Correcting Financial Transactions Flowchart

Non-Personal Services Correction Process

- Project Involved
  - YES
  - Is the Cost Unallowable?
    - YES
    - Cost Transfer
      - Corrections will be Highly Scrutinized and approved on a case-by-case basis
    - NO
      - Moving Costs to an Activity?
        - YES
        - Original Expense over 120 Days (after Posting Date)
          - NO
          - See Questions for Non-Personal Services to determine how to proceed. See Page 3.
          - YES
          - Cost Transfer
            - YES
            - Reimbursement of Cost
              - NO
              - NO
              - NO
              - NO

- NO
  - NO
  - Original Expense over 120 Days (after Posting Date)
    - NO
    - Moving Costs to an Activity?
      - YES
      - Original Expense over 120 Days (after Posting Date)
        - NO
        - See Questions for Non-Personal Services to determine how to proceed. See Page 3.
        - YES
        - Cost Transfer
          - YES
          - Reimbursement of Cost
            - NO
            - NO
            - NO
            - NO

- YES
  - 1. Missed Pcard Allocation?
    - 2. Animal Care (OCM) Fee or other Expense to be allocated?
    - 3. Limited PO Involved?
    - 4. IRB Fee?
      - YES
      - Original Expense over 120 Days (after Posting Date)
        - NO
        - See Questions for Non-Personal Services to determine how to proceed. See Page 3.
        - YES
        - Cost Transfer
          - YES
          - Reimbursement of Cost
            - NO
            - NO
            - NO
            - NO

- E-Journal

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

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

Updated 2/28/2018
Cost Transfer Questions For Non-Personal Services Costs

1. If moving costs from one account to another account on the same project (no time limit): eJournal.
   If moving costs from one project to another project on the same award (no time limit; if project has ended –
talk to GCA Point of Contact): eJournal.
   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.

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 preparation of the Cost Transfer Form if moving costs onto a project.
     ▪ Proceed with a Cost Transfer if moving costs off of a project that are 120 days or more old.
     ▪ Proceed with an E-Journal if moving costs off of a project that are less than 120 days old.

*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)

Cost Transfer Reminders:

A. 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.

B. 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

- Personal Services Correction Process
  - Exempt
    - YES
    - Personal Services Correction Process
  - NO
    - Non-Exempt Personal Services Correction Process (page 5)

- Exempt Personal Services Correction Process (page 6)
Corrections will be Highly Scrutinized and approved on a case-by-case basis

Non-Exempt Personal Services Correction Process

- YES: Project involved?
  - YES: 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: Moving costs to an Activity?
    - YES: Manual Payroll Reallocation
    - 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
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.
**Cost Transfer Questions For Exempt and Non-Exempt Personal Services Costs**

1. If moving costs from one account to another account on the same project (no time limit): Manual Payroll Reallocation.
   
   If moving costs from one project to another project on the same award (no time limit; if project has ended – talk to GCA Point of Contact): Manual Payroll Reallocation.
   
   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 covering 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.

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.

*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)

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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.

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