

“Spring is the time of plans and projects.” ~ Leo Tolstoy

Spring signals the kickstart of the USP annual registration process. We have good news! The FY24 rate calculation schedule will be provided pre-populated with FY23 information to USPs using the standard rate form. USPs will need to update for their FY24 information, including the Fund Balance for FY22 activity. We hope this brightens your spring!

There are several important announcements and reminders covered in the newsletter below. As always, if you have any questions or concerns regarding the updates below or any other topics, send an email to ISP@yale.edu.

Congratulations, Jess!

A hearty congratulations to Jess Caponigro on her promotion to Associate Controller at YSM. While the YSM USP rate reviewer replacement is identified, you can still reach out to isp@yale.edu for any YSM USP questions. We've got you covered!

FY24 USP Rate Calculation Schedule & Fair Market Value (FMV) Reminders

FY24 rate sheets and FMV analysis, if applicable (see below), will be due June 30th. As noted above, the FY24 rate sheets will be provided pre-populated with FY23 information to USPs using the standard rate sheet. USPs will need to update for their FY24 information, including the Fund Balance activity for FY22. The FY24 Rate Calculation Worksheet template will be posted here: [1410 FR.02 University Service Providers: Rate Calculation Worksheet](#).

You should expect to see the email registration from Salesforce sometime in May. There are a few reminders while updating your registration:

- Be sure to review **all** data fields for accuracy and update accordingly. This includes the billing and costing COA fields.
- The USP's rates go into effect on July 1st. All customer rates must be posted and/or users notified of the current user rates prior to the rates being used. If you believe you will miss this deadline, please contact ISP@yale.edu for an extension.
- During Quality Assurance (QA) checks this year we identified several instances where the service name on the rate sheet did not agree to the service name on the billing documentation. These should be consistent. Please double check that the service names you are using to bill your customers are the same service names used when filling out your rate sheets.
- USPs with external customer rates on their rate sheets should be capturing relevant unallowable costs on the Expense Report tab. The section 'Non-allowable USP Expense' is included to add back appropriate expenses that are unallowable for internal users and sponsored awards. This will include these costs in the external customer cost build-up, thereby recovering these costs from external customers.

If you need assistance with completing your rate sheets or have questions, please reach out to isp@yale.edu.

FMV Analysis Requirement for USPs that Sell Technical/Research Services to External Parties

In the [Fall FY23 USP Newsletter](#) we included a communication applicable to all USPs that sell technical/research services to external parties. ***This will require those USPs that meet the criteria to complete and submit a FMV Analysis with their FY24 rate calculation schedules this summer.***

Resources for completing a FMV Analysis are available on the [External Sales Resources](#) site. You can also reach out to the ESAP Owner, [Danielle Feldman](#), for assistance.

ISPADJ journal source – Reminder on Restricted Charges to Sponsored Awards and Updated Controls

As a reminder, in the [Business Update published on November 9, 2022](#), restrictions on charging or moving charges by USPs to sponsored awards was communicated. This was reiterated in a [Business Update published on March 8, 2023](#).

As noted in that communication, moving charges from the journal source of a restricted USP to a non-restricted journal source, such as ISPADJ, is not permitted. [Procedure 1410 PR.03](#) describes the appropriate use of the ISPADJ journal source:

“Users are responsible for making any needed correction to an original charge that is not the result of a USP error. If the change is permanent and continuing forward, users are responsible for contacting the USP with updated charging instructions. Departments and/or their representatives must use a Journal Source that has been specially configured for this purpose (i.e., Name = ISP Adjustments; Ref ID = ISPADJ). Departments may **NOT** use the original USP’s Journal Source.”

The Controller’s Office is implementing new internal controls on the ISPADJ journal source to restrict certain charges on sponsored awards. If you have any questions, please reach out to isp@yale.edu.

USP Monthly Revenue Reconciliation Requirement

As communicated in the [Fall FY2023 USP Newsletter](#), in a [Business Update published on March 15, 2023](#), and in an email blast to the USP community on March 16th, a monthly reconciliation will need to be performed as part of the month-end close for USP activity.

This reconciliation will include reconciling revenue from the USP’s subledger (whether manual or paper-based, Excel-based, or a software billing system) to Workday to ensure completeness and accuracy of the USP activity. This requirement has been added to [Procedure 1410 PR.03 University Service Providers: Accounting and Billing](#).

USPs that charge sponsored awards are expected to be compliant and able to demonstrate compliance by December 31, 2023. All other USPs are expected to be compliant and able to demonstrate compliance by June 30, 2024. Quality Assurance checks will be performed by the Controller’s Office and YSM Controller’s Office.

University standards and best practices for the monthly revenue ledger account reconciliation can be accessed through the [Accounting Manual](#) in the [USP Revenue Ledger Account Reconciliations guidance](#). A [USP Revenue Reconciliation Template](#) is also available for use as a best practice.

If you have any questions, please reach out to isp@yale.edu.

Prepaid & Accrued Expenses

As we approach the fiscal year-end, please pay close attention to all invoices in terms of dates, especially those for equipment service or maintenance contracts that span more than one year. Any amounts paid for expenses related to a fiscal year in the future must be posted to a prepaid ledger account on the balance sheet as of June 30, 2023. In the next fiscal year, the amounts related to current year (FY2024) expense are then reclassified out of prepaids and into the appropriate expense ledger account.

Questions to ask yourself:

Has the expense been paid in FY23 but is applicable to FY24? If so, record as **PREPAID**.

Has the expense been incurred in FY23 but not yet invoiced? If so, record as **ACCRUAL**.

If you have any questions, please reach out to isp@yale.edu.

USP Ledger Pairs Accuracy

Ongoing Quality Assurance checks are performed over the accurate use of ledger pairs by USPs. This includes comparing the ledger pairs used by USPs to the ledger pairs included on the [approved pairs listing](#) maintained by the Controller's Office.

A common error includes the mismatched pairing of an expense ledger account (ledger account beginning with "8" or "9") with a Revenue Category (RC), or vice versa, a revenue ledger account (ledger account beginning with "4" or "5") with a Spend Category (SC). As this incorrectly includes revenue and expense coding on the same journal line, these errors require correction.

USP Workshops

A workshop specifically for Core Directors of University Service Providers (USPs) will be offered this spring. The agenda includes an overview of USPs, rate calculation schedules, and fair market value analyses. While the workshop is geared towards Core Directors, all are welcome to attend.

The first workshop was offered on Wednesday, April 5th, 2:00 – 3:00 pm. The next workshop will be offered via Zoom on Monday, April 24th, 10:00 – 11:00 am.

Please share this information with your Core Directors and other who may be interested in attending. Reach out to [Danielle Feldman](#) to be added to the Zoom invite. A recorded session will be available for those unable to attend live. All are welcome to attend!

As a reminder, last spring's workshops were recorded and have been posted for your reference, along with corresponding materials:

The USP Trainings and Federal Fund Balance Training are posted on the [University Service Providers Resources](#) site.

The FMV Analysis Training is posted on the [External Sales Resources](#) site.

FY24 Quality Assurance Reviews

USPs will continue to undergo required QA reviews during FY24. This will include a review of the billing documentation requirements implemented last year, proper charging of approved rates, timeliness of billing, accurate use of approved ledger pairs, monthly revenue reconciliations based on the timeline communicated above, and other important USP activity. We thank you in advance for your cooperation in providing the requested support and answering questions!