Correcting Financial Transactions Flowchart
Aug 1, 2016

1. Correction Needed
   - YES: Central Administration Makes Correction
     - YES: Non-Personal Services Correction Process (page 2)
     - NO: Personal Cost
6. Personal Cost
   - YES: Personal Services Correction Process (page 4)
   - NO: Document Reason For Correction
5. Document Reason For Correction
   - YES: Correction Reason Documented Sufficiently
   - NO: NO
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Non-Personal Services Correction Process

Project Involved

NO

Is the Cost Unallowable?

NO

Moving Costs to an Activity?

YES

Original Expense over 120 Days (after Posting Date)

NO

1. Missed Pcard Allocation?
2. Animal Care (OCM) Fee or other Expense to be allocated?
3. Limited PO Involved?
4. IRB Fee?

YES

Cost Transfer

See Questions for Non-Personal Services to determine how to proceed. See Page 3.

Corrections will be Highly Scrutinized and approved on a case-by-case basis

E-Journal

Certain Expenses initially charged to an activity that are either delayed or whose allocation to multiple projects/activities cannot be determined until after the fact

Correction within the same Project or different Projects as long as the Projects belong to the same Award

All the Same Award
Cost Transfer Questions For Non-Personal Services Costs

1. If moving costs onto a project: is the cost legitimate (allowable and allocable)* to the Project?
   • If no, the cost cannot be moved onto the project.
   • If yes, proceed to Question 2.

If moving costs off of a project: did the expense item(s) benefit this project?
   • If yes, the cost should remain on the project. A Fund Transfer should be used for clearing expenses in excess of available budget for a project. For any extenuating circumstances, contact the GCA Point of Contact for the project.
   • If no, proceed to question 2.

If moving costs from one account to another account on the same project (no time limit): eJournal.

2. Has the project ended and is the project in either Final or Closed Status?
   • If yes, contact the GCA Point of Contact for the project to discuss the cost transfer.
   • If no:
     ▪ Proceed with an E-Journal if moving costs off of a project that are less than 120 days old.
     ▪ Proceed with a Cost Transfer if moving costs off of a project that are 120 days or more old.
     ▪ Proceed with preparation of the Cost Transfer Form if moving costs onto a project.

Answer the questions below on the Cost Transfer Form.

*Allowable Cost: Be necessary and reasonable for the performance of the award and conform to any limitations or exclusions set forth in the award. (See UG 200.403)

*Allocable Cost: Goods or services involved are chargeable or assignable to that award or cost objective in accordance with relative benefits received. (See UG 200.405)

Explanations and Questions to Answer on the Cost Transfer Form:

1. If moving costs to a Sponsored Award: An explanation of how the expense directly benefits and is allowable on the project chartfield designated TO
   If moving costs to an Activity: An explanation of why the expense does not belong on the Project and should be moved to the activity chartfield designated TO

2. An explanation of why the expense was incorrectly charged to the Project/Activity chartfield designated FROM

3. If applicable: why did the charge take more than 120 days to identify?

4. If applicable: what will be done to prevent or minimize the recurrence of the error in the future?

Cost Transfer Reminders:

1. Costs to be transferred onto a project that are (1) close to or after the end of the project and/or (2) spend the funds down to zero, or near zero, will receive extra scrutiny and are more likely to be denied.

2. All direct costs disallowed or not paid by the sponsor are the responsibility of and must be covered by the PI and/or the Department.
Correcting Financial Transactions Flowchart
Aug 1, 2016

1. **Non-Exempt Personal Services Correction Process**
   - YES: Project involved?
     - YES: Moving costs to an Activity?
       - YES: Costs should remain on the Project.
       - NO: Manual Payroll Reallocation
     - NO: Are costs legitimate Project costs?
       - YES: Costs should remain on the Project.
       - NO: See Questions for Personal Services to determine how to proceed. See Page 7.
   - NO: All the same Award?
     - YES: Correction within the same Project or different Projects as long as the Projects belong to the same Award
     - NO: Cost Transfer

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Correcting Financial Transactions Flowchart
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Exempt Personal Services Correction Process

- Project involved?
  - YES
  - Are costs legitimate Project costs?
    - YES
    - Moving costs to an Activity?
      - YES
      - EDR
      - NO
      - Costs should remain on the Project.
    - NO
    - In Quarter costs?
      - NO
      - Original payroll costs over 120 days (after end of Qtr)?
        - NO
        - ePAR for Quarter Previously Completed?
          - NO
          - ePAR
          - YES
          - Manual Payroll Reallocation
        - YES
        - All the same Award?
          - NO
          - Correction within the same Project or different Projects as long as the Projects belong to the same Award
          - YES
          - Cost Transfer

Per University Policy, project payroll costs 120 or more days old can only be moved via cost transfer.
- Exempt Employees: 120+ days after the end of a quarter.

See Questions for Personal Services to determine how to proceed. See Page 7.

Corrections will be Highly Scrutinized and approved on a case-by-case basis.
Cost Transfer Questions For Exempt and Non-Exempt Personal Services Costs

1. If moving costs onto a project: is the cost legitimate (*allowable and allocable*)* to the Project?
   - If no, the cost cannot be moved onto the project.
   - If yes, proceed to Question 2.

If moving costs off of a project: did the expense item(s) benefit this project?
   - If yes, the cost should remain on the project. A Fund Transfer should be used for clearing expenses in excess of available budget for a project. For any extenuating circumstances, contact the GCA Point of Contact for the project.
   - If no, proceed to question 2.

If moving costs from one account to another account on the same project (no time limit): Manual Payroll Reallocation.

2. Has the project ended and is the project in either Final or Closed Status?
   - If no, proceed to Question 3.
   - If yes, contact the GCA Point of Contact for the project to discuss the cost transfer.

3. Is the Expense Non-Exempt (hourly pay) payroll?
   - If no, proceed to question 4.
   - If yes, proceed with preparation of the Cost Transfer Form.

4. Has a PAR been certified?
   - If yes, thoroughly discuss the situation at the department level and then contact the Manager of Compliance Oversight and Reporting to review the reasons for moving the costs.
   - If no, proceed with preparation of the Cost Transfer Form. Answer the questions below on the Cost Transfer Form.

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