

What Executive Management Needs to Know About the F&A Proposal

By Mira L. Levine and Darryl Lim

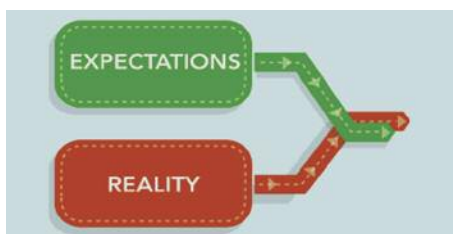


There are many ways to approach determining what management for your particular institution needs to know about the Facilities and Administrative (F&A) Proposal and planning for your upcoming base year. Before you begin, there are several details particular to your institution that need to be addressed.

First, who is considered executive management at your institution? Does it include the highest level such as the University president? Does it also include the Chief Financial Officer and the Vice President of Research? In some institutions, it can also be the Controller as well as some or all of the Academic Deans.

Why does it matter who is included in the management discussion? Because each of these people represent a different constituency at your institution and could perceive F&A in different ways. It is a must to work on closing the gap between expectations and reality.

For example, the Vice President of Finance might be concerned with the overall funding picture as well as the impact of the staff workload during the F&A Proposal process, while, the Vice President of Research will need to balance what the potential for an increase in the F&A rate might mean to an overall budget, the



distribution of the indirect cost rate recovery (to be covered in more detail later in the article) and the desire of the Principal Investigators (PIs) to keep the F&A rate low in order to maximize the amount of direct costs they can charge on the sponsored award. The Vice President of Finance and Controller are also concerned with controlling costs in light of the F&A administrative cap and increase in unfunded research administrative mandates

This can present a conundrum for the individual in charge of the F&A Proposal process in that they must answer and be responsive to different executive managers with differing needs and agendas throughout the F&A Proposal process. So that, brings us to YOU!

Second, what is your role in the F&A Proposal process, were you involved in the process during the last F&A cycle? Were you involved in any or all of the following major roles: project planning and management, communications, data collections, analysis and presentation? If you are the F&A project lead, were all these major roles under your supervision or did you have to coordinate with different supervisors?

Third, what is in your tool kit? Where will the information come from? Your established relationships with the defined executive management team above will become very important in building your team and building trust with executive management. What else would build trust? Your F&A knowledge, your project plans for the F&A project, your knowledge of the institution's financials and the grant systems supporting your organization.

So, now that you know who executive management is, what your role is, and what is in your tool kit, that brings us to our last point, how will you communicate information to executive management? Presentations can be made to various stakeholders in the process, emails should be sent out often providing highlights and updates on the project, and project management plans should be shared with those who need to know. Any roadblocks for the F&A projects should be communicated early to executive management, as they do not like surprises.

In regards to F&A communications, F&A professionals are well versed in F&A terminology and Uniform Guidance language. But the key to communicating to executive management is the ability of the F&A professional to communicate the complexities of the process in clear simple language. There is a saying that the definition of genius is taking the complex and making it simple. This holds true with communicating with executive management and the campus community. F&A professionals need to make sure communications are clear and simple and not carried away with too much F&A jargon and complexities.

And a final note on what information executive management should be informed about. If you have not already done one, do a post (mortem) negotiation summary of your F&A Proposal. Things that went wrong may indicate a need for more resources or a change in execution.

CASE STUDY University of California- San Francisco (UCSF) F&A communications to Campus Community

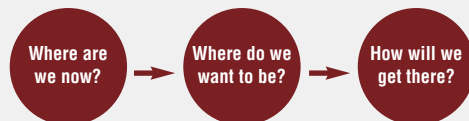
Who: CFO Forums, Provost Newsletters, YouTube video, UCSF F&A Primer

What: High Level Overview of Prior Proposal – Strengths and Weaknesses, in particular if additional resources are needed to fix the weaknesses. Needs for additional staff, better software, outside consultants are addressed early.

What: Fixing System Issues – Prioritize which are most important and need to be done first or may have a multi-year time frame. For example – need to get a new space inventory and survey system prior to the next proposal; executive management needs to get the additional resources and possibly personnel or contracts hired – needs to happen now.

What: Fixing Other Issues – Were there problems with the data sets and matching data elements such as building, department and room numbers? How successful was the equipment by room matching? Opportunities to increase the rate can be dealt with before the base year.

When: Strategic Planning for the Base Year – Get on the radar of executive management early, starting before the base year ends. Schedule a meeting for January of your base year (June 30 FYE). Share the results of the post mortem of the prior proposal and results of the practice year proposal. Provide updates and timeline of how the issues and proposal weaknesses noted above will be remediated. Then, set the stage for the current base year.

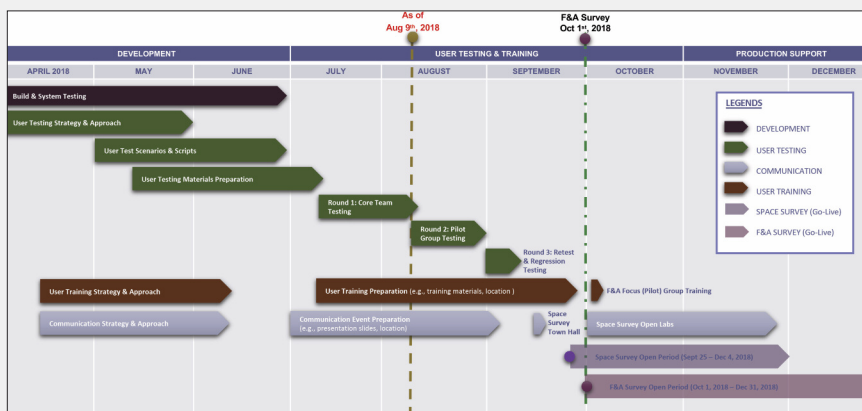


How: The Details of When – F&A Proposal and Space Survey Processes – Provide a timeline for the project (at a more detailed level than the high level overview, noted above). Draw attention to where you will need support.

Sample F&A Project Timeline

ID	Task Name	Half 1, 2017					Half 2, 2017					Half 1, 2018					Half 2, 2018								
		N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O
1	1. Assessment and Planning																								
2	Finalize project timeline																								
3	Discuss and clarify roles and expectations																								
4	Discuss data requirements for space survey																								
5	Schedule regular conference calls and meetings																								
6	Meet with Executive Management Team																								
7	2. Space Survey																								
8	Acquire data: space, payroll, floor plans																								
9	Determine survey participants, schedule training																								
10	Complete training, launch survey																								
11	Ongoing survey support: emails, calls, on-site visits																								
12	Post survey: space analysis, identify weaknesses, correct issues																								
13	3. F&A Cost Rate Development																								
14	Upload financial and asset data into CRIS																								
15	Review and scrub all funds/ accounts, F&A and direct																								
16	Review and revise operations and maintenance pools																								
17	Review interest charges																								
18	Establish allocation tables																								
19	Fix step-down errors																								

Sample Space Survey Timeline



How: What are the Space Survey specifics facing UCSF for their upcoming FY2020 Base Year.

UCSF – F&A Space Survey Development

Background

- Last F&A space survey 2010
- 2014 used FTE allocation method

Issues:

- New Space Management System in 2014
- Not wanting to introduce new system for F&A space survey
- Build F&A space survey module with the existing space management system
- Started the project in 2016, with delays in 2017
- Team consisted of personnel from Costing, Space, Project Management Office, and an outside developer
- Go live in fall of 2018 with a modified space survey before base year
- In 2019, based on modified space survey results and feedback from users, enhanced space survey processes and space management system before base year
- Base year in 2020

In summary, it is now time to get moving on the tasks you set forth above while keeping your communications to Executive Management fluid. How often will you give them updates? Does your timeline have enough flexibility for adjustments based on issues that come up and executive management’s change in the focus or direction of the project? You as project manager must be the gatekeeper of the timeline to ensure the F&A proposal with best and most defensible rate is submitted on time.

Good luck and remember the more communication with executive management, the more likely you will be able to mitigate the effect of any surprises in the process and the rate and the more trust you will be able to build with your executive management.



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