Jason Berlow: Thank you. On the survey, please continue to take the survey. We look at those results and the past survey we did on the budget and AOs in February. So, please keep taking those surveys, as we really want to measure how effective our training is. So, today is going to be a very popular topic, by popular demand, reimbursable work. And what we're going to do is we're kind of going to go soup to nuts to take you to the beginning of what reimbursable work is, to understand the basics, and then go through the whole process for how you bill in VISTA.

Diane Murphy and Tony are going to take Section 2. Diane has a lot of experience working in a fiscal from Augusta, Georgia. So, she's going to provide that expertise and then Tony's expertise. And then we're going to talk about the accounting process, so you can understand some of the key accounting aspects of this and the different VSSC reports. And if we have time later, we could go into VSSC, and I could show you how to pull it. Well, we could save that part for the questions. And then we're going to talk about the VHA Finance Automatic TDA process. And then we're going to talk about your favorite topic, year-end considerations and deadlines. So, with that we're going to go into the training.

But just a quick refresher on appropriations law, a popular topic right now that we're getting questions about. Research Week's coming up and people want to buy SWAG and goodies for people. So, just remember that there's a VHA policy on purchasing SWAG and coins. SWAG generally can be bought for veterans or any external VA person who is not a government employee to market VA research. So, \_\_\_\_\_ [00:01:56] is going to be actually sending a message about some items that they are going to be hopefully providing with our guidance. But if you have ever had any questions, please reach out if you're ever in a situation where you're getting questions about what you can and can't pay for mementos. Just remember you cannot purchase mementos for staff. So, if you wanted to buy everyone a VA research, for your station, T-shirt, that would not be a permitted item for this policy. So, just make sure you read the policy.

Then, the coins. I know coins and challenge coins are a very popular item in the government, especially if you come from DoD. I worked in DHS and those were popular too and there's a whole VA policy on coins and challenge coins in this memo here. Only the VA secretaries have the authority to distribute coins or mementos to anyone for goodwill purposes. So, there are coins in VHA because people have shown me their coins. But it requires authority. So, you need to issue or submit a memo to the Undersecretary of Health requesting that. So, if your station was interested in getting this request, you would have to submit a memo up through our office that would go all the way up to the Undersecretary of Health for approval. So, as you can see, going all the way to the Undersecretary of Health is a lot of approvals. They want to make sure that it's appropriate because this is another area where you have to be very careful in appropriations law, and then at the same time, there's appropriations law and then there's internal agency regulations and guidelines which is this reference. This isn't here and the appropriations law slides that were from last month that are on our SharePoint, we've also updated that information in there so you can find it with the policy. So, keep going there. There's a lot of good information there and we want you to keep looking there, so you're not having to look all over the place for things.

All right, back to the reimbursements. Just some acronyms here for the presentation. TAS is the official name for a fund. It's called the Treasury Account Symbol. The legal basis for establishing a TAS is in the Treasury Department of VA's financial system. So, the treasury is our bank and once legislation is enacted, it is a TAS and that TAS will be reimbursable you'll see. And the Fund is a subdivision of the TAS for VA and is used to record our financial transactions. So, for our purposes today, we have the fund 0161A1, which is not reimbursable and 0161R1 which is reimbursable. The Buyer is the fund that buys goods for direct obligations from a different account. So, the Buyer sometimes is called the Ordering Agency. That's generally for IAAs. As you remember, we covered IAAs in October. And then, the US Standard General Ledger, that's the uniformed accounting codes for the different transactions for the debits and credits. As we showed you in another training, there's the US GL report in VSSC which shows that. And then MOU is memorandum of agreement which will be covered in Tony and Diane's section.

So, I know everybody likes pictures. What is reimbursable work? This is one of my favorite shows. Well, it's a lot of work. Larry David probably would not want to go through the trouble of all this, but unfortunately, we have to, so let's proceed. Reimbursable activities are funded and collected into an appropriation from sources typically other than appropriation by Congress. That means that we have our appropriation, the research appropriation, our 0161A1 and we received those funding through the Appropriations Act, and it comes to us through Treasury. But reimbursable activity is funding that we collect not through the appropriation process, it's through reimbursement, and that's called reimbursable. So, often you'll hear the term direct and reimbursable. Direct is our 0161A1 and reimbursable is our 0161R1. In contrast to direct spreading, which is appropriated by Congress, reimbursable collections and obligations in a fund are financed from collections received in exchange for goods or services from one of three sources. That can be from a different treasury account at VA, another federal agency, or the public.

The rules for reimbursable work are defined by OMB A-11 and-- I'm not sure if I mentioned this before, but OMB A-11 is essentially the Bible of budget formulation execution for the federal government. If you've taken any financial management class in the past, they've referenced it, and some of the classes we'll be providing will reference it. But it's 1000 pages of lots of information. But here's one thing I want you to see here. OMB states agencies can perform reimbursable work for the public or other federal agencies and the types of laws that allow you to use advances or reimbursements in terms of providing other goods and services. So, you have to have legislative authority to do that. You can't just collect it. You have to have legislative authority, which I'll show you what we do, provisions in Appropriations Act or other laws, or the Economy Act. The Economy Act, as you know from the from the IAA training is the general authority used for IAAs, and it's really the sole authority that the VA has when we enter agreements. But at times, we can use other agency's authority when we're entering agreements with them. Reimbursable authority is estimated in the annual budget justification. OMB justification requires an OMB apportionment. As you remember, back in the summer we had a data call where we requested your estimates. So, it's really important that you continue to estimate your reimbursable work because we have to have an apportionment to collect that which we'll show you in the next slide.

So, what triggers reimbursement? The aims of triggering reimbursement are executing an interagency agreement with another agency with a different appropriation. So, that could be when you want to reimburse from the clinical appropriations in VHA for medical services 0160 or it could be from another agency when stations enter into interagency agreements with other agencies. For example, NIH, CDC, FDA and the other agencies you enter agreements. So, it records an IPAC \_\_\_\_\_ [00:08:58] transaction to collect the funding. A lot of the cases here for this presentation will be recording collections from buy-sell transactions for reimbursements with the public, and in our case, it's the universities and NPCs.

You saw a slide that looked a lot like this in last month's training on appropriations law. So, the legislative authority that says we can collect reimbursements is in the Appropriations Act and this is on a FY23 Appropriation Act amounting to 16 million, and it says plus reimbursement, so we have the authority. Now, reimbursement isn't the only thing that we can collect. We need more than just legislation to be able to collect reimbursements.

So, we have the law and then we have-- oh, sorry I keep getting to apportionment part, but we're not there-- so, this is really important for reimbursements and appropriations law. Reimbursements are still subject to appropriations law and that's purpose, time, amount. Allen Dunlow always used to say this: "We can't collect money and pay for something that we can't do ourselves." So, when this funding comes into the research appropriation, we still need to pay for research. So, everything that we obligate with this funding, whether it's obligated directly in the 0161R1 fund control point, or its expense transferred later, must be for a necessary expense to carry on our programs for medical and prosthetic research with our authority, which I showed you in the training last month. So, that's really important. For purpose, there must be a necessary expense for the research appropriation. Time, it must be obligated during the same period of availability of the original appropriation and be a necessary expense. It's really important that you remember that when you're collecting funding you want to make sure that you collected into your right appropriation \_\_\_\_\_ [00:11:04]. Now, if you're taking in a collection in your 0161R1, you'll be much better suited doing the 23/24 right now because you'll have to the end of FY24 to obligate that funding. But if you take it in 22/23, you'll only have until September 30th, and after that if you had your collection and you didn't cost transfer or you didn't obligate it, there's nothing we can do. That funding goes back to Treasury. So, you need to be very conscious of that process and Diane and Tony will talk about that in the next section about how to take it into the right appropriation. The amount must not exceed the amount of our authority, which is in our apportionment.

We estimate our reimbursements collections in our annual budget justification. This is our FY24 budget justification that just came out. We're estimating $61 million across our pre-appropriations. As you remember, we have the 0161R1 22/23, 0161R1 23/24 and the 0161X2.

This next slide is what an apportionment looks like. This is an apportionment, and this is our collection authority. If we collected up to this amount, $38 million, we cannot collect anymore, or we can collect but we can't obligate anymore funding of that until we submit a new reapportionment OMB. That's why it's very important to estimate properly so to minimize the need for the apportionment as much because it's an administrative task and it takes time because we requested it to the department and then submitted to OMB and then OMB has to sign off on it. So, it could take a couple of weeks. That's why we want to make sure estimates are more solid. So, the process for billing and collecting. Now, I'm turning it over to my colleagues, Dianne Murphy and Tony Laracuente.

Tony Laracuente: Good afternoon. We're going to try to go through this fairly quickly, but having said that, I would like to see if there's questions that we can answer at the end. Next slide please, Mr. Berlow. Where do I collect my reimbursables? Out there, there are actually some guidance that's available for you to review and these are called finance alerts, and the most recent one talks about the R1 reimbursable only fund. So, what research has is the ability to collect in two funds, the 0161R1 and the 0161X2. We'll also talk about medical care reimbursements, 0160, in a few minutes. However, these are the ones that you guys will be able to control out of your VISTA and tracking through the FMS status of allowance. Next slide please.

When is a collection required? I believe, as just Jason mentioned, there are a lot of things that happen inside of research where we want to bill either the medical care appropriation or the nonprofit wants to reimburse the Medicare appropriation or the research appropriation, or the university wants to reimburse. So, things like pharmacy, MRI, x-ray, laboratory tests, there are things that that we want to reimburse for time of people and so forth. But what's not required is when you're splitting salary costs between research-- so this is where we do cost transfers-- you're not required to do reimbursables when you're splitting the cost of a person between the two appropriations because the VA system is not set up to handle one person that is tied to two control points. We know that this activity is not representative and does not require an IAA, so therefore you would do cost transfers for those. Let's go to the next one.

All right, so let's talk about working with the NPCs in the VA research foundations. This is when you would use the 0161X2 fund. Now, I want everybody to understand that 0161X2, as Mr. Dunlow said, when this was established, is a reimbursement to the research appropriation from the nonprofits. That reimbursement, you guys have to close the loop, there is one more step that needs to happen at the end of this which is you would then have to do a cost transfer from the 0161A1 appropriation to the 0161X2, so you can zero those dollars. That's not a slush fund, I know we're not supposed to use that word, but we have seen the accounts billed up to over $6 million over the last few years and those X2 funds should really be immediately cost transferred out when you receive the TDA. NPC reimbursements do not go to the 0161R1 account. They can go back to the 0160 which is the medical account, but do not do a bill collection that is to the nonprofit corporation in the 0161R1 fund. Do it in the X2 fund. So, what's required is your fiscal office should ask you for a copy of the reimbursement authority usually it's an MOU between the VA and the other entity, and what that MOU will support. The fund control point, should be established and the 0161X2 appropriation, should show up in VSSC. If it's not showing up in VSSC, either there are no activities, or it's not set up yet. So, you're not going to be able to do a bill collection until that fund control point is set up. Next slide please.

The university or outside entities aside from the nonprofit corporations, the VA nonprofit corporations, if you are going to create a bill in the 0161R1 and that money will be collected to the 0161R1. I know that it's a little confusing between X2 and R1, but just remember R1 is for everything, X2 is specific to the nonprofit corporations. So, you'll do a bill of collection, salary same type of thing. The key when you do the bill in VISTA, it's to differentiate between the R1 and the X2. We'll get into that in a few minutes. So, once you do your bill, it's collected. It goes down to the cashier. The payment goes to the agent cashier, they deposit it, and you should get a TDA in the following month or two. And that's when the money will come in from Finance to say the money's here in the X1 and the X2 fund. So, next slide please.

So, we've talked about the 0160. So, if there's a bill that is directly related to clinical care activities, you must do that in the 0160R1 fund. That includes both the nonprofits and the medical services. So, please make sure that if you're billing the nonprofit from the medical care side that it goes to the 0160R1. It does not go to research because then the cost transfer is not-- is then done on the clinical side, not the research side because it's the medical care appropriation. Here we go, so next slide please.

How do you determine the type of collection? Please refer back to the October 2022 training on IAA, the reimbursable interagency agreements and interagency agreements. So, if you have an IAA or a reimbursable agreement, you're going to do bill of collection transaction. There's the agreement types and processes. There's an anticipated collection, then with the bill collection transaction, you're going to do a billing document or BD that will go to the nonprofit. Then, you have some general ledger posting issues which are more of the accounting side, but it really does help out as you try to work through the issues. So, the TDAs will come in and please make sure that you're tracking those TDAs because they'll show up and one of the things that will show up is this line item in the TDA that says reimbursements for the month of July, for example. You've got to make sure that you're tracking those TDAs and understanding what those finances are for. There is a report that the Fiscal Budget Office can give you that will provide you that information of what those bills are for, what the collections are for. So, for advance collections with interagency agreements, which a lot of you all do when you do interagency agreements with other agencies, you have to refer to that training because it's not an automatic TDA. So, there's some things that happen with interagency agreements and so forth. Next slide please.

For nongovernmental entities, we talked about what we're going to do with the reimbursements. You determine if it's a salary or product reimbursement. You create an MOU with the entity, and we'll show you a sample of an MOU. If there's a person requesting the MOU to provide an administrative contact with the affiliate because you want to make sure those checks get made and so forth and you can route them internally and so forth. If it's the NPC, obviously the NPC staff will complete. Once MOU is in place, you must give it an MOU number if fiscal has not already given it an MOU number. That's critical because the MOU number is going to go into the bill of collection. Then you're going to create the bill in the VISTA billing system. Next slide please.

So, for example, this is an old MOU that we had in Atlanta between the nonprofit and the VA. It refers to the authorities. You'll see 38 USC 8301, 18 USC 209, and then 1200.17 which is the VA nonprofit handbook. It's out there. So, it tells you that you can reimburse and you're going to put, for this one, it's for an employee. You're going to put the percent effort, total reimbursement, and then the control point. So, this is actually very standard, very easy. It does not have to be complicated just as long as you have the authority and what you're going to receive reimbursement for. Next slide please.

Setting up the bill in VISTA. Diane, please jump in \_\_\_\_\_ [00:23:15] speak. You're going to go into VISTA, and you must have access to what's called billing menu. You just type in bill and you'll know if you got it or not. But you're going to go into this, into the billing menu, and you're going to create a new bill. And then, it's going to ask you a bunch of things, like it's going to ask you the station, the site, bill number. You're going to create, "N" is new. So, you're going to create a new bill number-- not you-- it's going to automatically create a bill number for you. And that's really important because that bill number is tracked and, so you really want to make sure that when the person pays the bill, the other entity, they use that K number or whatever the number may be to make to tie it into that check and that deposit because the agent cashier would use that number to make sure the reimbursement is tied to the bill. Form type is going to be 1114 for this one which is the vendor, and so I think for interagency agreements, it's a different number it's 1111, I believe. Put the vendor and then you're going to put the control point. Now, this is critical. This should be the control point where the TDA is going to go to. This is the reimbursable control point, not the control point where you actually incur the initial cost. So, if it's salary, for example, salary for biomedical research and you use 003, you're not going to use 003, you're going to use 280 which is the X2 control point in Atlanta. Next slide please.

Diane Murphy: Tony, real quick.

Tony Laracuente: Yes.

Diane Murphy: A common error. This is not in the slides, but this is something that happens a lot of times where somebody puts in the bill and then somebody else in your department has to go and approve the bill. A common problem is that the approving official will say, oh, it's not letting me do it. I don't have access to it. So, when you talk to your ADPAC if you're having problems with that, make sure that you go into-- basically it's kind of a file man, but they'll know where to go look, but whoever is entering the bill and the person that's approving the bill have to be assigned to the same department. So, as people change jobs and moves from office to office, you may have just come to research but maybe you used to work in dental. So, behind the scenes in VISTA, you may still be connected to dental. That's a common problem that comes up that you have to get your ADPAC involved to work with the IT to make sure the person entering the bill and the person approving the bill are connected to the same office.

Tony Laracuente: That's a great point and actually, that's really important because you'll not be able to process the bill completely. So, great point. Thank you, Diane. Next slide please. Diane, I think you have to have access to the control points as well, right? Is that correct?

Diane Murphy: That's correct.

Tony Laracuente: Yeah, okay. Thank you. In setting up the bill, you're going to continue setting up the bill. You're going to enter a date. You're not going to need to enter a voucher number. You're going to put DVA, and then the building agency is who you're going to bill. So, in Atlanta, it's 8049, for FAVER. This is going to vary by station, and you can always do a look up "???" and do a look up and get the proper billing agency debtor. That's the person who's providing you the check.

Diane Murphy: And your billing agency may look different in VISTA from site to site also. It's how ever logistics entered the hospital as the vendor into VISTA. So, it may not come up as DVA. But there should be a vendor code for each hospital in VISTA.

Tony Laracuente: Right, and by the way one other thing, on the billing agency debtor, the payer, your university, if you have one with the university, they may have 50 entries in there. So, you've got to be really selective about who you're paying, or who you're billing. And the reason that's important is because there's a beautiful memo that's created that goes out to that address and sometimes the address is incorrect, and sometimes it just gets lost in the mail. So, you've got to make sure that that you have the right debtor payer with the most current information available. Next slide please.

So, then you're going to select the charges. Now, this is actually pretty important because this is going to be kind of the-- you want to make sure that this is within the realm of what you're asking reimbursement for. It does tie into the fiscal years that you're working with and so forth. Obviously, this is a FY 2009 bill, but yeah. So, you've got to make sure that you correctly entered the data charges. Then, this is the most important part of the bill-- what is it? You want to make sure that you're very clear in what the bill is about because if this gets audited, they're going to tie it into the MOU, they're going to tie it to the payment, and so forth. So, you're going to want to make sure you put the MOU number. The fund line. Now, our facility requires this fund line, FCP, budget fiscal year, and BOC code. Some stations don't require the BOC code, but it's really important that you put the fund and then the FCP into the reimbursable FCP, and the fiscal year.

Diane Murphy: I want to touch on this a little bit more in depth also. And this example here is looking more at your X2 funds where you have an MOU. But say you're billing the university for something that you provided to them. I'll just make up an example. Say you're buying mice and you're storing them at your facility, but the university uses those mice also. So, you're going to bill the university for the mice that they are taking from your supplies. So, in your description your accounting office is going to want you to reference the purchase order where you originally purchased those mice yourself. So, they're going to want to know your PO number. What's the call center, and the fund control point, and the BOC that's on that order. A good thing to remember though especially since our contracts cross over fiscal years because this is a big question that comes up often from the stations, so if you purchased mice and you purchased it with a contract that started back in 2022, say it started in August, and you used 22/23 funds for that purchase. So, when they set up that bill of collection, they are going to set up that bill of collection with the line of accounting from that purchase order. So, it's going to be budget fiscal year 22/23 so when those funds come in on your TDA those funds are going to come in with 22/23 funds because that is where you made that original purchase from and you're being reimbursed against that order that you purchased. So, that's a big question that comes up from the stations because they'll submit their bill of collection here in fiscal year 23, and when they get the funds, they don't understand why the funds went to 22/23 funds instead of being current year like 23/24 funds. So, just be aware of how the bill is set up and what you reference in there is going to make a determination on how you received those funds.

Tony Laracuente: Thank you. Next slide please. So, again this is more information than you will go through, the quantities. Most of them are going to be a job for the ones we're talking about here. The total amount and then you will go through and walk through it. You definitely want to display your bill because you want to see the bill and print it. So, you have a copy of it either in PDF or through actually hard copy. Next slide please.

So, what happens next? Your staff has entered the bill and it goes to the approving official. Accounting then reviews the bill, may ask questions, send back or approve it. Questions may include, what Diane was mentioning earlier, the budget fiscal year to be collected in. They might ask about revenue codes. These are kind of the standard revenue codes that we use. Then, accounting approves the bill, and the clock starts ticking. The NPC or affiliate will deposit the check, will send the check through the agent cashier. And it's really important it goes through the agent cashier because they're the ones that are depositing the check. The TDAs are processed, and once the collection is completed, then you can actually see where that collection happens. Next slide please.

So, this is kind of what it looks like. This was a University of Iowa bill of collection. Here's the K number up top. It was attention to this person and now we know that it's collected and closed. That means that the agent cashier received the check. They collected and then closed. So, you should be expecting this amount of money the next month. So, this was prepared in-- I can't see where it's-- okay, so it was probably collected in in July or August, so they would get it sometime in August or September. This shows you that this bill no longer has a balance. Now, really critical point, if they don't pay the bill timely, then you're going to start showing interest in here and it's never going to get closed out because whatever they pay, it is usually the principal amount, and so you want to make sure that payments are made timely, one. And two, they do collect interest. Find out why there's interest collection and then talk to your accounting office about that interest collection because. The only person that can wipe that is the CFO. Next slide please.

All right, this is what the bill looked like. This is kind of an example from Iowa City of what that that bill would be. Next slide.

Diane Murphy: And just to mention, you mentioned earlier about you could contact your accounting office for a report. So, the report the accounting gets, we call it the F827, it's our standard general ledger of account, I mean report, and so you can ask your accounting office if they would provide you with the standard general ledger 425P, and that general ledger was mentioned earlier in the presentation. But if they will look at their report and pull up that general ledger, they can send that to you and that will show you the bills that were collected on that TDA that you're receiving for that month.

Tony Laracuente: Mr. Berlow, back to you.

Jason Berlow: Thank you, Diane and Tony. So, the big question is where is my TDA? Milton's wondering. So, let's find out where your TDA is.

As Diane and Tony were showing you with the VISTA menus and such, every collecting activity must be recorded in the accounting transactions, as Diane said. Diane, you said the F8...

Diane Murphy: F827.

Jason Berlow: F827, and that's not the one on VSSC, correct? Your fiscal has to provide it, correct?

Diane Murphy: Correct. You cannot pull that information. If you pull it on VSSC, it's just going to give you a balance but it's not going to show you a detailed breakdown.

Jason Berlow: Exactly. So, your fiscal has to give it to you. But you can look in VSSC to see, to get a general idea if things are coming in when you pull the USGLs. And there's one report that we'll show you in a second, and it's relatively helpful, but you still need your fiscal to assist you. So, these are the USGL. So, the 4221 is the reimbursable agreement. The 425F is the record reimbursable, no advance and that's from your, Diane, your externals, your universities, your NPCs, etc., nonfederal, correct?

Diane Murphy: Correct.

Jason Berlow: And then, your 425G represents when the funds come in and your 425P. So, you're not going to see any funding until you hit the 425G or 425P, correct? Diane?

Diane Murphy: That's correct.

Jason Berlow: Okay, thank you. Sorry, I'm quizzing Diane as we go. I'm not going to go into VSSC because I see we are at 3:40. We want to leave time for questions. We can always go a few minutes later. But the reimbursable earnings report here is relatively helpful and you can check to see how your earnings coming in. It's helpful to get a general idea what your TDAs are going to be for the next month. And just for reference, the February TDA, the February reimbursable report hasn't come out. Whenever it comes in, I make sure to e-mail it to you right away and we'll start adding it to the SharePoint too, all those reports, so you can find them. So, that's general and then the general ledger report, trial balance report, is probably not as helpful because as Diane said, it doesn't have the details your fiscal provides. Make sure you talk to your fiscal to get those details, so you can reconcile your TDAs.

This is what the reimbursable earnings report looks like. This report is a lot easier because it's just pulling the GLs you need. You'll see here for Boston 0161X2, 344,000 came in in January. This will trigger a TDA which you'll see. If you see this here, just because it's in this report it doesn't mean you have TDA yet because you've got to wait for VHA Finance to pull it and do the-- \_\_\_\_\_ [00:39:37] he does the TDA report and then somebody else in VHA Finance takes all those TDAs and loads it into AACS.

Diane Murphy: Jason, just to mention to you. Say you got a TDA back in November but it's now March and you were just trying to identify what those TDAs are. When you go to accounting, you're going to have to get them to pull that month's report. It's not a cumulative report as far as showing you the detail, so if you're looking at a TDA from November, then you will need to ask them for November's report. They won't be able to pull this month's report and you'll be able to identify what you got in November.

Jason Berlow: Thanks, that's right, Diane. So, very quickly, talk to your fiscal. This is helpful. It's better than nothing but it doesn't have all the detail for the exact amount because it's hard to break out this 344 and get to the totals.

Again, this is the general ledger report. Kari Points reports this isn't that helpful, but if you want to check it, if it's here, you'll get a general idea because often, we get questions of where is my TDA but if you look here and we don't see anything coming in then, it means it hasn't hit the financial system. And if it's not in here, you're not getting a TDA. But it still could be helpful.

The reimbursable process in VA and VHA. I know it can often look like this, but we'll try to simplify it for you. That memo that Tony showed in the beginning that's VHA finance alert for 2020 about the R1 fund. At our SharePoint site, I've saved all those financial alerts and some other documents to help you get a better understanding of the R1, X accounts. Basically, the memo says that VA must comply with the federal-- FFMIA, the Federal Financial Management Improvement Act, which means we need to collect our reimbursables in a separate fund to differentiate between the direct reimbursables. Really, this was all to prepare us for iFAMS, the new financial system which will differentiate that. The problem is our financial system is just really old. When I worked at TSA, again we worked in the financial system, it was obviously a lot easier to use an FMS with the appropriations that had a DR at the end that signified direct or reimbursable. The policy started on September 1st, 2017, and that's why we're moving forward with that. Well, we've already moved forward. This is not new, but we just want you to understand the process. And then, if you click here, there's a lot of other helpful resources about reimbursables. All these links are at the end in the links section.

The memo also says, as bills of collections are processed within the R Funds by stations and their associated reimbursements, they will be processed against the 425 general ledger. And then reimbursements received in one month are first balanced at the end of the month trial balances and then the TDAs are released. So, you really need to look out and we always send them. Look for that monthly reimbursable report that Diane said, this is again not cumulative to see a check. What I would do is when you get that report, as Tony said, I would check it to make sure that what you're seeing from your fiscal and what you're actually earning, because if there's a problem reach out to us, and we'll reach out to the VHA Finance in your behalf to try to collect that. One point of confusion is always whether you can obligate an R1 fund, and a policy says you can. Facilities need to obligate directly though to 0161R1 or cost transfer the R Funds to the A1. But all cost transfers must be processed before the end of each month in the cells. These are FMS tables here, and there there's more guidance here in the VA Financial Policy Manual on that.

This is the R report that \_\_\_\_\_ [00:43:49]. We often get a lot of questions when everyone's looking at the other accounts. So, as Tony said, that 0161R1, if you did have one where the NPC was billed for some clinical care then you would need to look at that. But we aren't necessarily managing these funds, so if you did see that-- Antonio or Diane, you can chime in, but you probably should show it to your fiscal and flag that for them, so they know that that TDA is for NPC or university affiliate and reimburse within the clinical appropriation, correct? If you knew one was coming; otherwise, it wouldn't really pertain to you.

Diane Murphy: And your fiscal should reach out to you when they get a TDA to make sure whether it's good to go.

Jason Berlow: Yeah, but the majority of the time you really need to only look at these three. And another thing is there's some stations that don't have reimbursables. So, if your station doesn't have any reimbursables, then you could just ignore this. But I think the majority do, so it's important because these will be your TDA amounts. And there's a separate tab which you can see which has a list of all the TDA entities. This one you saw earlier for Boston, that 160. So, that's where this TDA is coming to. And then, as Tony and Diane mentioned, this is your AACS report. I think what we're going to start doing is I'll start downloading the AACS reports because I know not everybody has access and we'll start putting them on the SharePoint, so you can download these maybe in a month to check your TDAs. If you look here, you have a bunch of items here, but here you see the TDA. It says reimbursements January, so this would be for the January reimbursable report. Here's October. You'll see we don't see any February yet because of February haven't come in yet. So, generally once it comes in, the \_\_\_\_\_ [00:45:49] sends it out, and then the TDAs are loaded that day or the day after.

The TDA will inform you of the amount that you received in 0161R1 and 0161X2. Like we said before, request the fiscal to provide you with the F827 general ledger report, so you can see the billing numbers for the reimbursables because there was a problem with the VSSC reports that I was showing you earlier. It didn't show you the billing numbers, which are really important. Matching the billing numbers with the bills that you created will help you determine which bills were paid and how to expense it. Once the reimbursements are deposited into the 0161R1 or 0161X2 fund, you need to request a cost transfer to move these funds into the FCP where the expenses originally occurred. This should be done throughout the fiscal year, so you're not doing one cost transfer at end of the year. Allen Dunlow and Tony just said, watch your 0161X2 balances because they're getting big and we want to make sure that we cost transfer those quickly.

End-of-year processing requirements. So, this is from the VHA Finance and end-of-year guidance which we did distribute. Obviously. We don't have the end-of-year-guidance for FY23 yet. We're not there yet but it's very important that you observe the cutoff dates for when the fundings come in. Tony might want to chime in here about the best practices because what happened was last year the cutoff was-- here we go. I'll show you the next slide.

September 16th, so anything collected then went to the National Reserve. We're trying to get your funding that went to the National Reserve last year with VHA Finance, but I think it's very difficult accounting wise, so they're still working on it. But we'll keep you posted. It's still on our radar.

End-of-year processing requirements said no one in budget ever. Please watch out for the reimbursement guidance. It's part of the VHA end-of-year financial close-out. We will distribute this guidance as usual. Just for reference and just for your own internal planning in FY2022, any reimbursements earned after September 16 must be held in the National Reserve which means you're not going to receive it at your station, which means you did work, you weren't reimbursed, but it goes to the National Reserve for the 0161 appropriation. And we're trying to get those funds back to you because we don't have them. They're not in our station 127 level either, so we want to get them to your station, so you can cost transfer obligate them. But no guarantees, we're still working on this process. In every year previously, we've never got it before. So, we're working on it.

All right, so now it's 3:51. Now, questions and I will stop sharing, so Parker can share his screen with the questions. Thank you.

Are we are required to use the invoicing for internal MOUs or cost transfer?

Diane Murphy: If it's internal, if you're doing something where research and medical services within your same station, you would not use G-invoicing, they would do a cost transfer.

Tony Laracuente: I will tell you that that question comes up a lot and Jason and others have asked this question and we have gotten guidance that if it's a cost transfer for a person, it is split. Definitely, you can do it without doing G-invoicing. If it's a service, such as x-ray and so forth, it is G invoicing.

Jason Berlow: Correct. I think...

Tony Laracuente: I think we skipped that question. Go back to that question, please.

Jason Berlow: Yeah.

Tony Laracuente: All right, Jason.

Jason Berlow: What if my research service was combined with education and the person entering the bill is research but the ACOS/R&D-ESD is in the education service. How should we fix this so the bill can be approved by the ACOS?

Diane Murphy: You'll have to get with your ADPAC person. So, they're going to have to fix it behind the scenes, so that you're in the same department.

Tony Laracuente: Yeah, so if there's an ACOS for research and development and education service line, then that should be in the same sort of-- that's going to be a problem because that's two service lines.

Diane Murphy: They might have to have two different people. Somebody that only is working on research bills and approve research bills and then somebody else that's going to handle education. That would be an option.

Jason Berlow: All right. Next question. Where do you get MOU number? I think Tony said your fiscal.

Tony Laracuente: Yes, fiscal should be creating the MOU number. Some sites they let the research office create a numbering system. But it really should come from fiscal, the budget office, because they're required to track it and tie it back in.

Jason Berlow: What if your F827 doesn't match your TDA? Do you want to take that, Diane?

Diane Murphy: Well, we really just need to look at it specifically to see what happened with that if it's the F827 for a different month than what the TDA was for or you may not have the correct general ledger as on one of the slides it listed. There's a general ledger for nonfederal, there's a general ledger for federal. So, it could be different scenarios, which really you just kind of have to look at if you want to get with me on that.

Jason Berlow: We might need to check the Financial Policy on that question. Diane, do you have any ideas?

Diane Murphy: I don't know off the top of my head we'd have to look at it.

Jason Berlow: Okay, we'll check with Financial Policy. Parker, you'll send us all the questions after, correct?

Parker: Yup, we will.

Jason Berlow: Okay.

Diane Murphy: For right now, I'm going to suggest that you talk to your fiscal office. We actually had that question come up today ourselves in our financial meeting. So, I'm going to kind of try to check into that to see if I can find out how to get access to it. But I think somebody in your fiscal office might be able to get that for you.

Jason Berlow: And when Diane finds out, we'll share it with the group.

Parker: And just for those on the phone, the question was how do you access FCMs?

Jason Berlow: Do you want to take that one, Tony?

Parker: Yeah, and can we just read them out loud as well?

Jason Berlow: Oh sorry, I have a study with a facility lab and pharmacy services. It is funded by the affiliate. Should the reimbursement be done as 0161R1 since they are med services, or should they be done in 0161R1 and then an IAA be done between those services and research?

Tony Laracuente: If the costs are coming from facility lab or pharmacy services, it should be done out of the 0160 appropriation not 0161. So, 0160 is correct.

I can do it real quick. So, the X fund is for the VA nonprofit corporations only. The R funds are for all other reimbursables. So, X fund nonprofit, R funds for everybody else.

Jason Berlow: Veteran copays are reimbursable. They go into a different appropriation, the medical care collection fund. But it's not really applicable to research.

Next question. Okay, Tony, I'll read it. When can we use an MOU? Are we able to just have an MOU to bill the university for equipment and space cost or does it need to be a sharing agreement through contracting?

Tony Laracuente: I just groaned a big time, okay. Forgetting equipment for a second, space costs are considered leases and you're reimbursable and so forth, you really need to get legal advice on that one. When you bill the university for equipment, you're selling services, so you could use an MOU for that. But when you're talking about those kinds of things, you definitely want to get legal involved in this. So, consult your STAR attorney, especially with space. If you're selling space, that's a big legal issue.

Diane Murphy: And if you're in the hospital, you would also be working with your engineering department also with that.

Jason Berlow: When can we... oh, that's the same one. Is there another question?

Parker: That's all on the questions.

Jason Berlow: That's the last one?

Parker: Yes.

Jason Berlow: All right, wow, just on time. I think-- do you have anything else, Diane and Tony? I think we covered it all.

Diane Murphy: I will do one thing I thought of while we were going through it. It was mentioned earlier that you can place orders directly out of your R1 funds, but I don't recommend it. VISTA has a hard time keeping research funds separate because we use a lot of the same ACC codes, but they just have different years. And even with your different funds, a lot of times VISTA gets confused with purchase part orders, getting the charges in your right fund control point. And if there's an ET that happens because of just the difference of a BOC and an ET is created to transfer calls for an accounting reason, it can really mess up your funds and keeping you balanced in VISTA. So, even though it's allowed to place orders out of R1, I don't really recommend it.

Tony Laracuente: Let me add one thing to that. Sorry about that. I forgot to hit the mute button. The only real time you should do that ever is if you have royalty money coming in and you're going to buy something. As Diane said it's really confusing and really the rest of that money coming in should be reimbursable money coming in. So, it's not encouraged. So, only those who get royalties should even consider that.

Diane Murphy: And if you're going to use a credit card, I recommend you get a separate credit card for that R1 fund, not to use your credit card that you're using for a fund control point and A1.

Parker: Perfect. Well, thank you for the presentation and thanks to all the panelists and thank you to the audience for joining us today. As a reminder, please do fill out that survey as the panelists mentioned. They're looking at it every time and basing these next trainings off that. So, it's super valuable to this endeavor. Thank you everyone. Have a great afternoon.

Jason Berlow: Thank you again. Good luck with your reimbursements.