OVERVIEW
In general, benefits should be charged to the same FAU as the salary. BCTs are only required in instances where the Sponsor or Donor does not allow 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, 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 which benefit expenses need to be removed** by running QDB Summar by Sub Object
   - Summary by Sub Object – Run report “ITD” to pinpoint
     i. Expenses categories that need to be removed
     ii. Amount that needs to be removed

![QDB Summary Example]

2. **Determine which employee’s benefits need to be removed** by running QDB UCPath Employee Sum.
   - 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.

![UCPath Employee Summary Example]

3. Use the UCPath ID from the UCPath Employee Sum report to look up the Empl Record # within UCPath.
   - 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.

![UCPath Person Organization Summary Example]

   - Hint: Often times Empl Record # is 0 or 1.
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**.
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)!