

COST TRANSFER INSTRUCTIONS

If you are using the electronic version of the Cost Transfer form, you must ensure that each form has a new CTXXXXXXXX number. When you bring up the form there will be a CTXXXXXXXX number in the upper right-hand corner. If this number doesn't appear try using a different browser or update your Acrobat Reader to the latest version for your browser. Each new form needs a new number. To get a new number please press reset, or close the form and reopen it. **Do not modify an existing form and send it in with the same number.**

A Cost Transfer is an adjustment made sometime after an event has occurred which transfers costs from University projects or activities where the charges had been originally recorded to other projects or activities. Transfers between activities do not require a cost transfer form. All **corrections** between projects or between a project and an activity need to be submitted on a Cost Transfer Form, except for in-quarter payroll reallocations for an exempt employee. These in-quarter reallocations do not require cost transfers because the effort has not been certified. The in-quarter payroll Reallocation Form must arrive in our office at least 15 days before the end of the quarter, so the reallocation can be made in a pay period within the quarter and be reflected on the PAR. Corrections within an award do not have to be made on a Cost Transfer Form; a memo will suffice (e.g., transfers between accounts within a project, transfers between projects within the same award, transfers between the agency project and the matching project). Transferring over expenditures is not a correction and does not require a Cost Transfer Form, a memo is sufficient.

[University Regulation 3-021](#) requires that all changes to federal projects be documented by adequately explaining all transfers made TO or FROM federal projects. The policy also requires that transfers be made promptly after the error is discovered, but, in any event, the transfer must be made within 120 days after the date the cost was incurred and prior to submission by the accounting department of the final Report of Expenditures. Normally, corrections or transfers will not be allowed unless requested within 120 days after the date of the original transaction. In unusual cases, if the facts and circumstances dictate, transfers requested after 120 days may be made with the written approval of the Associate Director of Management Accounting & Analysis. The cognizant vice president must also approve any **payroll** cost transfers older than 120 days.

INSTRUCTIONS FOR COMPLETING THE COST TRANSFER FORM

SECTION I

DATE: Date you are preparing the cost transfer form.

DIRECT COSTS: The total amount of direct costs you are transferring. Do not include indirect costs, as they will be automatically charged to your project, if applicable.

PREPARED BY: Enter preparer's first and last names

PHONE NO.: Enter phone number for contact person to call should there be any questions regarding the cost transfer.

DEPARTMENT: Department preparing the cost transfer.

ADDRESS: Address of department preparing the cost transfer.

COST TO BE TRANSFERRED **TO** THESE CHARTFIELDS: Enter the chartfield string to which the charges should be charged (debit).

COST TO BE TRANSFERRED **FROM** THESE CHARTFIELDS: Enter the chartfield string from which the charges are being moved (credit).

LINE 1, 2, 3, 4: If the cost transfer involves the transfer between more than two chartfields, use these lines to distinguish the amounts you wish transferred for each chartfield combination.

SECTION II

Leave blank – Grants & Contracts Accounting will complete this section.

SECTION III and Documentation Requirements

This section is intended to explain why the cost transfer is necessary. This section should be a **two-part explanation**. Include **both** an explanation of how the charge benefits, or is appropriate to, the project/activity designated "To", as well as why the charge was originally charged to the Project/Activity designated "From". Make sure the dates of the original charges are between the start and end dates of the project to which you are transferring the costs.

Required Documentation for Salary Cost Transfers

1. If the costs are being transferred **to** a **project** a certification is required. The certification should state (signed by the employee or his/her direct supervisor) the percent of time worked on the project as well as the time period involved. Cost transfers should not transfer salary that has been previously certified on a PAR.

Certification Example

I certify, to the best of my knowledge, that Craig Johnson expended 40% of his effort for the period January 1, 2006 to February 28, 2006

on project 59305431.

Employee/Direct Supervisor's Signature

2. Please attach a Salary and Benefit Summary by account code and individual. (See example below) Show **all** salary and benefits, which were **earned** by the individual for the period covered by the Cost Transfer to reflect a total of one hundred percent of the employee's effort. The employee's certification of effort for the transfer is based on a percentage of 100%, or if you are moving *all* of their effort, this would equal 100%, of their FTE (Full Time Equivalent). Remember that the Certification of Effort percentage will not necessarily match the "Percent to Transfer" on the Salary and Benefits Summary, unless you are moving 100% of expenses charged for any given time period.
3. The department originating the cost transfer may not have access to all payroll distributions for the individuals you are transferring. If this is the case, you must find out if there are other sources funding portions of the employee's effort. If you know that the employee is funded one hundred percent by your department, then all that is required is the Salary and Benefit Summary and the employee certification, as backup to the cost transfer. **Copies of the Payroll Earnings, Benefits & Taxes reports will no longer be required.**
4. If you know you do not have access to all sources of funding for the employee's time you are transferring, there are other options to identify the employee's complete payroll distribution: (1) If you are the Home department for the employee, you will receive a quarterly *Payroll Earnings, Benefits & Taxes report for Employees Within Home Department*, ("Peach Report"), which will show the complete distribution of the employee's time for the period; (2) If you have payroll query access, you can run your own query to identify one hundred percent of the employee's time for the applicable time period; (3) If you have none of these options, Grants & Contracts Accounting will run a payroll query for you to aid in the preparation of the cost transfer. If you need Grants & Contracts Accounting to run a query for you, contact your account representative listed on the Management Reports for the project you are transferring the costs to.

Salary and Benefit Summary Example

From Account Code	Pay Period	Name Employee ID	Salary Charged	Benefits & Taxes Charged	Percent to Transfer	Salary Transferred	Benefits Transferred	To Account Code
01-00359-00006587-53000	01/15/2006	Craig Johnson	1,370.00	475.18	40%	548.00	190.07	01-00359-59305431-53000

	01/31/2006 00123123	1,370.00	475.19	40%	548.00	190.08	
	02/15/2006	1,370.00	475.18	40%	548.00	190.07	
	02/28/2006	1,370.00	479.30	40%	548.00	191.72	
Total Account Code		<u>5,480.00</u>	<u>1,904.85</u>		<u>2,192.00</u>	<u>761.94</u>	
01-00359-00006587-58000	01/15/2006 Craig Johnson	80.00	0.00	40%	32.00	0.00	01-00359-59305431-58000
	01/31/2006 00123123	155.00	0.00	40%	62.00	0.00	
Total Account Code		<u>235.00</u>	<u>0.00</u>		<u>94.00</u>	<u>0.00</u>	
01-00359-00006587-50200	01/15/2006 Jane Smith	3,070.65	882.01	26%	798.37	229.32	01-00359-59305431-50200
	01/31/2006 00987987	3,070.65	882.03	26%	798.37	229.33	
	02/15/2006	3,070.65	882.01	26%	798.37	229.32	
	02/28/2006	3,070.65	891.30	26%	798.37	231.74	
Total Account Code		<u>12,282.60</u>	<u>3,537.35</u>		<u>3,193.48</u>	<u>919.71</u>	
Grand Total		<u>17,762.60</u>	<u>5,442.20</u>		<u>5,385.48</u>	<u>1,681.65</u>	

Each salary account code should have its own subtotal.
The percentage for salary and benefits must be the same.

Required Documentation for Non-Personal Services Cost Transfers

1. Attach copies of the Detail Transactions reports, underlining the charges that need to be moved. The Detail Transactions report is necessary because it shows the entire chartfield string where the expenditure was originally charged. Please underline or circle the transaction since highlighting will not appear on an electronic form.
2. Copies of all applicable source documents for charges you are transferring. i.e. Limited Purchase Orders (LPO), Limited Purchase Check (LPC), Travel Reimbursement forms, Campus Orders or in the case of Purchasing Card transactions, a copy of the form you keep in the department (usually a Purchase Order Request form or telephone order form) that shows what was purchased, from whom, and the date of the transaction. Any other receipts or documentation that would help to identify the nature of the charge would be

helpful. For transfers of long distance telephone charges and mailing bureau charges please provide copies of the monthly bills with the charges to be transferred underlined.

SECTION IV - Signatures

The Principal Investigator for each project or activity **receiving** the charge **MUST** sign the cost transfer request form. This signature signifies acceptance and allowability of the charges being transferred. The only time a signature other than the principal investigator's will be allowed is if the principal investigator is no longer at the University, or is on extended leave, such as a sabbatical. In these cases, the principal investigator's immediate supervisor should sign in his/her absence and this should be noted on the cost transfer as well. The department chairperson and the cognizant dean or their authorized alternate must also sign. Stamped signatures are not allowed.

SECTION V – Signatures

If the cost transfer is to move payroll charges older than 120 days, then the department must obtain the cognizant vice president's signature.

Transfer requests with insufficient explanation or lack of documentation will be returned for further clarification or documentation. It is unallowable to transfer costs for the sole purpose of covering overexpenditures.