HOW TO PROCESS A NON-PAYROLL EXPENDITURE ADJUSTMENT REQUEST (NPEAR)

Revised December 13, 2013

PURPOSE and USES of the NPEAR SYSTEM:
• The Non-Payroll Expenditure Adjustment Request (Non-PEAR or NPEAR) is a tool for departments to adjust expenses on the general ledger. Npears transactions must be fully explained, justified and approved.
• Non-PEARs are used:
  o To correct non-payroll expenses made in error.
  o To redistribute high/volume/low cost items, such as telephone, fax, copying charges. *(Backup documents for this type of transfers are maintained by the department.)*
  o To transfer non-payroll expenses recorded in one account/cc/fund (FAU) to a different FAU because of a management decision, etc.

TIMELINESS:
• As per Federal policy, all NPEARs should be processed in a timely manner (<90 days). As of 07/14/08, NPEARs TO contracts or grants over 120 days after the original transaction posting to the general ledger will require additional review and approval from EFM. See pgs 5-6 of this chapter.
• Fiscal Year funds, such as endowments, gifts, University and other unrestricted funds, will only allow NPEARs to be processed within the current fiscal year (Jul 1 – Jun 30).

PROCESSING AN ONLINE NPEAR:
1. Go to www.accounting.ucla.edu → Click Online Financial System → Bookmark webpage
2. Log into UCLA On-line Financial System using UCLA Logon ID & Password
3. Click Non-Payroll Expenditure Adjustment
4. **My Status** – Definitions:

<table>
<thead>
<tr>
<th>Status</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saved – Work in progress:</td>
<td>NPEARs that FMs have saved that are pending completion &amp; submission.</td>
</tr>
<tr>
<td>Redo Central Office – Revise and Resubmit:</td>
<td>NPEARs that required EFM review/approval that have been sent back to the FM to revise and resubmit.</td>
</tr>
<tr>
<td>Rejected by Central Office – Declined by Approver:</td>
<td>NPEARs that have been rejected by EFM.</td>
</tr>
<tr>
<td>Pending Central Office Approval – Waiting to be approved:</td>
<td>NPEARs that are pending EFM review/approval.</td>
</tr>
<tr>
<td>Central Office Approval – Waiting to be processed:</td>
<td>NPEARs that have been approved by EFM &amp; pending system update.</td>
</tr>
<tr>
<td>Submitted – Waiting to be processed:</td>
<td>NPEARs that don’t require EFM review/approval &amp; just pending system update.</td>
</tr>
<tr>
<td>Processed – Posted to ledger within last 90 days:</td>
<td>NPEARs that have been posted to the ledger within last 90 days.</td>
</tr>
</tbody>
</table>

5. **My Workspace** – Click one of the following options, based on the type of transaction to be processed:

   1. **Non-Pear DebitBased** – To transfer *debit* expenses only.
      - Example used for remainder of chapter.
   2. **Non-Pear CreditBased** – To transfer *credit* expenses only.
   3. **Intercampus Non-Pear** – To transfer *intercampus* expenses only.
   4. **Non-Pear Reversal** – Used to reverse non-pears processed in error.

6. Click “Search and Add Transactions”
7. Make sure the Fiscal Year of the expenditure is correct. Date limitations of Npear expenses:
   1) Contract & Grant Funds – up to 2 prior fiscal years.
   2) Fiscal Year Funds – current fiscal year only.
   3) Any expense outside of the above limits requires a Journal Entry to be done by EFM (for #1) or General Accounting (for #2).

8. Enter requested information of the expense being transferred. At minimum, make sure to have the TransID. The more information you input, the quicker the query.

9. Click Search

10. Click checkbox(s) to add the expense(s) you want to move

11. Click Add Transactions

12. Click Return (Repeat steps 7-11, to add all expenses you wish to transfer)

13. Check all transactions to add NPEAR document & click Create Non-Pear Document
• If all expenses will be transferred to the same FAU, click **Bulk Adjustment** to enter the adjustment FAU for all lines checked. All blank fields will remain unchanged on transaction.

14. Click **Adjust** to change pertinent information (i.e. account/cc/fund, sub/object code, expense amount, etc.)

15. Make adjustments & click **Add Adjustment**
16. Click **Return** once all changes have been made to the particular transaction.
17. **Journal Explanation** – Answer all the questions in detail.
   1. Why is the transfer being made?
   2. Why was the original in error?
   3. What steps have been taken to prevent reoccurrence?
   4. Explain the delay in transfer greater than 120 days after the original transaction date or 90 days after fund expiration?

18. **Effective Date** - If the previous month’s ledger has not yet closed, you can back date the Effective Date to the last day of the month so that the NPEAR hits the closed ledger quicker.
Example: Today’s date is November 5, 2013. October ledger has not yet closed. Change the Effective date to 10/31/2013, so that the NPEAR is reflected on the October ledger instead of the November ledger. For ledger deadline dates: http://www.accounting.ucla.edu/deadline.asp

19. **Save** – To save transaction to complete at a later time, click **Save**. To access a saved transaction, see #4 above.

20. **Validate** – System checks: All credit & debit amounts are equal. FAUs are valid. Effective date is appropriate.
   1) If no errors or warnings, Submit will become live. Skip to step #21.

   2) If there are errors
      a) Message to the right will appear:

      b) The error transaction line(s) will have a red X to the left of the line #.

      c) Click on the red X to show error message. Sample error message below:

   3) If there are warnings, you are still able to submit, but give attention to the warning.

21. Click **Submit** – below message will appear

22. Click **OK** - once submitted, below message will appear
23. **Print** – go to View As PDF – Print from Adobe
24. **Approval** - Obtain PI's signatures when moving TO a Contract & Grant fund
25. **File** - File a copy of the NPEAR with any backup document(s) in EACH FAU binder affected by the transaction