June 2012 COGR Meeting Thursday Morning Costing Presentation - Walters
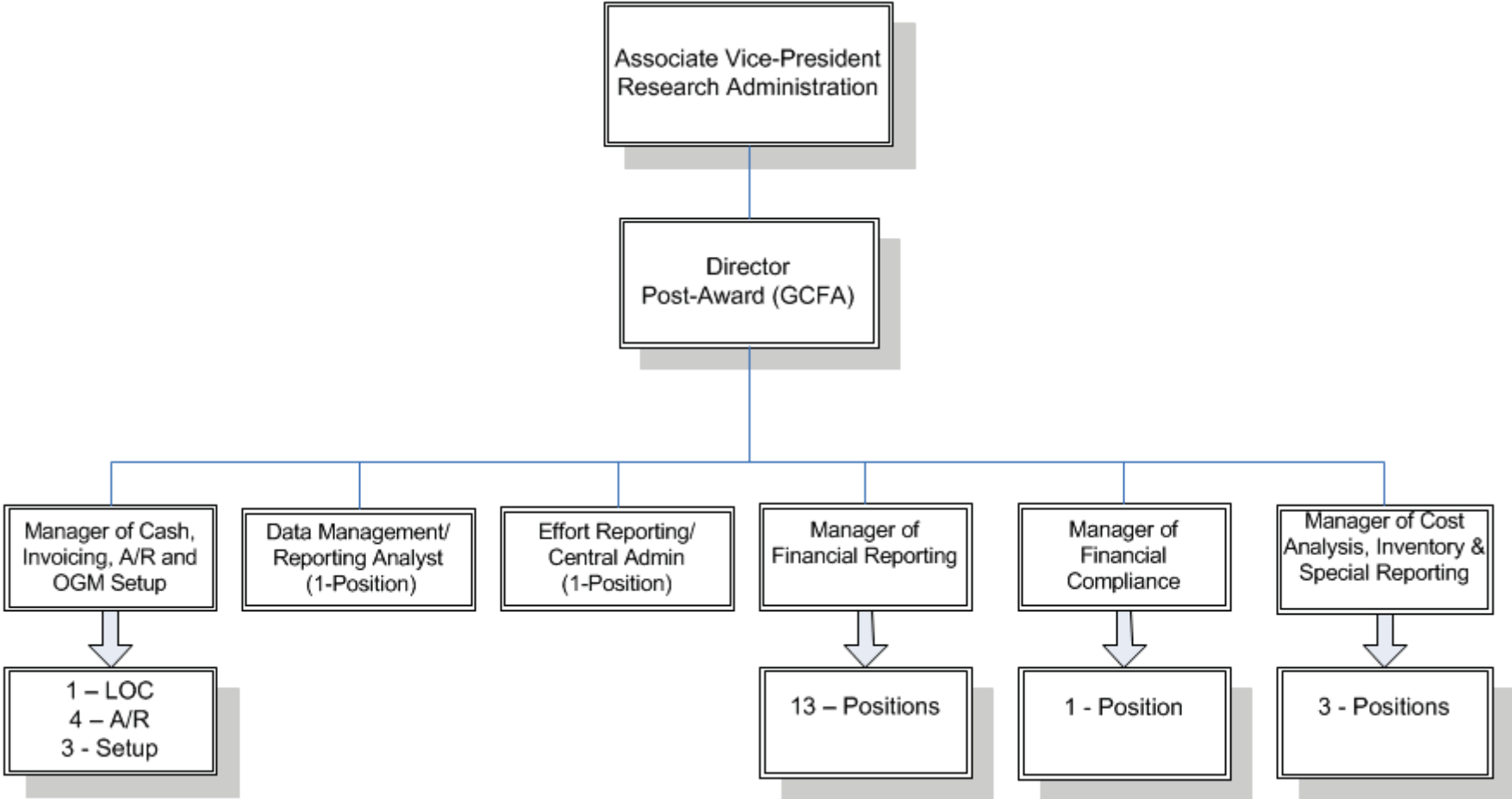
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Published Date: 06/13/2012

Financial Reporting, Cash Requests, Electronic Systems, and the Burdens of Managing a Federal Labyrinth

Council on Governmental Relations (COGR)
June 7, 2012

Sponsored Projects - Finance Organization

Roles and Responsibilities

How Does Yale Organize around Federal Reporting and Post-award Management?

- Cash, Invoicing, A/R and OGM Setup
  - Letters of Credit and Cash Draws
  - Quarterly FFR completion and reconciliation
  - All Electronic and Manual Invoices
- Financial Reporting
  - All interim and final financial reports (including ARRA annual reviews and final financial reports)
- Cost Analysis, Inventory & Special Reporting
  - ARRA Quarterly Reports
  - FFATA Reporting

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The Structure of Federal Cash Draws, Invoicing and Reporting

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Federal Cash Drawdown & Reporting

Overview of Federal Agency Reporting Practices

- Five different systems for requesting Cash Payments

- Five systems and/or processes for monthly or quarterly invoicing

- In some cases, different branches of the same federal agency use different systems

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Federal Cash Draws and Invoicing

	Electronic Cash Request					Monthly/Quarterly Invoicing						
	PMS	Research .gov	ASAP	G5	GPRS	VIPERS	Payweb	WAWF	Manual SF425	A/R System	AutoPay	Total
NIH (EA and nonEA)	1,440											1,440
NIH-ARRA	78											78
NASA	18											18
USDA/Agricultural Research	4											4
USDA/NIFA			3									3
USDA/ERS									2			2
USDA/Forest Service									1			1
Department of State	1											1
Homeland Security	2											2
NSF		315										315
NSF-ARRA		31										31
DOE			46									46
NIST (on hold)			1									1
DoEd				20								20
Department of Justice					3							3
EPA			1								9	10
Navy/SPAWAR							21	2				23
Army/US Military Academy							8	2				10
Air Force								7			9	16
Defense Threat Reduction Agency								2				2
Inst. Museum & Library Services									7			7
NEA									4			4
NEH									5		1	6
NHPRC									2			2
U.S. Geological Survey										1		1

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Financial Reporting for Federal Awards

Redundant Reports and Incompatible Systems Increase Workload

	Monthly Cash Draw	Quarterly Federal Financial Report	Quarterly Financial Report	Semi-Annual Reporting	Annual Financial Reports	Final Financial Reports	Comments
Yale Statistics							
No. of Awards per Report	2,146	2,401	204	20	650	1,505	
FTEs of effort in reporting	0.5	0.5	8	0.01	6	18	
No of Staff Involved	2	2	300	5	275	340	
Federal ARRA Awards							
NIH	PMS	PMS	Federal Reporting.gov			e-commons	Cash drawn 2 times per month
NSF	Fastlane	Research.gov	Federal Reporting.gov				Cash drawn 2 times per month
DOE	ASAP	(e)mailed to sponsor	Federal Reporting.gov			(e)mailed to sponsor	
HHS							
NIH (under expanded Authorities)	PMS	PMS				e-commons	Cash drawn 3 times per month
NIH (Not under expanded Authorities)	PMS	PMS			e-commons	e-commons	Cash drawn 3 times per month
USDA	PMS	PMS		(e)mailed to sponsor	(e)mailed to sponsor	(e)mailed to sponsor	
USDA/Forest Service	PMS	PMS		(e)mailed to sponsor	(e)mailed to sponsor	(e)mailed to sponsor	
Department of State	PMS	PMS	(e)mailed to sponsor			(e)mailed to sponsor	
DOE	ASAP	(e)mailed to sponsor				(e)mailed to sponsor	
NASA	PMS	PMS					
Department of Defense							
Navy	Payweb		(e)mailed to sponsor			(e)mailed to sponsor	
Army	AutoPay & Payweb & WAWF		(e)mailed to sponsor			(e)mailed to sponsor	
Air Force	AutoPay & WAWF		(e)mailed to sponsor			(e)mailed to sponsor	
Department of Justice	GPRS		(e)mailed to sponsor			(e)mailed to sponsor	
NIST	ASAP		(e)mailed to sponsor			(e)mailed to sponsor	
NEH	SF425					(e)mailed to sponsor	
NEA	SF425				(e)mailed to sponsor	(e)mailed to sponsor	
NHRPC	SF425		(e)mailed to sponsor			(e)mailed to sponsor	
NSF	Research.gov	Research.gov					Cash drawn 2 times per month
DoEd	G5						No Reporting

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Specific System Challenges

WAWF:

- System does not pre-populate all awards; No drop-down award list, and user has to manually enter award/contract Number.

- 7-8 different type of forms that may be required for reporting in WAWF, and the name of those forms may be different from what's stated in the award document. (example, award requires SF 270, but the actual form in WAWF is titled "Cash Voucher").

- Each award may have one or more "DODAAC" codes in order for the various form(s) to route to the correct office(s) for approval/processing. The DODAAC code can be hard to identify/find in the award document if it's missing from WAWF.

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Specific System Challenges

LOC Draw Systems

- Delays in the addition of Federal agencies to existing systems

- ASAP and PMS systems require the resubmission of banking information as new agencies are added

- Recently experienced a 6 month delay in adding a new agency PIN to the PMS for our institution.

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Specific System Challenges

Summary

- Five different systems to request or draw cash

- Five different systems for submitting Invoices

- Five different frequencies for reporting

- As we look ahead, is it possible to consolidate 10 different systems into one and develop one standard for reporting?

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Transparency Reporting (ARRA and FFATA)

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ARRA Awards and Expenses

Funding Sponsors	Award Count	Funded Amount [1]	Cumulative Expenses 5.29.12	Expense as a % of Funded Amount
HHS	1	$361,109	$358,912	99%
NIH	256	$127,701,514	$111,181,256	87%
NSF	36	$13,402,311	$9,975,231	74%
DOE	2	$228,050	$228,041	100%
Pass Throughs	67	$16,030,725	$14,197,167	89%
Grand Total	362	$157,723,709	$135,940,608	86%

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Strategy

Yale's approach and solution to ARRA Reporting:

- An ARRA Committee was formed to develop a solution (Representatives from Pre-Award (GCA), Post-Award (GCFA), IT Procurement, HR, Post Doctoral Affairs and Departments)

- Yale's solution involved:
  - Pre-populating ALL data requirement fields so department and faculty would review, validate, or fill-in certain fields.
  - Providing departments a simplistic and automated system process for Reporting - Developed Oracle database and screens with built-in workflow.
  - Minimizing the time required by principal investigators and departmental administrators to complete quarterly ARRA reports.

- ARRA reporting was temporary. Our solution was not designed to be scalable to meet a broader future demand.

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FFATA Process

- A list of executed subawards is generated on-demand from our Subaward Management System (SMS) database in Excel Format, reviewed, verified and uploaded into FSRS.gov.

- 100% of fields are auto-populated from existing system data (NIH, CCR, and University).

Transparency Reporting Challenges

FFATA

- Identifying the correct population to report (NOA states that the award "may be subject to FFATA" when it does not apply").

- When Award is not in the FSRS system, the institution can not report. Extensions to the deadline have had to be requested when the award was not present in the system by filing deadline.

- Amendments to subaward(s) for subsequent year funding requires the manual retrieval and keying within the FSRS system

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Do Institutions have the Technology Resources to Meet the Commitment?

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Changing Requirements

Institutional Resource Challenges

- Data and information must be collected from many different systems within the University (i.e., financial system, procurement system, Pre and Post-award systems).

- The need to provide more transactional detail with quarterly report submissions (i.e., inclusion of xbrl – extensible business reporting language).

- Increase of reporting frequency without a reduction in the quantity of reporting redundancies.

- Potential increase in human resource needs - adding to the cost of an already capped administrative pool.

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Changing Requirements

Data Element and Source			Current Reporting No of Data Elements	Quarterly Reporting No. of Data elements	
Internal Source					
OGM			3	6	
DWH			4	5	
SMS				13	
Procurement				8	
IRES	Subaward Signed Date			1	
Manual excel calculation required			4		
Manual Entry required (Y or N, project status, quarterly description)			6	3	
Data Elements available at Yale			17	36	51%
Data Elements required but auto-populated or calculated			18		
External Source					
Funding Agency				8	
CCR				13	
Data information External to Yale				21	30%
Data Fields Not Applicable to Yale			2	13	19%
Total Number of Data Elements per Financial Report			37	70	

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Changing Requirements

Federal Financial Reporting	Active Awards in FY2011
Federal Award Total	1,947

	Current - FSR Reporting		Future - Quarterly Reporting	
	Frequency of Reporting (1 time per award)	Total Final Financial Reports Filed over Life of Award (For all Active Awards)	Frequency of Reporting (4 times per year)	Total Financial Reports Filed over Life of Award (For All Active Awards)
	1 time	1,505	4 times	32,657

Comparison of the Quantity of Data captured under each Reporting Method →

No. of Data Elements per Financial Report	Total Data Elements submitted for all awards	No. of Data Elements per Financial Report	Total Data Elements submitted for all awards
37	55,685	70	2,285,990

Comparison of Time Requirements in submitting Accurate Financial Reports →

Time Allotted to FSR Filing	Days Available to file following University Monthly Close Cycle	Time Allotted to FSR Filing	Days available to file following University Monthly Close Cycle
90 days after award end date	83-85 days	10 days following each quarter cycle	3-5 days

Comparison of Estimated FTE's needed to Meet Reporting Demands →

Hours Required to complete each Report	Total Number of Hours for Reporting all Active Awards	Hours Required to complete each Report	Total Number of Hours for Reporting all Active Awards
24	36,120	3	97,971
FTE = 17.37		FTE = 47.10	

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Changing Requirements

- What is the value of having the data?

- Is having more data available publicly accessible the same as having useful information?

- Will providing this frequency and quantity of data help focus Federal agencies in managing awards and awarded dollars better?

- Will future reporting requirements replace and/or consolidate existing duplicative reporting?

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