



Asset Builds

Purpose: To provide guidance for setting up Asset Build Grants in Workday.

Definitions:

- Asset Build – when components are assembled together to construct a piece of equipment rather than purchasing a pre-built piece of equipment.
- Unit – College, Institute or Research Center responsible for requesting Asset Build Grants
- Worktag – a Workday field used to track and report financial information

Background:

On occasion, a Principal Investigator may build an asset as part of their research or other sponsored activities. With the deployment of Workday, a new process was designed to accommodate the asset build process. The new process requires that a grant and project be established that must be used on all financial transactions for the Asset Build.

Below are the procedures to be used for new Asset Builds and to convert In Progress Asset Builds.

New Asset Build Grant for use in Workday:

1. At Proposal or Revision Proposal, Unit submits the proposal identifying Asset Build (equipment being constructed), budget, and other required information. Asset Build is broken out as a separate line item from other equipment in the internal proposal budget along with the name of the Asset Build. And a tag is added in Huron Research Suites (HRS) by the Unit to identify that the Proposal contains an Asset Build.
2. For new Awards, Office of Research (OR) Post Award creates a separate Grant ID and budget for the Asset Build, with the same Facilities and Administrative Cost Base and Start and End date as the main grant but with a 0% Facilities and Administrative Rate (due to inability to change Spend Categories on punchouts), based on the information outlined in the internal proposal budget and award terms. Unit submits an Asset Build Request form and Asset Build Expense Affirmation form (marked request) during Department Edit in Award setup. An Ancillary Review for Asset Build approval will be added for Griselle Baez-Munoz or designee to evaluate request. Other Ancillary reviews will be used for further clarification, as needed. Once asset build approval confirmed, OR Post Award creates new Asset Build grant. Asset Build and Award ID will be included in the grant name. One grant ID should be setup for each Asset Build identified in the scope of work. And a tag is added in HRS by OR to identify that the Award contains an Asset Build.
3. For existing Awards, Unit submits an Asset Build Request form and Asset Build Expense Affirmation form (marked request) via Award Modification Request (AMR), requests a new grant ID be created for the Asset Build and provides a Budget Transfer Request form to move budget from the main grant to the new Asset Build grant. Unit provides a No-Cost Extension Request form if an extension is also needed from the sponsor. An Ancillary Review for Asset Build approval will be added for Griselle Baez-Munoz or designee to evaluate request. Once asset build approval confirmed, OR Post Award creates new Asset Build grant.
4. OR Post Award notifies Unit and Griselle Baez-Munoz or designee that the Grant ID was created, and Award activated.
5. OR Post Award/Griselle Baez-Munoz or designee forwards approved Asset Build Request form, to include the Grant ID, budget and Start and End date, to the Central Project Accounting team

Asset Build Grants in Workday - continued

- in Financial Affairs to establish a Project ID. Project budget will control and prevent any expenses above the established project budget.
6. Central Project Accounting team reviews Asset Build Request form to ensure that the Asset Build Start and End date and Budget align with the Grant Budget and Start and End date in Workday, as contractually authorized by the sponsor.
 7. The Central Project Accounting team notifies OR Post Award team that the Project ID is setup.
 8. OR Post Award team notifies the PI and Unit Administrative Contact through HRS that Asset Build Grant and Project are created and ready for use.
 9. All future charges for the Asset Build should be recorded against the new grant and project worktag combination. The billing and reporting for the Award will include both Asset Build and Non-Asset Build grant transactions.
 10. Only expenses that will be capitalized should be recorded in the Asset Build grant (with project worktag combination) and must contain the **Transaction Detail: Equipment OCM** for Facilities and Administrative Cost calculations to be categorized in the correct Object Class for Billing and Reporting.
 11. Expense transactions that are not capitalized will remain in the main grant (not the Asset Build grant). If the expense is trackable but not capitalized, then Transaction Detail: Non-Capitalized < \$5000 must be added to the transaction in the main grant. If the expense is not trackable, then the Transaction Detail worktag is not required on the transaction in the main grant.
 12. Unit should process an Accounting Journal to transfer cost if non-Asset Build grant transaction posted to Asset Build grant or vice versa.
 13. Central Project Accounting team and the Unit will monitor the Asset Build project to ensure build is completed within the project Start and End dates. If the build is not completed by the project End Date, a request can be made to the Central Project Accounting team to adjust the Start and End dates as long as they are within the Grant Start and End Dates within Workday. If the project Start and End dates extend outside this timeframe, Unit must submit an AMR in HRS to adjust the End date on the Asset Build Grant and a No-Cost Extension Request form to change End date, if needed, subject to sponsor approval. Griselle Baez-Munoz would be added as an Ancillary Reviewer.
 14. OR Post Award will notify Central Project Accounting team of all date or budget changes to the Asset Build Grant.
 15. OR Post Award will periodically monitor the Asset Build project to ensure it is within Grant Budget and sponsor approved Period of Performance for closeout purposes.
 16. At the completion of the Asset Build, Unit will notify the Office of Research that asset build is complete and will submit an Asset Build Expense Affirmation form (marked completed) for evaluation and copy Central Project Accounting and Compliance team. The Office of Research will review and provide additional feedback regarding allowability, allocability and reasonableness of the certified expenses.
 17. The Office of Research will notify Central Project Accounting team that expenses have been reviewed and approved and that they may push the asset into service, assign an asset decal, remove the WIP amount, and inactivate the project.
 18. Central Project Accounting team will notify OR Post Award that the project has been inactivated so the Grant ID can then be inactivated. Asset Build grant will follow the same closeout process as other grant closeouts.

See next page for the one-time conversion process of In Progress Asset Builds as of 12/12/22.

Asset Build Grants in Workday - continued

One-time Conversion in Workday of In Progress Asset Builds as of 12/12/22:

1. The Central Project Accounting team in Financial Affairs will provide Office of Research (OR) Post Award with a current listing of all Asset Build (equipment being constructed) activity, which will include grant #, total recorded in Deposits on Fixed Assets and detail transactions.
2. OR Post Award will distribute list to Units for review for completeness and accuracy. Unit must review the schedule and reconcile to the general ledger. Create a separate file called "Transactions to Add" for all transactions that must be added. A separate tab should be added to this new file for each grant that has missing transactions. Run a report out of Datamart and provide ONLY the PeopleSoft expense lines that should be added. Label new tab "GR##### Datamart", where GR##### is the Grant ID. Run the "UCF Find Journal Lines by Company - Operational Transaction Detail" in Workday and provide ONLY the Workday expense lines that should be added. Label new tab "GR##### Workday", where GR##### is the Grant ID. Leave both report output formats (columns, etc.) as is. Just remove lines that are not needed. Do not include expenses that may not be capitalized as part of the Asset Build (i.e. stapler, drill set, saw blades, etc.). If they are allowable expenses on the award, they may remain in the main grant but may not be transferred to the Asset Build Grant. Note any transactions that should be removed from the schedule on the "Constructed Assets 112122" tab (Column B). One grant should be established for each Asset Build identified. Add notes on the "Asset Build List" tab on the original schedule as needed (Column T, U, X & Z). Completed spreadsheet must be returned to OR Post Award within 30 days from distribution.
3. The following action(s) are then needed:
 - a. If the Asset Build is complete, Unit confirms no grant ID is needed, and requests on the schedule that an asset ID be generated. An Asset Build Expense Affirmation form (marked completed) should also be submitted for each Asset Build identified as complete and returned with the schedule acknowledging the Asset Build Expense guidelines. The Office of Research will review the transactions and provide additional feedback regarding allowability, allocability and reasonableness of the affirmed expenses. The Office of Research will notify the Central Property and Central Project Accounting teams in Financial Affairs that Asset Build is complete. Asset ID will be generated, and decal assigned by Central Property team for completed Asset Build and Asset ID distributed to Unit and OR Post Award.
 - b. If the Asset Build is in progress, OR Post Award creates a new Asset Build grant with \$1 budget until the Cumulative expenses can be moved off the main grant (see step 4). Once budget becomes available in the main grant, the estimated budget will be moved to the new Asset Build grant (see step 11). Establishing new grant budget will be a 2-step process to ensure the award funding is not overstated. Unit provides a No-Cost Extension Request form if an extension is also needed from the sponsor. For each Asset Build identified on the original schedule because build had been previously approved, Unit also completes an Asset Build Expense Affirmation form (marked request) and returns with the schedule acknowledging the Asset Build financial guidelines.
 - c. If an Asset Build is in progress but not noted on the spreadsheet, provide a separate file named "GR##### New Asset Build," with a tab for PeopleSoft expense lines (labeled "GR##### Datamart") and a tab for Workday expense lines (labeled "GR##### Workday") that make up the cost of the new Asset Build (as noted in step 2), an Asset Build Request form and an Asset Build Expense Affirmation form (marked request). The request will be evaluated to confirm constructed equipment is allowable. If approved, the proper asset decal is identified for final constructed item (CF, CG, US) and the Asset Build then follows steps outlined in 3b above.
4. OR Post Award creates a separate grant ID and budget for the Asset Build, with the same Facilities and Administrative Cost Base and Start and End date as the main grant but with a 0% Facilities and Administrative Rate (due to inability to change Spend Categories on punchouts). Asset Build and

Asset Build Grants in Workday - continued

Award ID will be included in the grant name. A tag is added in HRS by OR to identify that the Award contains an Asset Build.

5. OR Post Award notifies Griselle Baez-Munoz or designee that the Grant ID was created.
6. Once all grant IDs have been created for all existing Asset Builds OR Post Award sends the Asset Build schedule to Central Project Accounting team with the new grant ID, budget and Start and End dates.
7. Central Project Accounting team will use the updated Asset Build spreadsheet to generate an EIB to systematically create all new Project IDs at one time in Workday. Project budget will control and prevent any expenses above the established project budget.
8. Central Project Accounting team submits a journal to move ALL historical balances off the main grant ID to the new Asset Build grant and project worktag combination and must also include the worktag **Transaction Detail: Equipment OCM**.
9. Central Project Accounting team notifies OR Post Award that the journal moving historical balances has posted.
10. OR Post Award notifies the Units that the Asset Build Grant and Project have been created and expenses have been moved, requests Budget Transfer form to move budget to the new Asset Build grant and Unit submits form via Award Modification Request (AMR) in Huron Research Suites (HRS).
11. OR Post Award transfers the Asset Build budget balance from the main grant to the Asset Build grant (see step 3b above).
12. Central Property team in Financial Affairs cost collects the historical transactions loaded to the project for each Asset Build project and grant worktag combination against staged asset IDs in the system. This will create a WIP total in the Capital Asset book. Within the Common book these charges appear under the natural expense accounts/Spend Categories, in the Capital Asset book those expense entries are reversed and replaced with WIP.
13. Central Property Accounting team will notify Unit and OR Post Award and Compliance that the conversion process is complete.
14. Unit should process an Accounting Journal to transfer cost if non-Asset Build transaction posted to Asset Build grant or vice versa.
15. OR Post Award will review the expenses on the main grant and the new Asset Build grant and generate bills accordingly.
16. Central Project Accounting team will add new charges to the existing staged asset ID's WIP total. Since these charges are now tied to a Project ID, they will NOT be seen by the Asset Management team even if a trackable Spend Category is used.
 - a. Only expenses that will be capitalized should be recorded on the Asset Build grant (with the project worktag combination) and must contain the **Transaction Detail: Equipment OCM** for Facilities and Administrative Cost calculations to be categorized in the correct Object Class for Billing and Reporting.
 - b. Expense transactions that are not capitalized will remain in the main grant (not Asset Build grant). If the expense is trackable but not capitalized, then Transaction Detail: Non-Capitalized < \$5000 must be added to the transaction in the main grant. If the expense is not trackable, then the Transaction Detail worktag is not required on the transaction in the main grant.
17. Unit will use the Asset Build process outlined below for new Asset Build Grants for the remainder of the project and grant lifecycle starting at step 8.

Business Process Jointly Issued by Office of Research, Financial Affairs and Research Foundation on 12/12/2022