

## Treatment of Unallowable Postdoctoral Insurance Benefits

### Intended Audience

This communication will be distributed via the PeopleSoft list serve and is intended for all Department Managers, Financial Managers, RSAs, and Post-Award Administrators who work with postdoctoral scholars on federal training-related awards (T-awards), fellowships (F-awards), and California Institute for Regenerative Medicine (CIRM) awards.

### Background

With the July 1, 2006 move to the systemwide Postdoctoral Scholars Benefits Plan (PSBP), benefits for stipended postdocs (title codes 3252, 3253, and 3254) on T-awards and F-awards are now paid via payroll. All benefit components are now easily identifiable on the ledgers in unique NCAs.

### Issue

Two of the itemized benefits, life insurance and worker's compensation, (see NCAs below) are not allowable on training-related federal or CIRM awards. Hence, the charges must be moved from these awards to departmental discretionary funds.

- Life Insurance PSBP           NCA 411515
- Worker's Compensation       NCA 411110

Please note that these items have been deemed by our Office of the President to be allowable on all other types of Federal awards.

### Action Requested

RSAs are requested to move the total of all charges to NCAs 411515 and 411110 on federal training grants and fellowships to a department discretionary fund source and utilize an education 40xxxx DPA. Campus departments are now able to utilize the Payroll Expenditure Transfer Simplified Form (UPAY 773) to transfer benefit expenditures that do not have an associated gross.

- **Background and Previous Process:** The implementation of Consolidated Billing and the Postdoctoral Scholar Benefits Program resulted in an increase in the number of benefit expenditure lines with no associated gross on the Distribution of Payroll Expense report. Since the OLPPS payroll expense transfer process only permitted the transfer of benefit expenditures *if there was a related gross*, departments were using General Ledger financial journals to move these "orphan benefit expenditures." This disrupted the clear audit trail of expenses since the entries were reflected only in the WebLinks General Ledger Detail but not in OLPPS or the Distribution of Payroll Expense.
- **New Process:** Departments are now able to utilize UPAY 773 to move orphan benefit expenditures. These benefit expenditure transfers will now be reflected in both OLPPS and the General Ledger, providing a clear audit trail. Orphan benefit expenditure transfers will not be allowed for the following Description of Service codes: TRM, LSI, SRD, IAP, VLA, SLA, PLA, ABP, NDI, SAP, TIA, ZZZ.

### Who to Contact

If you have any questions about this issue, please contact the EMF Compliance Manager, Wendy Hom, at 476-8688 or [wendy.hom@ucsf.edu](mailto:wendy.hom@ucsf.edu) or the Payroll Supervisor, Esther Carmona, at 476-8427 or [Esther.Carmona@ucsf.edu](mailto:Esther.Carmona@ucsf.edu). For guidance and processing PETs, please contact Jim Huang at 476-9793 or [Jim.Huang@ucsf.edu](mailto:Jim.Huang@ucsf.edu).

### References

[http://acctg.ucsf.edu/payroll/references/MISC/Payroll\\_Postdocs\\_March\\_2006.ppt](http://acctg.ucsf.edu/payroll/references/MISC/Payroll_Postdocs_March_2006.ppt)  
[http://acctg.ucsf.edu/extramural\\_funds/communications/Financial\\_and\\_Budgetary\\_Treatment\\_Postdoc\\_Benefits\\_09\\_2006.pdf](http://acctg.ucsf.edu/extramural_funds/communications/Financial_and_Budgetary_Treatment_Postdoc_Benefits_09_2006.pdf)  
[http://acctg.ucsf.edu/News\\_Co/Index\\_news\\_02\\_2009.htm#tranf\\_benefit\\_exp\\_no\\_assoc\\_gross](http://acctg.ucsf.edu/News_Co/Index_news_02_2009.htm#tranf_benefit_exp_no_assoc_gross)  
<http://acctg.ucsf.edu/OLPPS/forms/index.htm>