

Grants Management Considerations for ERP Implementations



HCM & Payroll



Finance



Fixed Assets



Effort Certification



Security



Reporting



Technical



Data Conversion

OVERALL ERP IMPLEMENTATION PROCESS

- Redefine business processes to help operationalize the new system
- Collaboration with other functional areas that impact grants
- Data clean-up and transformation
- Training and change management
- Cutover process for go live (e.g., system freeze and plan for interim)

HCM & PAYROLL

- Define accurate chart of account assignments for employees
- Salary over the cap will be charged to the employee's default chart of account assignment
- Determine the process needed to initiate paying individuals on grants and ensure proper approval routing is implemented

FINANCE

Finance / Chart of Accounts

- Ensure chart of accounts includes expenses, revenues, accounts receivables and funds needed for grants

General Accounting

- Determine how revenue is recognized for cost-reimbursable and fixed-price awards; define deferred revenue scenarios, process, and accounting

Grants

- **Award Configuration** – Document attributes for award purpose, award status, sponsor award type, legacy award numbers, attachment types, etc.
- **Award Budgets** – Convert award budgets and identify budgetary control levels
- **Sponsors** – Identify sponsors, contact information, and sponsor types
- **Billing** – Configure invoice types and ensure there is a process to generate invoices that align with sponsor requirements
- **Letter of Credit** – Identify and configure Letter of Credit values, including cross-functional configuration with Banking
- **Subawards** – Identify subrecipients and subaward contracts
- **Cost Share** – Determine configuration and accounting for cost share
- **Tasks** – Configure tasks as reminders for invoicing, financial reports, and progress report deadlines
- **Facilities & Administration Costs** – Identify F&A Basis Types, Exception Rates, and Rate Agreements that align with NICRAS
- **Validations** – Define validations needed to ensure accurate accounting data and compliance
- **Business Processes** – Identify cross-functional business processes and ensure proper workflow and approval routing

FIXED ASSETS

- Ensure there is a process for tracking equipment purchased with federal funding

REPORTING

- Identify and document reporting needs for day-to-day business, financial statement reporting, and sponsor reporting
- Design and configure invoice templates

EFFORT CERTIFICATION, IF APPLICABLE

- Identify populations of employees that are required to complete certifications and funding types to be included
- Identify which payroll accounts will be included in institutional base salary (IBS) calculation

SECURITY

- Identify individuals who will need access to grant/award data in the central grants office, departmental support staff, and Principal Investigators
- Ensure all security roles are properly setup for grants and related business processes, including those ancillary to grants, e.g. procurement, payroll, HR

TECHNICAL

- Identify potential integration needs between preaward systems, effort reporting systems, and the new ERP system
- Define process to extract life-to-date billing activity, and expenditures (in partnership with GL conversion team)

DATA CONVERSION

- Work with subject matter experts to transform and convert data from legacy system
- Identify values needed in the ERP system that are not available in legacy or need to be transformed
- Complete any pending Payroll accounting adjustments prior to cutover
- Complete all billing up to gold build and develop a plan for interim billing
- Apply all unapplied cash up to gold build and develop a plan for interim cash receipts
- Send reminders/dunning letters to Sponsors for unreceived funds or write-off the debt
- Complete the closeout process for grants ready to be closed, especially those over five years old

CONSIDER RESOURCE NEEDS

Operational Backfill

- Implementations consume a lot of time for your employees working on the project, consider whether additional support is needed to maintain current operations

Training

- Determine what training is provided by the implementation partner and what will need to be delivered internally