Benefit Cost Transfer

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Benefit Cost Transfer

New Benefit Cost Transfer (BCT) Process

- Central Resource Unit (CRU) released a new Benefit Cost Transfer (BCT) process last week, effective Tuesday 6/9/20

- BCT requests allow departments to move benefits without moving associated salary. Types of expenses that can be transferred via the new BCT process:
  - CBR, VLA, Tuition & Fee Remissions, GAEL, RPNI

- Departments must submit BCT requests for FY19-20 posting to CRU by Monday 6/29/20
  - Departments must submit BCT requests that require EFM review to the EFM accountant by Wednesday 6/24/20 to allow three business days for review prior to CRU’s deadline

- The CRU web page outlining the new process along with links to the new report and Excel template can be found here: [https://www.centralresourceunit.ucla.edu/s/article/Benefit-Cost-Transfer-Process](https://www.centralresourceunit.ucla.edu/s/article/Benefit-Cost-Transfer-Process)
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• High level steps for new BCT request process:
  1. Department runs the new Benefit Cost Template Report in CDW which provides a breakdown of benefit expenses by individual employee and pay period
  2. Department downloads and complete the new BCT Request Form Template (Excel)
  3. Department obtains email approvals from EFM and/or Grad Division when applicable
  4. Department uploads the template and appropriate approvals to the BCT request page on CFS website (https://uclacfs.tfaforms.net/189)
Benefit Cost Transfer for C&G

New Benefit Cost Transfer (BCT) Process

• Steps for departments to obtain EFM approval when applicable:
  1. Department submits completed BCT request form to EFM accountant via email
     ◦ EFM approval required for all BCT requests moving expenses to or from a C&G fund regardless of debit or credit
  2. EFM accountant reviews BCT request form, including department responses to questions in the form:
     ◦ Questions 1 – 4 must be answered for all BCT requests; questions 5 must be answered for High Risk
       1. How did the error occur?
       2. Who approved the transfer?
       3. What is the reason the expense is being moved to a new funding source?
       4. How does the transfer benefit the new funding source?
       5. Explain untimeliness if High Risk (120+ days after original pay end date or 90+ days after fund end date AND increasing expenditures on a federal or federal flow-through fund)
  3. EFM accountant provides approval via email
  4. Department submits the BCT form along with EFM email to CFS via webpage

• Typical business scenarios for BCT requests on C&G funds:
  ◦ Move unallowable types of benefits (e.g., NIH training grants)
  ◦ Move unallowable portion of benefits when sponsor has a capped benefit rate
Benefit Cost Transfer for C&G

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• **Additional details of new BCT process to be aware of:**
  ◦ BCT functionality is not yet available in UCPath. CRU will be submitting Financial Journals in General Ledger until the functionality is available.
  ◦ Departments can now request any benefit transfer needed to move an unallowable expense from a C&G fund; requests are no longer limited to transfers for C&G fund closeouts.
    ◦ The only exception is BCT requests for UCPath defects. Departments should not submit benefit transfer requests for UCPath defects at this time, as CFS will be posting financial journals centrally for UCPath defects prior to fiscal close.
  ◦ BCT should be the final transfer. Salary Cost Transfer (SCT) should not be processed after the BCT because it will cause the benefit expense to be out of sync. If business requires this, a subsequent BCT must be processed to move benefit expenses back to the original FAUs before proceeding with the SCT.
UCPath Announcements

• **UCPath Announcements:**
  ◦ Funding Rollover process in UCPath has been enhanced for FY20-21
    ◦ Funding Rollover will allow for automatic rollover of employee funding into new fiscal year, with some limitations.
    ◦ The rollover process will occur this month in June.
    ◦ CFS will be publishing additional details in coming days.

  ◦ FY20-21 CBR rates have been posted by CFS. Please refer to CBR web page for details: