

Department of Family Medicine

# Accounting Overview

What staff and faculty need to know to ensure that we are all proper stewards of University resources

# Checks and Balances

Good accounting practices incorporate a system of checks and balances to ensure that no one person has control over all parts of a financial transaction.

This means the person requesting the financial transaction must be different from the person who approves it and that person is different from the one who processes it.



## Why is this important?

UCLA is a state agency, funded in large part by tax dollars. In addition, many of our research projects are federally funded. Both of these factors mean there is an extra layer of scrutiny over how we spend money and it's important that we have systems in place to prevent fraud and abuse.

# Whose money is it, anyway?

All funds belong to the University, whether they are grant funds or unrestricted donations.

The Regents of the University of California are the ones who receive the money and they are entrusted with proper oversight and spending by its faculty and staff.

The funds do not belong to the Principal Investigator (PI), so although they must approve all transactions from their assigned accounts, it is ultimately the University who has the final say on what is/is not allowable.

If funds are awarded to the University via contract or grant agreement, the University is required to abide by the agreement language regarding usage of funds.

If a PI or employee asks you to purchase an item that is not in compliance with University or sponsor restrictions, you have the right to refuse. Discuss with the Fund Manager, your supervisor, Department leadership, or another trusted source.

# Laura's *LA Times* Rule

If the newspaper were to publish details regarding the expense, would you or the University be embarrassed? If yes, **do not proceed with the expense.**

Business justifications should be detailed, comprehensive, accurate, and always included in your expense documentation/purchase requests.



# General Accounting Procedures

- All transactions must be pre-approved before an expense can be incurred. This is achieved by completing a [Purchase Request Form](#) and obtaining approvals before the University commits to spend funds. (You should not be purchasing items and then seeking reimbursement or payment of vendor invoices after the fact; with the exception of travel or emergency scenarios)
- Anyone who is aware of fraudulent or illegal business transactions conducted in the name of the University must report them immediately.
- Documentation should be organized and maintained for reconciliation and auditing purposes.

# Authorized Signatures/Signing Officials

- Only Authorized Officials (AO) are allowed to sign off of contracts. Typically AO's are senior staff in OCGA or Purchasing.
- If a vendor has terms and conditions (T&C) attached to their quote, that is considered a contract and requires AO signature. You should include the T&C (or any other contract) when you submit a Purchase Request Form so that AO signature can be obtained prior to the creation of a Purchase Order (PO).
- PI's, research personnel, fund managers, purchasers, the CAO... none of these people are Authorized Officials. (They can only sign off when given explicit permission to do so from an AO).



**REQUESTER:** The Requester is the person who needs the item or is requesting the item for someone on their team. The Requester determines what needs to be purchased and from which vendor. This person will also be completing most of the forms for submission to the Authorizer.

**AUTHORIZER:** For CBAM employees, the Authorizer is [Jennifer Baughman](#). For non-CBAM employees, the Authorizer is likely the PI. The Authorizer is responsible for making sure that the Purchaser lists the correct FAU to be charged, and that the item being ordered/service being paid for is correct and relevant to the project. Authorizers need to sign off on most ordering forms. For CBAM employees: Jenn will submit all requests directly to the Approver/Fund Manager herself. For Non-CBAM employees: Requesters need to get Authorizer signature, and then submit the signed requests themselves.

**FUND MANAGER (APPROVER):** Christine Park is the Sr. Fund Manager for the Research Unit and handles most of the research PI's (including CBAM and Sports Medicine). Andrew Titus is responsible for the FHC researchers, the IMG program (Bholat), the residency program (Sur), and research funds belonging to the Chair (Moreno). Approvers/Fund Managers are responsible for making sure expenses are allowable, the correct fund and cost center have been listed, that there are enough funds available, and that the purchase is compliant with sponsor policies.

**PURCHASER:** [Valencia Moody](#) is the Suite Coordinator and Purchaser for the Research Unit. She will review all purchase requests to make sure they are compliant with UCLA policies and that all required information has been submitted. She will then process the request (e.g. by creating a Purchase Order, submitting a reimbursement request via Concur/Travel Express, placing an order with the vendor, submitting to Accounts Payable, etc.)

**CAMPUS:** This is the Universitywide department that services the entire campus in that particular field. Depending on the purchase, this could be Accounts Payable, Purchasing, Travel Accounting, Business Finance Services, etc. They are responsible for issuing payment (e.g. via check, foreign wire transfer, EFT, direct deposit, etc.)

**VENDOR:** This is the person, contractor/consultant, or company providing the item or service. Typically the Vendor will require a Purchase Order (PO) prior to providing the service or item, then will invoice after the fact. Invoices are sometimes sent back to the department for review/approval, or sometimes the vendor will be able to send the invoice directly to Campus (via Transcepta) for processing.

**MANAGER OF RESEARCH ADMINISTRATION:** This is [Laura Sheehan](#). She supervises the Approvers/Fund Managers and Purchaser, as well as all non-CBAM Research Staff. She serves as back-up for the Approvers/Fund Managers and Purchaser if any personnel are out of the office. She is also responsible for periodically reviewing transactions for accuracy and making adjustments to the process to ensure efficiency and compliance with policies.

**REQUESTER** determines need, gathers information regarding pricing/ordering, and completes required paperwork to request payment/purchase order/reimbursement

Submits to Authorizer

**AUTHORIZER**  
(e.g. PI) reviews request and signs off if appropriate

Submits to Approver

**APPROVER** (Fund Manager) reviews for allowability, accuracy, fund availability, and sponsor compliance

Submits to Purchaser

# Purchasing Flowchart

Dept of Family Medicine Research Unit

**PURCHASER:** reviews for completeness and compliance with UCLA policies. Processes the request using appropriate system (e.g. BruinBuy, Concur, etc.). Contacts vendor (if applicable).

**PURCHASER** works with Authorizers, Approvers, and Requesters to review received invoices. If approved, Purchaser submits invoices to Campus for payment.

Submits to Vendor

**VENDOR** receives request, processes order, sends invoice back to Department or to Campus directly (via Transcepta).

To Purchaser

Submits to Campus

**CAMPUS** department reviews request and processes payment (e.g. via check, wire transfer, direct deposit, EFT, etc.)

Submits to Campus



# Forms/Processes

Every transaction that requires payment, must be pre-approved and signed off by someone with authorization to spend. That applies to ordering supplies, hiring a consultant, purchasing flights, utilizing parking services on campus, securing a venue for an event, paying a guest lecturer, utilizing a campus lab, etc.

Unfortunately, UCLA has multiple forms and processes that are used for different kinds of transactions. Knowing which one to use can be confusing. The next slide provides some general guidance.



## **What Do You Need?**

Supplies

Contractors/Consultants

UCLA Campus Services

Airfare

Off-Campus Event Space

Travel Reimbursement

Entertainment/Catering

Computers/Software

Gift Cards

Guest Speaker Fees

Mileage Reimbursement

## **Use this form/process**

Purchase Request Form

Contractor and Consultant Checklist

Varies depending on campus unit

1. Contact UCLA travel for itinerary, 2. Obtain FAU and approval from Authorizer, 3. Email itinerary, justification, and FAU to Approver and Purchaser to obtain a PTA

Purchase Request Form, often requires AO signature on T&C

Travel & Entertainment Reimbursement Form

Travel & Entertainment Reimbursement Form

Obtain quote from DGIT, then Purchase Request Form

Depends on purpose (Human Subjects vs. Non-IRB requests)

Check Request Form

Mileage Reimbursement Form

Notes:

If a vendor gives you a formal quote, contract, or other document, you must include it with your Purchase Request form

# Timeline and Additional Review/Approval

The University gives each Department approval authority within certain limits. For any purchases made within those limits, a purchase order can be generated within 2-5 days after the Authorizer has signed off.

All other items require approval by campus and processing times vary significantly. Examples of items that require campus approval before a PO number can be created:

- Consultants
- Service contracts (more time required for vendors that will have access to PHI)
- Any order exceeding \$10,000 on a federal grant or \$100,000 on an unrestricted account

# Quiz

1. Who can sign contracts?

Only Authorized Officials having signing authority. Occasionally AO's will grant permission to others to sign, but this permission must be received prior to signing off on any agreement.

2. Do I need to obtain approval before purchasing a campus service?

Yes, all purchases, whether external or internal, require prior approval.

3. Do I need to maintain copies of what I've submitted?

Yes, requesters and/or PI's must maintain copies of submitted purchase requests and supporting documentation for reconciliation and auditing purposes.

4. Funds belong to:

A. The faculty member or PI to whom the account is assigned

B. The Regents of the University of California

C. The person requesting the purchase

D. The Department of Family Medicine