Items**

Responsibility: GM Administrator  
Navigate: Expenditures > Expenditure Enquiry  
Menu: Tools > Transfer

1. Select the expenditure to be transferred by clicking on the line. (To select a group use the parameters on the *Find* screen to query the required expenditures, use the *Edit* menu option to **Select All**).
2. Click on the **Tools** menu and select **Transfer 1**. The transfer window will open; details of the project you are transferring from will be automatically populated. This will need to be deleted and the project code that you are transferring to entered.

![Transfer Items to Project/Task](image)

3. Enter the details of where the expenditure is to be transferred to, tab through to populate all fields. To enter the award number, enter RG and press the tab key.

![Transfer Items to Project/Task](image)

**NOTE**: The expenditure will be transferred on the same expenditure type as the original posting.

4. Click **OK**, a decision box will appear asking “Do you want to continue the adjust action”.

5. Click on **Yes** to continue.

A system note will inform the user of the number of successfully transferred items, which you simply click **OK** to.

Re-query to view the transferred items.
5. **Adjusting Grants Expenditure in AP**

An adjustment is done in AP where:

- it is found that a supplier’s invoice or an expenses form has been incorrectly coded to a research grant; or
- where expenditure was originally charged to a GL code and this now needs to be transferred to a grant

By transferring the item in AP this will enable both the net and VAT elements of the expenditure to be transferred and allow the system to automatically establish whether VAT is chargeable to the new grant and make the necessary postings accordingly.

Who is responsible for completing this action will depend on the staff structure within your department: in some areas the Grants Administrator may also have an AP responsibility and undertake this action themselves, in other departments the Grants Administrator would request their accounts teams to make the adjustment on their behalf.

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**Responsibility:** AP Invoice Manager  
**Navigate:** Entry > Invoices

1) Find the Invoice by navigating via the above path, enter search criteria to query back the original invoice or expense and click **Find**.

2) Amend the coding by clicking on **Lines** tab.

   **Step a:** Ensure your cursor is in the **Item** line that you want to move.

   **Step b:** Click on the **New** icon and a new line will appear below the original.

   **Step c:** Scroll along to the right, if there is a number populated in the **PO Number** field delete it from this new line.

   Scroll to the left and enter a **negative** item line for the amount and to the same charge account/grant to reverse out the incorrect entry.

   **Note**
   - Do not use the ‘Discard’ button if the line has been matched to a PO.
   - Amend the line description so the auditors know why you are moving it and who has authorised it.

   **Step d:** Click on the **New** icon (or click in the next available line down). Remove any reference to the PO number in the relevant field.
Re-enter a new positive value item line detailing which grant the expenditure should now be charged to and update the description field again.

**Step e:** Click on the **Calculate Tax** button.

The system will then transfer the VAT according to the VAT status of the new grant.

3) Re-save the invoice.

4) Re-validate the Invoice by clicking on **Actions 1** button.

5) Close the invoice screen and return to the navigator window and redo **Secondary Invoice Approval**

6) **This is really important and needs to be done to ensure that the costs are transferred to the grants module correctly even if the invoice was originally approved and paid beforehand – don’t worry it won’t pay the invoice twice as long as you don’t increase the value.**

An example screen shot after amendments
6. Grants Journals

This type of journal can be used to transfer charges between the GL and a research grant, such as petty cash or stock issues. If the expenditure you wish to move was processed in AP you should not use a journal but adjust the AP invoice distribution.

Departments cannot enter journals to Task 100 or for overheads and pooled labour.

GL codes which cannot be used in grants module journals are:

- Trust fund and balance sheet cost centers
- Transfer of income or expenditure transaction codes
- Sources of Funds in the range MAAA - MZZZ

If you need to transfer between a trust fund and a grant first journal the charge from the trust fund account to a departmental GL code, then to the grant.

Responsibility: GM Grants Administrator
Navigate: Expenditures > Enter Actuals

Enter the Batch Header

1. Navigate to the Expenditure Batches window.
2. Enter a unique batch name to identify the batch:
   **Batch Name Format:** Department Code/User Initials/Date/Ref
   E.g. ZZ/RAD/12/01/14/01
3. Click in the **Ending Date** field and select today's date from the calendar. The date will automatically default to the following Sunday.
If the expenditures need to be entered within the current month and the following Sunday falls within the next month, the batch should be entered with a date from the previous week.

4. The class will default in as “Miscellaneous Transaction”

5. Click in the description field, Miscellaneous Transaction will be the default, this can be changed if required to a description of your choice.

6. Enter the total of the expenditures to be journalled in the control field to verify actual versus control totals.

7. Save the batch header and click on the Expenditures button to enter the batch.

Enter the Expenditure Lines

1. In the top part of the screen enter the Organisation code that incurred the cost, i.e. project owning organization. **NB Employee information is not necessary unless the batch relates to payroll.**

2. Tab through the Expenditure Ending Date, which will populate from the batch header.

4. Click in the Expenditure item date field. The date from the header will default in; this can be changed if required.

5. Enter the **Project Number, Task Number, Award Number, Expnd. Type** and **Quantity** (which is the monetary value - you can right click in the title and amend to a more relevant description). A positive value debits the grant.

6. Complete the Comment field with any other relevant information.

![Image of the Expenditure Lines section of the Finance Training software interface]

The descriptive flexfield to enter the GL information
7. Tab to or click in the descriptive Flexfield to populate the General Ledger cost centre, source of funds and transaction code. (The credit entry of the transaction).

8. To speed up data entry a second line will be created copying down the date and grant codes. If required, populate this line or navigate to the line above to remove the row.

9. Save your batch and close the expenditure window to return to the batch header.
10. Submit the batch for processing. Click once on the **Submit** button, and click once on the **Release** button.

**NOTE:**

Batches can be saved at any stage in the batch entry process. Once submitted, the batch can be amended by pressing the 'Rework' button on the expenditure form. Once status has amended to Released, the batch can be Reversed.

The accounting entries generated with the expenditure batch will be to debit Research Grant and credit General Ledger.
Entering a Batch to Post a Credit to the Grant

This process can also be followed when processing a refund to a Grant, but please ensure you read information on page 30.

1. Follow steps as above to set up the batch header.

2. **Tick** the “All negative transactions entered as unmatched” box on the header.

3. **Save** the batch header and click on Expenditures to enter the batch.
   
   **Do not** tick the “Reverse Expenditures In a Future Period” box on the header. This is designed for posting accrual journals.

4. Click on the **Expenditures** button and follow steps to enter the expenditure line.

5. In the quantity field enter the amount as a **negative** value.

6. Remember to complete the Descriptive Flexfield (the box at the end of the line with no name) with the GL information.
Reversing a Grants Journal

Responsibility: GM Grants Administrator
Navigate: Expenditures > Enter Actuals > Find

1. Navigate to the Expenditure Batches window.

2. Find the Batch to be reversed by clicking on the torch icon in the tool bar. Enter the batch name and click on Find.

3. Click Open and the Expenditure Batches screen displays.

4. Click on the Reverse button on the batch header and enter the batch name for the reversal batch. Use the original batch name adding an R for reversal.

7. Complete and post the journal as above.
5. Click on **OK** and the system will create the reversal batch, giving the following message to indicate how many expenditure lines have been copied.

6. Click **OK** and the expenditure lines from the original batch will have been copied with the values reversed.
7. If the original batch had more than one line and you do not wish to reverse them all, close the Expenditures screen to return to the header and then click on Expenditures again to view the lines. This will enable the delete record icon in the tool bar. Delete any expenditure lines that do not need reversing. To select a line for deleting you will need to click on the line. To delete the record use the delete record icon in the tool bar or Edit, delete record.

8. Save the batch and return to the header to correct the control totals if necessary.

9. Submit and Release the batch.

How Grants Journals are Posted

To release the batch for posting, click on the Submit and Release button on the header. The batch will be posted via the overnight processing.

Before the batch has been posted the expenditure lines can be viewed in Actual Expenditure Enquiry, but will not have been cost distributed. After processing the expenditure lines will either be cost distributed or marked as a funds check failure if they have failed funds checking.

The GL side of the batch is posted via the grants process GMS: Interface Usage and Miscellaneous Costs to General Ledger, which will post the GL side of the batch into a GL import table from where it is then imported into GL.

Any lines that have failed funds checking will not transfer to the GL. Expenditure lines to the same GL codes posted on the same day will automatically be added together, along with lines from other journals to the same GL code. One value will be posted in the GL with the reference projects.
In the **Expenditure Enquiry** screen the status of the GL posting can be viewed by drilling down on the expenditure and using the **Item Details, Cost Distribution Line drill down buttons**.

The batch lines will post into the Grants accounting period (PA Period) into the closest open period as per the expenditure item date specified on the line. The GL period will be the same as Grants or the closest open period to Grants. The Transfer Status indicates how far the GL side has been processed.

- **Generated**: The batch has been released and cost distributed
- **Transferred**: The generated amount has been picked up by the transfer process from grants to GL and is ready for posting in the GL
- **Accepted**: Has been posted in the GL

If the status is blank, the batch has not been picked up by the overnight processing or may have failed funds checking.

**Drill down from GL back to Grants**

The posting in the GL will have the reference projects and a batch number. The GL drilldown buttons can be used to view the grants side of the entry or a listing of the entries can be obtained by running the Cost Audit Report that is available in the Grants Module. (please see separate procedures for both of these options)
Check for un-posted Grants Journals

Ensure that all grants module pre-approved batches (journals) have been posted ie. submitted and released.

Responsibility: GM Grants Administrator
Navigate: Expenditures > Enter Actuals

1. Search for any batches, by clicking on the Torch icon and select one of the statuses, either working or submitted.

2. Click Find.
3. Open, review and action any batches found.

<table>
<thead>
<tr>
<th>Status of batch</th>
<th>Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working</td>
<td>Delete if no longer required</td>
</tr>
<tr>
<td></td>
<td>Submit and release</td>
</tr>
<tr>
<td>Submitted</td>
<td>Release</td>
</tr>
</tbody>
</table>
7. Petty Cash Procedures in Grants

A petty cash float is provided to Departments to cover minor items of expenditure (e.g. postage) where raising a purchase order would be impractical. Supplier invoices must not be settled out of petty cash.

**Documentation Required**

Payments out of petty cash must be supported by an authorised receipt or voucher. Each payment from petty cash must be entered on an imprest form, with the code that the expenditure is to be charged to and a notation in block capitals, detailing what the expenditure is for. Expenditure from petty cash for research grants should be entered on a separate form. Forms can be found on the Finance Division web page [http://ufs.admin.cam.ac.uk/researchgrants/docs_rsg/pettycashform.pdf](http://ufs.admin.cam.ac.uk/researchgrants/docs_rsg/pettycashform.pdf)

When the imprest form has been filled up, or if the amount left in petty cash is low, the form should be completed. Total the grants related amounts on the Grants Petty Cash form and enter this total on to the imprest form in the box provided. Note the following:

- The sum of the entries on the form will total the amount that has been paid out of petty cash and which needs to be reimbursed from the Finance Division cashier.
- The amount remaining in petty cash should be counted and entered on the form as being the balance in hand, which, when added to the amount to be reimbursed should equal the total petty cash the Department is authorised to hold.

**General Ledger journal within UFS/Authorisation**

Once the imprest form has been completed, the petty cash expenditure will need to be recorded in the General Ledger, a departmental user will enter and post a journal into the General Ledger module, using the imprest form as the source for the journal. Any Research Grant petty cash amounts **must** be entered as a journal in the Grants Module using the grants form as backup to the entries. (Please refer to the procedures for grants journals on how to do this)

Once the imprest form has been posted into UFS, it will need to be signed by an authorised signatory and taken to the cashier for reimbursement.

This form can be found on the UFS web page under Finance Division Information\admin forms
8. Time Sheets

As part of the Terms and Conditions of our research funders, some require evidence of an individual’s time worked on an award. These sponsors include the Research Councils (RC), European Commission (EC) and National Institute of Health (NIH). For Framework 7 grants, time sheets are mandatory. Horizon 2020 – The EU Framework Programme for Research and Innovation has replaced the Framework Programme (FP7)

Each sponsor may have different requirements, so detailed information as well as timesheet templates and guidance can be found on the Research Office web page:

- Managing Research Projects, Research Projects from Start to End, Timesheets
- Managing Research Projects, Managing EU Funding, Horizon 2020, Staff Costs and Timesheets

Time sheets must be completed monthly, signed off by the Principle Investigator (PI) and retained for 6 years or longer if specified by the sponsor. The PI’s time sheet must also be authorised by his/her own superior.

For staff directly incurred on their grant their salary will automatically be charged to the grant and the time sheet will provide evidence to support these costs.

For staff who are working less than 100% of their time on the grant, their salary will be charged to the normal funding source for that post. A calculation is then required to determine the hourly rate, multiplied by the number of hours, which is the cost charged to the Grant.

Recent Audits of Timesheets have been very critical and their findings included:

- High % of timesheets missing
- Unsigned timesheets
- Timesheets not completed within 2 months
- Dates not included
- Completed or authorised before the period of the timesheet!

Potential implications of this are that we may receive a reduction in staff costs funding or items will be disallowed.

Processing Timesheets

It is the department’s responsibility to process the timesheets via a grants journal (miscellaneous transaction) at the end of every month before the Grants module closes to departments (3rd working day after month-end). This will ensure that overheads due these salary costs are calculated and posted in the correct month.
Debit  When processing the journal, the Research Grant is debited using the expenditure type of Principal Investigator Stipend, even if the individual is not a PI.

The journal description should note "Salary costs for ...." and the name of the staff member and the month being charged.

Credit  Cost Centre: the department’s research cost centre eg xxAG
Source of Funds: EDAA (Departments Share of Research Overheads)
Transaction Code: LZAC for all EC FP7 grants and H2020 grants

Once the grants module has closed the Central and Research Accounting section will transfer the portion due to the Chest from the departmental research cost centre to the Chest (AA.AABA.AFAA.LZAC) before closure of the General Ledger.
9. Posting a Refund to a Grant

Departments must not transfer funds into a research grant or directly code income from a sponsor to a grant code. Collecting monies due from sponsors is undertaken by the Central Research Accounting Team, within the Finance Division.

However, there may be occasions when a miscellaneous receipt needs to be coded to a grant, *e.g. if a supplier is overpaid and they reimburse via a cheque rather than a credit note, or if an expenses advance is raised which is not required resulting in a refund.*

It is not possible to code a miscellaneous receipt directly to a grant in the Accounts Receivable module, so in these scenarios departments must post the receipt to a GL code and then journal it back to the grant.

To do this follow instructions on page 21.
10. Monthly VAT Corrections

Each month, where errors have occurred effecting VAT on purchase invoices charged to research grants, the Tax & Property Finance Section, Finance Division, will email your department with the list of vat amounts that have been processed incorrectly and need adjusting. The email will detail:

- the invoice number that the VAT adjustment relates to;
- the GL code that the VAT adjustment has been posted to in your accounts ready for correction: your departmental research cost centre plus the source of funds and transaction code below

Example: **AG.AAAA.EZZM  (where ** is your department code)

Example: xxAG.AAAA.EZZM (where xx is your department code)

If your department has more than one research cost centre, the cost centre from the original transaction will be used. Always use the GL code you have been given in the email from the Tax & Property Finance.

PLEASE NOTE; you must not use the above G/L code for any other purpose.

Making the adjustment

1. In Accounts Payable look up the invoice number and make a note of the research grant distribution codes (project, award task etc.)

2. In the Grants module enter a Grants Journal with lines to transfer the VAT adjustment from the GL code (**AG.AAAA.EZZM) onto the Grant it should relate to. Don’t forget to save your journal, submit and release it.

<table>
<thead>
<tr>
<th>Original VAT correction was…</th>
<th>Grants Journal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debiting the GL code</td>
<td>Debit the Grant and credit your GL code</td>
</tr>
<tr>
<td>Crediting the GL code</td>
<td>Credit the Grant and debit your GL code</td>
</tr>
</tbody>
</table>
11. Posting Expenditure after the End Date

In the Grants module there are three key dates which govern the period of research.

**The sponsors start date:** when the research starts, after this date expenditures can be charged to the project.

**The sponsors end date:** when the research will finish, after this date no new expenditure can be incurred and this date cannot be extended without the permission of the sponsor.

**The close date:** is the date that the award is closed for posting expenditures to the project.

During the two months between the end date and the close date you can post the following to the grant.

1) Match an invoice to an existing purchase order, if the goods have been received prior to the end date, and approve for payment.

2) Pay an invoice or travel claim dated after the end date if the expenditure was incurred during the active period of the grant (i.e. after the start date and prior to the end date).

**In the AP Module:** When paying an invoice or travel claim which is not being matched to a Purchase Order it is important to ensure that the Expenditure Item Date in distributions is changed from the invoice date which defaults in to be the date that the expenditure was actually incurred, which must be during the active period of the grant.

3) Post a journal (misc. transaction) for which the expenditure lines have an item date of on or before the end date (i.e. the expenditure was incurred during the active period of the grant).

**In the Grants Module**

*When entering a grants journal the system defaults in the date from the batch header as the Expenditure Item Date, this should be changed to be the date that the expenditure was actually incurred, which must be during the active period of the grant.*

How to check the start, end and close dates of an award

The start, end and close dates are shown on the Award Status Report as part of the header information, at the top right of the report and also in the Award Status enquiry screen.
# 12. Check Status of all Grants

The Status of all grants should be checked on a rolling basis, at least quarterly and action taken to correct erroneous items/resolve overspends and under-sPENDS. There are a number of reports both within COGNOS and CUFS that will enable you to do this.

<table>
<thead>
<tr>
<th>COGNOS Reports</th>
<th>Year End Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data is a day-old as COGNOS is refreshed from CUFS overnight.</td>
<td>A copy of this report is formally sent out to Heads of Department along with their General Ledger Departmental Summary Report at the end of each financial year for their review and sign-off. Copies are also electronically sent out to the departmental Grants Contacts. However, the report can be run at any time as a preview.</td>
</tr>
<tr>
<td>Available in both PDF and excel formats.</td>
<td>Each year a new version of the report is published, with effectively just the dates edited. These are basically the same, with a few minor presentational refinements.</td>
</tr>
<tr>
<td>Only include projects for which the dept holds the Award</td>
<td>The report</td>
</tr>
<tr>
<td></td>
<td>• picks up grants that have been ‘Open’ in the current year</td>
</tr>
<tr>
<td></td>
<td>• shows total actual ‘burdened’ costs analysed by expenditure type</td>
</tr>
<tr>
<td></td>
<td>• includes data across all tasks (including Tasks 99 and 100)</td>
</tr>
<tr>
<td></td>
<td>• for the current year will provide cumulative totals to date.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Projects by Organisation by PI</th>
<th>A useful summary report that could be given out to individual PIs. The report returns cumulative project-to-date totals for budget, actual expenditure, commitments and funds left at project, task and expenditure category levels.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Run options include:</td>
<td>By Project Organisation or multiples – if you select a project organisation but no data is returned then there are no open projects on that organisation.</td>
</tr>
<tr>
<td></td>
<td>By individual PI or several PIs</td>
</tr>
<tr>
<td>There will be a separate page for each PI.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Enquiry</th>
<th>A summary of actual burdened costs per task, analysed by both Expenditure Category and Expenditure Type (the same information as the Award Status Enquiry screen in CUFS).</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Detailed Expenditure Enquiry by Project</th>
<th>As the name suggests a detailed listing of all expenditures charged to a project from CHRIS, AP and by journal. Useful for identifying individual invoices (to provide copies to auditors/Research Operations Office) as it includes both the Supplier name and their invoice number. VAT on invoices for non-reclaimable grants is separately identified. Run options include:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Run options include:</td>
<td>Individual or ranges of project codes</td>
</tr>
<tr>
<td></td>
<td>By individual or ranges of project codes</td>
</tr>
</tbody>
</table>
• all or just a selection of project statuses
• a specific date range or project-to-date

CUFS Reports

Data updated overnight

Not suitable for exporting in to Excel

Award Status Report

Is updated overnight and provides:
• Details on awards including expenditures, amounts committed and funds available.
• Totals at the task and award level.
• An accumulative summary of each award

Is useful for checking expenditure and available funds.

Will only show awards held by the department – for projects where this is not the case run the Project Status Report instead.

CUFS Reports

Report can only be run overnight

Not suitable for exporting in to Excel

Award Status by Department Report

Similar to the above report this report can be requested for all awards in the department or limited to just a Principal Investigator.

![Parameter dialog]

Show details:
Yes The report will show the expenditure, commitment and total cost by expenditure type, and budget and funds available by expenditure category
No The report will show the budget, expenditure, commitment total costs and funds available by expenditure category.

Order by: Select either Award Number, Principal Investigator or Project Number. If this field is left blank the award status reports will be ordered by Award Number.

This report currently runs overnight and when requested will appear as below in the request screen, automatically running overnight.
Will only show awards held by the department – for projects where this is not the case run the Project Status Report instead for each individual project.

<table>
<thead>
<tr>
<th>CUFS Reports</th>
<th>Project Status report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Time</td>
<td>Useful for monitoring the status of a project at month end and during the life of the project, particularly useful where there are cross departmental grants with a project being allocated to a different department from the award. Also provides a useful summary for PIs who do not have access to either the Grants Module or COGNOS.</td>
</tr>
<tr>
<td>Not suitable for exporting in to Excel</td>
<td>It provides up-to-date details on projects, showing:</td>
</tr>
<tr>
<td></td>
<td>• the budget,</td>
</tr>
<tr>
<td></td>
<td>• expenditures,</td>
</tr>
<tr>
<td></td>
<td>• amounts committed and</td>
</tr>
<tr>
<td></td>
<td>• funds available.</td>
</tr>
</tbody>
</table>

The expenditure and commitment figures are accumulative from the start of the project. The report header details information about the project, including project title, PI, start and end date, project status and award number funding the project. Funds check failures, unapproved purchase orders and AP invoices that are on funds checking hold are not included in the report.

<table>
<thead>
<tr>
<th>Parameters</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Number: ZZAG/123</td>
<td></td>
</tr>
<tr>
<td>Show Detail:</td>
<td>No</td>
</tr>
<tr>
<td>Display Tasks:</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**Show detail:**

- **Yes** Show the expenditure, commitment and total cost by expenditure type, and budget and funds available by expenditure category.
- **No** Shows the budget, expenditure, commitment total costs and funds available by expenditure category only.

**Display Tasks**

- **Yes** Sums data by task
- **No** Sums by budget heading, either category (summary) or type (detail) depending on the Show Detail parameter
12. Erroneous Purchase Orders

Run the GMS Commitments Enquiry Report (UFS)

This CUFS report provides a listing of commitments, which are approved Purchase Orders and validated AP invoices waiting for Secondary Invoice Approval, either for a single Project or for a PI.

**Used for** Checking outstanding commitments, useful at month end for producing information for PIs who do not have access to the Grants Module. Also used at the end of a Project to check that there are no outstanding commitments before the final claim is sent to the Sponsor.

**Parameters**

| From Project Organisation | Enter or select your Organisation from the list or values |
| To Project Organisation   |                                                         |
| Principal Investigator    | Leave blank for all or specify a Principal Investigator for their commitments only |
| Project Number            | Leave blank for all projects or specify a single project number. |
| Task Number               | Either specify a single task number or leave blank for all tasks. |
| Order By                  | Data on the report can be ordered by Award Number, Principal Investigator or Project Number. |

**Example** Commitments for a specific project
Investigate and resolve open orders in the iProcurement module

Investigate in iProcurement under a UFS xx: iProc Buyer responsibility as to whether these outstanding commitments are valid ie.

- order raised but the goods have not yet been received; or
- the goods have been delivered but the supplier’s invoice has not yet been received.

The orders date may be indicative as to whether either of the above two scenarios are likely. In iProcurement run the Open Purchase Order Report to gain a better understanding as to why the order is still open. Guidance on this can be found under the Reference link on the CUFS home page.

Old orders that are no longer required should be cancelled and those old orders which have been fully delivered and paid (although not correctly identified as such on CUFS) should be finally closed. This will remove the commitment from the grant.

**Note:** care should be taken to ensure that all goods have been received and paid for and there is no likelihood that a credit will subsequently be issued for the transaction, as once an order is ‘finally closed’ it cannot be re-open again.

Who is responsible for completing this action will depend on the staff structure within your department; in some areas the Grants Administrator may also have iProc Buyer responsibility; in other departments the Grants Administrator would request their accounts teams to make the adjustment on their behalf.

Full details of how to make these amendments are available at http://ufs.admin.cam.ac.uk/reference/upgrade/iprocurement/dd_amend_req.pdf
13. Sponsor Audits

The external audit requirements will be stated in the terms and conditions of each award. External audits will be arranged by the Research Office and auditors will need to visit departments to check invoices and payroll information. The Research Office will contact departments to arrange these visits.

Our most common grant audits are for EC FP6 grants and DTI grants. EC FP7 grants require auditing less frequently than FP6 grants.

Recent Timesheet audits have been particularly critical – please see section 8.

Please contact your Awards Administrator in your School Team within Research Operations Office for more information.