

Procedures for Cost Transfers

Notwithstanding the constraints imposed by cross-fiscal year requirements:

Payroll Cost Transfers

- Payroll cost transfers to federal awards are expected to be processed by the end of the applicable effort certification period.
 - Payroll transfers are processed via the **Payroll Re-allocation (PAR) form**,¹ or if during the certification window, via the MAXIMUS Effort Reporting System
- Reminder: Payroll transfers to federal awards after the certification period has closed are not allowed. Payroll transfers from federal awards to institutional funds are allowed whenever so determined by facts and circumstances to be needed.**
- Exceptions to the timely submission of payroll cost transfers will be considered on a case-by-case basis, and ordinarily will require additional institutional approvals by both the Provost's and the Comptroller's Offices.

Non-Payroll Cost Transfers

- Non-payroll cost transfers are to be requested in a timely manner, which ordinarily will be considered timely if made within the two months following the journal date that the original transaction is posted in the GL.
 - Non-payroll transfers are processed via the Sponsored **Non-payroll Cost Transfer Request form**.
- Exceptions to the timely submission of non-payroll cost transfers will be considered on a case-by-case basis, and ordinarily will require additional institutional approvals by both the Provost's and the Comptroller's Offices.

Documentation:

Along with copies of source documentation (i.e. general ledger reports, invoices, etc.), the following elements comprise adequate documentation for a cost transfer that may be subsequently approved:

- Explanation of the specific nature of the error.
- Description of why the cost was not properly assigned initially.
- Explanation of steps to be taken to avoid transfers of this nature in the future.
- Description of how the cost benefits the project it is being transferred to.
- Certification of transfer by responsible institutional official(s).

Monitoring

Office of Sponsored Accounting will regularly monitor the cost transfers to ensure consistent adherence to this procedure.

The **Principal Investigator/Project Director** who repeatedly and regularly submits payroll or non-payroll cost transfer requests will be required to attend additional training with their support staff to reinforce good financial management practices.

¹ Payroll reallocations resulting from personnel changes in effort may be made electronically via the Effort Reporting System.

Annually the Office of Audit and Management Services will select a sample of cost transfers for review to assess compliance with University policies and practice, and sponsor's terms and conditions.