BENEFIT COST TRANSFER (BCT)
Revised July 13, 2022

RESOURCE LINK
UCLA Central Resource Unit BCT
BCT Processed for C&G Fund by EFM

OVERVIEW
In general, benefits should be charged to the same FAU as the salary. BCTs are only required in instances where the <u>Sponsor or Donor does not allow</u> for certain benefits to be charged on the contract and grant (C&G) or private gift and endowment (G&E) fund. A BCT is the mechanism used to move the unallowable benefit expenses, while leaving the salary expenses on the original FAU charged.

Examples of unallowable benefits scenarios:
- Sponsor, such as AHA, does not allow General & Employment Liability (GAEL) insurance charges.
- Training grants, such as NIH T32, do not allow certain types of benefit charges which equate to a % of the total Composite Benefit Rate (annual unallowable % listed under CBR table).

Note: Technology Infrastructure Fee (TIF) is sometimes also disallowed by Sponsors/Donors, but TIF can be moved via the NPEAR system. Do not include TIF on the BCT template.

TIMELINE
The BCT should be the final transfer! Salary Cost Transfers (SCT) aka Direct Retros (DR) should not be processed after the BCT because it will cause the benefit expense to be out of sync. Therefore, it is a best practice to process the BCT at the *end of each budget period,* for the entire budget period, *when payroll is finalized* and no additional changes will be made. If you choose to process the BCTs at end of the fund's budget period, run the QDB reports based on the fund's budget period.

BCTs typically take a few days to process by CRU or EFM.

EFM vs. CRU
Extramural Fund Management (EFM) is responsible for processing all BCTs off contract & grant (C&G) funds. Central Resource Unit (CRU) is responsible for processing all BCTs off all non-C&G funds.

INSTRUCTIONS FOR C&G/EFM BCTs
1. Follow the instructions found in the EFM BCT Template, generate the required backup documentation, and complete the template.
2. Email your EFM Accountant: 1) Template Form and 2) required backup document in a single Excel worksheet and 3) any required approvals, i.e. Grad Division.
3. **Reconcile** the BCT transaction to confirm accuracy against payroll (for unallowable benefits) and/or general ledgers (for GAEL)!

INSTRUCTIONS FOR NON-C&G/CRU BCTs
Follow below instructions and upload into the CRU BCT submission website.

TOOLS NEEDED
1. DGSOM QDB Excel Add-ins →
2. UCPath
3. BCT Template Report

4. BCT Request Form Template
5. BCT Submission Website

PROCESS OVERVIEW

1. **Determine <u>which benefit expenses</u> need to be removed** by running QDB **Summary by Sub Object**
   - o Summary by Sub Object – Run report "ITD" to pinpoint
     - i. <u>Expenses categories</u> that need to be removed
     - ii. <u>Amount</u> that needs to be removed

									Encumbrance and		
Sub	CC	Fund	Account	Object	Sub-Object Title		ITD Approp.	ITD Financial	Memo Lien	Balance	
03				0000	SUPPLIES & EXPENSE-UNDESIGNATED BALANCES		26,000.00	0.00	0.00	26,000.00	
03				3380	INSURANCE		0.00	178.54	0.00	(178.54)	If unallowable, remove via BCT.
03				3385	INSURANCE/GENERAL AND AUTO		0.00	59.22	0.00	(59.22)	If unallowable, remove via BCT.
03				3390	INSURANCE/EMPLOYMENT PRACTICES		0.00	147.49	0.00	(147.49)	If unallowable, remove via BCT.
03				3425	MEMBERSHIPS, BUSINESS AND PROFESSIONAL		0.00	20.00	0.00	(20.00)	
03				4007	TECHNOLOGY INFRASTRUCTURE FEE		0.00	390.94	0.00	(390.94)	If unallowable, remove via Npear.
03				4630	LAB/SHOP INSTRUMENTS AND SUPPLIES		0.00	34.84	26.06	(60.90)	
03				4771	PROJECT SPECIFIC OFFICE TYPE SUPPLIES		0.00	65.71	0.00	(65.71)	
Sub 03							26,000.00	896.74	26.06	25,077.20	

(EXPENDITURES: SUB-OBJECT SUMMARY ... AS OF AUGUST 2020 (ITD) Date: 10/08/2020)

2. **Determine <u>which employee's benefits</u> need to be removed** by running QDB **UCPath Employee Sum**.
   - o Summary by Sub Object – Run report "Earned" rather than "Paid". This report will provide you with the UCPath Empl ID for each individual that was paid on the fund that may need BCTs processed.

PAYROLL: UCPATH EMPLOYEE SUM ... EARNED FROM JULY 2018 TO AUGUST 2019 Date: 10/08/2020

Employee Name	Employee ID	UCPath ID	Position Number	LYM	Earned Date	Account	CC	Fund	Project	Sub	Object	Earn Code	Title Code	Title Description	Hours/ Effort	H %	Pay Rate	Gross Earnings	Total Benefits	Total Pay
		10068092		201903	09/30/2018					00	1000	REG	3394	ASST PROJ SCIENTIST-FY	0.7064	%		3,379.08	0.00	3,379.08
		10068092		201903	10/31/2018					00	1000	REG	3394	ASST PROJ SCIENTIST-FY	0.7064	%		3,379.08	0.00	3,379.08
		10068092		201903	11/30/2018					00	1000	REG	3394	ASST PROJ SCIENTIST-FY	0.7064	%		3,379.08	0.00	3,379.08

3. Use the UCPath ID from the UCPath Employee Sum report to **look up the Empl Record #** within UCPath.
   - o Suggest using **Person Organization Summary** since you don't need to have payroll access to the employee to run. See UCPath breadcrumbs to access Summary.

Workforce Administration ▾ > Personal Information ▾ > Person Organizational Summary

   - o Hint: Often times Empl Record # is 0 or 1.

Person Organizational Summary

Person ID 10068092

Benefit Eligibility Hours 1736.00
Limited Hours Career
Floater Hours Career

Employment Instances   Find | View All   First 1 of 1

| ORG Instance | 0 | HR Status | Inactive | Last Hire | 08/01/2015 |
| Primary Job: ✓ | | Payroll Status | Terminated | Termination Date | 07/31/2020 Resign - Moved out of Area |

Assignments   Personalize | Find | 🖼 | 🔢   First 1 of 1 Last

Empl Record	Business Unit	Position Number	Dept ID	Department Description	Job Code	Description	Expected Job End Date	FTE	Employee Class	Union Code	FLSA Status	Pay Group	Employee Type	Probation Code	Probation End Date
0	LACMP		156400	Medicine-Va Wadsworth Med Ctr	003394	ASST PROJ SCIENTIST-FY	06/30/2021	1.000000	Academic: Non Faculty	RA	E	4AC	S	None	

4. Pull the BCT Template Report using the Empl ID and Empl Record #
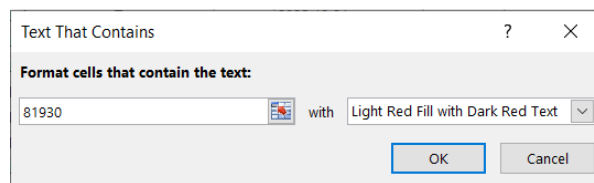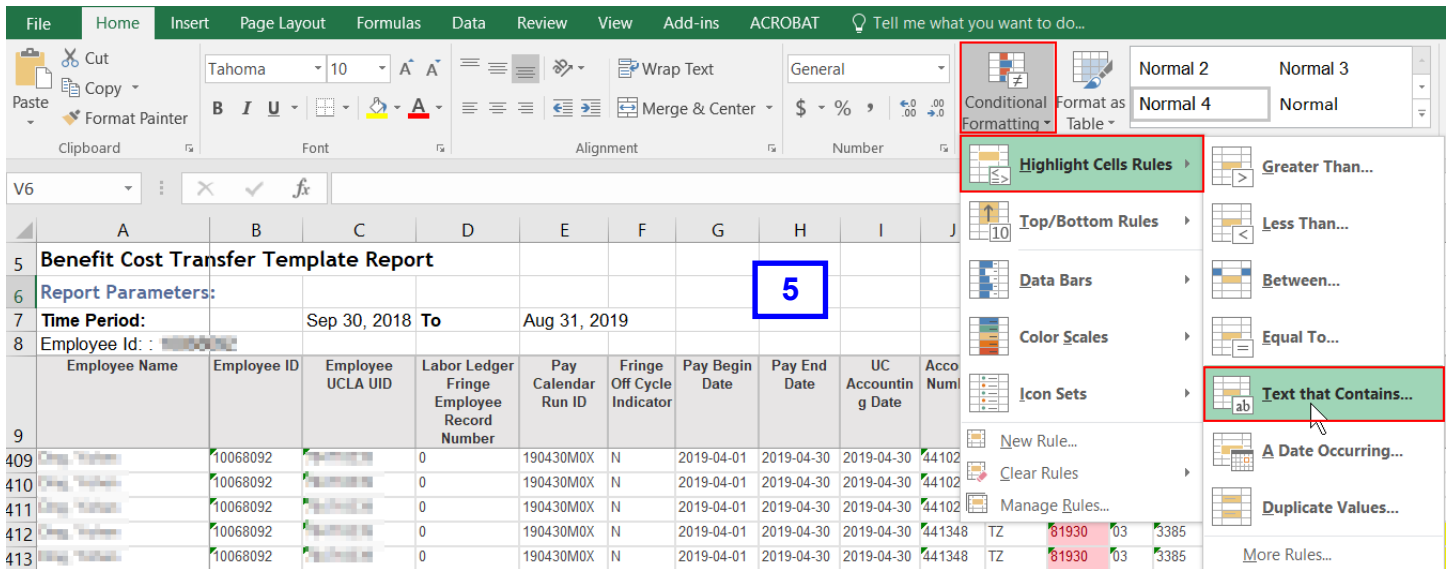
CDW > Team Content > UCPath CDW > Funding – Payroll Ledger – Financial > Funding > BCT Report
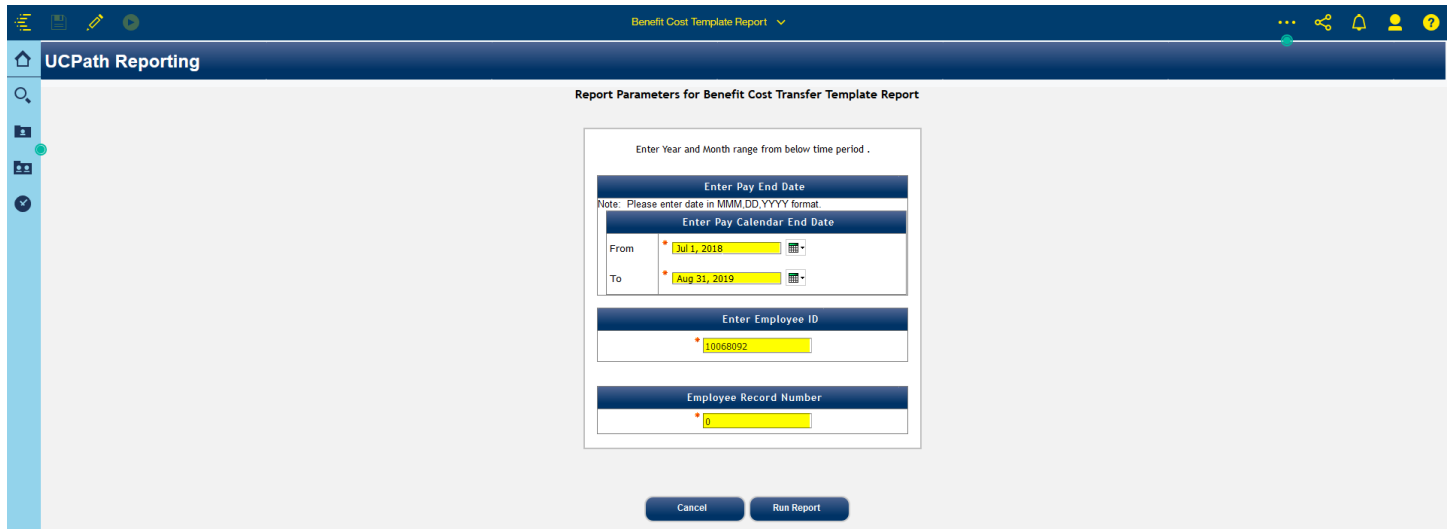
5. Highlight/Click on Column L and use Conditional Formatting within Excel to help highlight the fund number for which the BCT is being created.

6. Look at the Fringe Line Description or Object Code to help identify which expense lines need to be removed via the BCT Request Form Template. See highlighted in yellow.

Benefit Cost Transfer Template Report

Report Parameters:
Time Period: Sep 30, 2018 To Aug 31, 2019
Employee Id:

Employee Name	Employee ID	Employee UCLA UID	Labor Ledger Fringe Employee Record Number	Pay Calendar Run ID	Fringe Off Cycle Indicator	Pay Begin Date	Pay End Date	UC Accounting Date	Account Number	Cost Center Code	Fund Number	Sub Code	Object Code	Fringe Line Description	Project Code	Fund End Date	Deduction Code	Deduction Desc	Fringe Amount
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441026	2X	07427	03	3390	GAEL EL Assessment - Expense		2025-12-31			4.63
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441026	2X	07427	03	3385	GAEL AL Assessment - Expense		2025-12-31			0.14
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441026	2X	07427	03	3385	GAEL GL Assessment - Expense		2025-12-31			1.69
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441348	TZ	81930	03	3385	GAEL GL Assessment - Expense		2019-06-30			4.05
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441348	TZ	81930	03	3385	GAEL AL Assessment - Expense		2019-06-30			0.34
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441348	TZ	81930	03	3390	GAEL EL Assessment - Expense		2019-06-30			11.15
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441348	TZ	29883	06	8850	CBR Assessment - Expense		2019-06-30			596.80
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441348	TZ	81930	06	8850	CBR Assessment - Expense		2019-06-30			1,436.11
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441026	2X	07427	03	3380	GAEL LP Assessment - Expense		2025-12-31			0.28
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441026	2X	07427	03	3380	GAEL PR Assessment - Expense		2025-12-31			5.76
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441348	TZ	29883	06	8930	Leave Assessment - Expense		2019-06-30			98.30
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441348	TZ	81930	06	8930	Leave Assessment - Expense		2019-06-30			236.54
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441348	TZ	81930	03	3380	GAEL LP Assessment - Expense		2019-06-30			0.68
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	1753-01-01	441348	TZ	81930	06	8690	Expense - RPNI Assessments		2019-06-30			21.96
	10068092		0	190430M0X	N	2019-04-01	2019-04-30	2019-04-30	441348	TZ	81930	03	3380	GAEL PR Assessment - Expense		2019-06-30			13.85
	10068092		0	190531M0X	N	2019-05-01	2019-05-31	2019-05-31	441026	2X	07427	03	3390	GAEL EL Assessment - Expense		2025-12-31			4.63
	10068092		0	190531M0X	N	2019-05-01	2019-05-31	2019-05-31	441026	2X	07427	03	3385	GAEL GL Assessment - Expense		2025-12-31			1.69
	10068092		0	190531M0X	N	2019-05-01	2019-05-31	2019-05-31	441026	2X	07427	03	3385	GAEL AL Assessment - Expense		2025-12-31			0.14
	10068092		0	190531M0X	N	2019-05-01	2019-05-31	2019-05-31	441348	TZ	81930	03	3390	GAEL EL Assessment - Expense		2019-06-30			11.15
	10068092		0	190531M0X	N	2019-05-01	2019-05-31	2019-05-31	441348	TZ	81930	03	3385	GAEL GL Assessment - Expense		2019-06-30			4.05
	10068092		0	190531M0X	N	2019-05-01	2019-05-31	2019-05-31	441348	TZ	81930	03	3385	GAEL AL Assessment - Expense		2019-06-30			0.34
	10068092		0	190531M0X	N	2019-05-01	2019-05-31	2019-05-31	441348	TZ	81930	06	8930	Leave Assessment - Expense		2019-06-30			236.54
	10068092		0	190531M0X	N	2019-05-01	2019-05-31	2019-05-31	441348	TZ	81930	06	8850	CBR Assessment - Expense		2019-06-30			1,436.11

7. Complete the BCT Request Form Template using the data collected in the BCT Template Report.
    a. Complete rows 1-13 as applicable, following instructions in the Instructions tab.
    b. Hints for copying & pasting data from BCT Template Report onto BCT Request Form Template:
        i. Create **one workbook per employee (EE)** & include all relevant pay periods.
        ii. **Copy & paste ALL benefit expense lines** in each pay period, not only the benefit lines you wish to remove.
        iii. After completing step 2 of Instructions tab, copy FAUs in Columns J-N, then paste using "Paste Values" to keep yellow highlighting intact.
            • Do the same for Columns T & AA, as applicable.
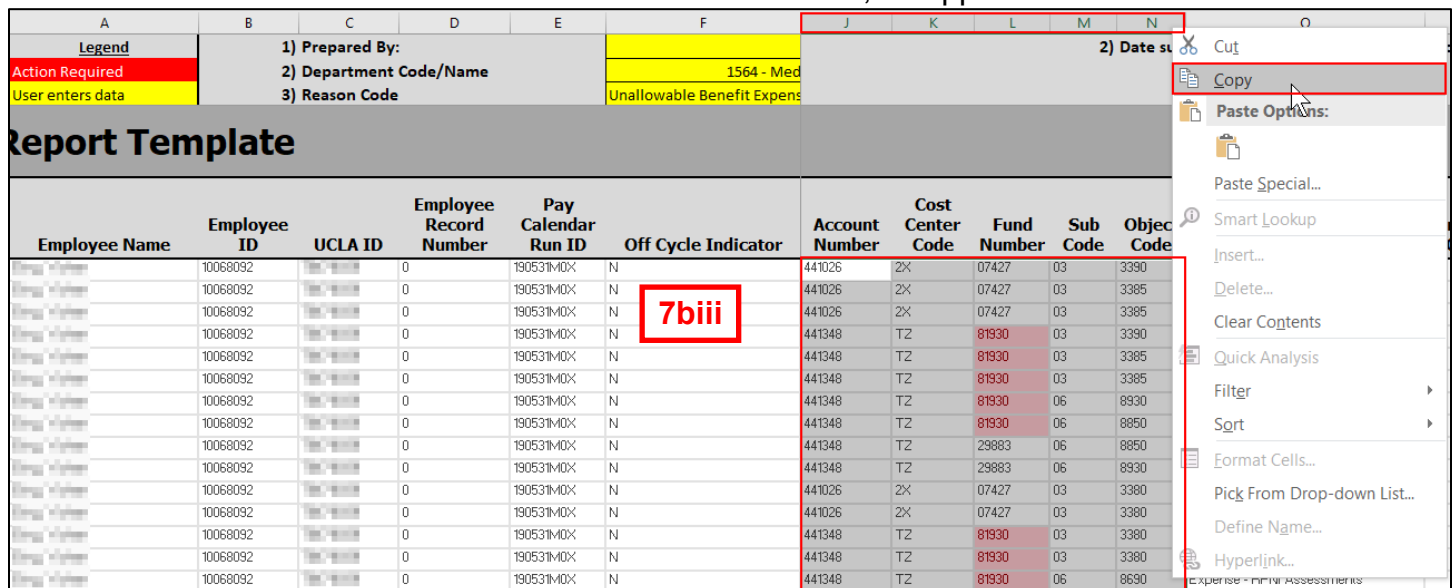
8. Upload BCT Template Report & any required approvals onto BCT Submission Website and submit!

9. **Reconcile** the BCT transaction to confirm accuracy against payroll (for unallowable benefits) and/or general ledgers (for GAEL)!