



# Cost Transfers



# Cost Transfers Fiscal Policy-220



## Key Points:

- Lists time limits and documentation requirements for cost transfers on sponsored projects
- Cost transfers should only be made to correct errors
- To correct errors is not sufficient justification.

# Excessive cost transfers



- Excessive cost transfers suggest weaknesses in accounting procedures.
  - Why aren't we able to put the original charge on the correct account or cost object to begin with?

# Documentation in IRIS



- The details of the cost transfer must include:
  - Original document number and posting date;
  - Justification of the appropriateness of the charge or credit; and
  - A full explanation of why the transfer is necessary.  
Note: “To correct error” is not sufficient.
- The funding agency expects the official documentation for a cost transfer to include complete explanation of the reason the transfer is being made.  
<http://grants.nih.gov/grants/policy/policy.htm>

# Cost Transfer Process



**1-90 days**

Original doc # & date/brief explanation on text of reason for transfer entry in IRIS (**this is basic info** required on all cost transfer entries)



**91-120 days**

Complete CTEF – attach to transfer entry in IRIS (**include basic info** on the cost transfer entry )



**Over 120 days**

Complete CTEF – send to SPA for review and signature of CBO(**include basic info** on the cost transfer entry )

PI and Dept. Head **must** sign CTEF

PI, Dept. Head, Dean, and Campus Business Officer (CBO) **must** sign

## **Note:**

- If the award has ended, transfer **must** be made within 60 days

# Concerns noted!

- Missing Doc. #'s
- Doc. numbers given aren't orig. doc#'s
- To correct an error in text.
- Cost transferred without a Cost Transfer form and/or appropriate approval!

# Discussion Time?

- What issues are you seeing in your departments regarding Cost Transfers?
- Do we need to discuss the Documentation required?
- What about the timeframes?