RESEARCH ADMINISTRATION FORUMS & TRAINING

April 21, 2022
Agenda

**Cash Advance Guidance**
Overview of new guidance and best practices

**Ledger 4 Clinical Trial Process**
New Ledger 4 Clinical Trial date change process and form

**Reconciling and Posting Expense**
Importance of posting expenses timely, specifically related to closeout
Presented By

Tracey Lemming

Interim Audit and Financial Compliance Manager
Office of Sponsored Research
Operating Standards and Procedures

Cash Advance Operating Standard
• OSR Operating Standard 500.14 - Cash Advances

Cash Advance Procedure
• OSR Operating Standard 500.14P – Cash Advance Procedure

Recent Revision:
Cash advance requests to a third-party institution or University foreign facility should not exceed 25% of the applicable subagreement budget of the initial award period. Requests exceeding this amount require additional approval from OSR’s Asst Vice Chancellor.
Expectations of Cash Advance Management

**DOMESTIC** reconciled within **60 days after receipt of the advance**

**FOREIGN** use reconciled within **90 days after receipt of the advance**

Reconciled timely after end date of the project per the reporting requirements of the agreement and OSR

**REMINDER:** Third advance allowed if other advances in compliance with OSR Op Standard 500.14.
Cash Advance Request Process

**Voucher**
- Debit account 559510
- Include all required forms and documents
- Once submitted, voucher is in queue for OSR Pre-Audit team

**OSR Approval**
- OSR Pre-Audit reviews request and acquire any approvals from OSR SPS
- Once OSR Pre-Audit approves, voucher is in queue for AP

**Funds Transfer**
- Accounts Payable reviews voucher
- Once AP approves, cash advance payment is submitted to the recipient
Cash Advance Reconciliation Process

**Documentation**

- Expenses incurred **prior** to award end date
- Includes all receipts or expense supporting documentation

**Journal**

- JCA Source
  - Credit account 559510
  - Debit corresponding expense account

**OSR Approval**

- OSR Pre-Audit reviews request for approval
- Once approved, the advance is moved to the appropriate expense account
Advance/Reconciliation Forms & Documents

Cash Advance Voucher
- Application for the Advancement of Funds UNC Finance Form 307.1.1f
- Cash Advance Agreement UNC Finance Form 307.1.2f
- Request for Advance for Purchase of Gift Cards, if applicable, UNC Finance Form 307.1.3f
- Outgoing Domestic Wire Transfer Form, if applicable, UNC Finance Form 730.1.2f

Cash Advance Reconciliation Journal Entry
- Cash Advance Settlement Cover Sheet UNC Finance Related Data 307.1.1rd
- Copy of Cash Advance Voucher and Settlement Inquiry Screen
- Copy of all relevant receipts, invoices, or other expense documentation*
- Reconciliation of Cash Advance for Study Subjects, if applicable, Finance Form 307.1.4f

*REMEMBER: All personal information on study subjects should always be redacted on forms.
Remaining Unspent Funds – Deposit Information

• Use the **OSR Deposit Memo** to return unspent funds to OSR

• Do **NOT** include reconciliation documentation with deposit

• Do **NOT** include amount of unspent funds in recon journal

• For deposit questions, contact [dawn_dilello@unc.edu](mailto:dawn_dilello@unc.edu) in OSR

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**DEPOSIT MEMO**

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<tr>
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<tr>
<td><strong>Dept Contact Name</strong></td>
<td><strong>Dawn DiLello</strong></td>
</tr>
<tr>
<td>Phone: 919-xxx-xxxx</td>
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**SPECIAL INSTRUCTIONS (If refund / reimbursement, include original voucher number below):**
OSR RAFTS SESSION TOPIC

Ledger 4 Process

Presented By

Liz Powell
Assistant Director of Contracting
Office of Sponsored Research
Ledger 4 Clinical Trial Date Change Request Form

- **Online form** to request date changes to Ledger 4 Clinical trials

- Two options: **Date Extension** or **Closeout**

Please select the type of date change that you are requesting *(Required)*

- Date Extension
- Closeout
Ledger 4 Clinical Trial Closeout

Closeout Requirements:

• Affirmation that study activities and protocols completed

• Attachment of documentation confirming end of study

• New End Date
OSR LEDGER 4 PROCESS

Contracting Team Process

- Submitted form is sent to OIC@unc.edu
- Contracting team creates a RAMTracker and reviews the request

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<td>Ledger 4 – Clinical Trials</td>
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- New Date will be updated in both RAMSeS and ConnectCarolina
- Sponsored Projects Accountant will be notified when the project is ready for Closeout
Sponsor Language which indicates an extension can be processed without sponsor approval:

16. Term and Termination

a. Term. The term of this Agreement will commence upon the Effective Date and terminate upon Study Site’s completion of the Study under the Agreement, unless terminated early as further described in this section (“Term”).

Sponsor Language indicates an extension requires sponsor approval, needs to requested by Department and PI:

**Program Term.** The term for the Institution's performance of the Program under this Agreement commences upon the Effective Date and will continue in effect for an initial period expiring on June 30, 2013 ("Initial Term"), unless extended by one or more one (1) year renewal periods by mutual written agreement of the parties as an amendment to this Agreement, or earlier terminated in accordance with Section II(6)(a) below (the Initial Term and any and all extensions and portions thereof, if any, collectively referred herein as the "Term").
Reconciling & Posting Expenses

Presented By

Jenifer Gwaltney
Director of Sponsored Projects Accounting
Office of Sponsored Research
Complying with Federal Guidelines

- Compliance with Federal reporting and payment draw-down guidelines is imperative.

- If Federal guidelines are not met, this may (and has been) restricting UNC’s ability to draw for any expenses not posted/incurred in ConnectCarolina.
Understanding Project End Dates

- All expenses must be posted to the project in ConnectCarolina **within 60 days of the project end date or prior to the final report due date** as required by the agreement.

- While KK end dates are important to be aware of, they serve as internal system (ConnectCarolina) deadlines for budget controls.
Pending Expenses

• Keep your OSR Sponsored Projects Accountant updated on any pending expenses for a final report, including:
  ▪ All personnel transactions, subrecipient payments, outstanding cash advance reconciliations*
  ▪ Any outstanding cash advances will not be included in the final report

• All pending expenses must include transaction numbers/IDs for:
  ▪ Vouchers, Journals, and PAATs
Complying with OSR Operating Standard

- **OSR Operating Standard 600.04 - Sponsored Project Expenditures**

- Department and OSR have roles and responsibilities in complying with financial reporting in the system and to our sponsors.

- If expenses are not posted timely by Departments and/or communicated to OSR, then ultimately, all applicable expenses incurred and not reported or paid by the sponsor must be covered by departmental funds.
Questions?
Q: NC subcontracts usually allow the subcontract entity to send final invoices up to 60 days after the end date. We have projects where the final adjustments to post additional expenses cannot be made until the amount of remaining budget is known (the final invoice is received). What accommodation can be made in this case?

A: The subcontract final invoice is determined based on UNC's due date set by the sponsor. For federal projects, we typically have 120 days to report, and we allow 60 days for the subrecipient's final invoice. If there are instances where an exception has to be made to pay an invoice past the KK date, the department has to submit a help ticket with the voucher ID and supporting email from the SPA allowing the expense/payment.
Resources

- OSR Operating Standard 500.14 - Cash Advances
- OSR Operating Standard 500.14P – Cash Advance Procedure
- Ledger 4 Clinical Trial Date Change Online form
- Ledger 4 Clinical Trial Guidance
- OSR Operating Standard 600.04 - Sponsored Project Expenditures