

Transfer Policy

Policy Statement: This policy provides guidelines for the preparation and processing of transfers (journal entries) for all Foundation accounts and sponsored projects. The purpose of this policy is to ensure compliance with the general rules and regulations governing transfers, especially those required by the federal government.

Transfers are normally used to allocate reasonable, allowable and allocable expenses to a specific account or funded projects. Project Directors are responsible for reviewing expenses charged to their accounts or funded projects on a monthly basis and requesting transfers to correct keypunch or other distribution errors in a timely manner. Requests for transfers should be submitted immediately following the review of monthly transactions. Requests over 90 days after the posting date of the original transaction will require explanation of why the transfer was not made in a timely manner; and in some cases, the transfer may be unallowable.

The Foundation has policies, procedures and internal controls in place to ensure costs are accurately recorded; however, in certain cases, transfers may be necessary.

Definition: A transfer (journal entry) is used to allocate an expense or revenue from one account or sponsored project to another, or to transfer funds between object codes within an account or sponsored project.

Documentation: Transfers (journal entries) MUST include a description of the item(s) and explanation of why the transfer is necessary. Requests for transfers that lack adequate documentation and/or approval signatures will be returned to the originating person/department.

See Section I below for detailed procedures related to Non-Grant and Contract accounts and Section II for detailed procedures related to Grants and Contracts-Sponsored Projects.

Procedures:

Section I – Non-Grant and Contract Accounts (number series 30000-57999, 80000-89999):

In order for a transfer (journal entry) to be processed, a description of the item and an explanation of why the transfer is needed are required. Employees may be required to recertify their effort if the cost transfer involves payroll or reimbursed time. Recertification will be determined by RESP based on the accounts included in the transfer. The description and explanation should be prepared in such a way that Foundation staff and outside auditors would be able to understand why the transfer is necessary. **Exception:** If the transfer is due to a data entry error, the description and explanation are not required.

Usually transfer requests pertain to expenses. In some cases, however, revenue may be transferred from one account to another.

NOTE: Transfers made over 90 days after the posting date of the original transaction are generally not allowable. If you wish to make such a transfer, you must provide an explanation of why the transfer is being requested beyond the 90-day limit.

A Foundation **Transfer Form** is available that addresses the required information. However, an e-mail may be used if it contains all the information included on the transfer form.

The transfer form or email request should be submitted to the appropriate office managing the account(s) from which the transfer is being made (Foundation Administration office or The Office of Research & Sponsored Programs).

Section II – Grant and Contracts-Sponsored Projects (number series 58000-79999): To be acceptable under a sponsored project, transfers must be timely, properly documented, allowable and allocable to the proper budget categories or object codes approved by the funding agency. Employees may be required to recertify their effort if the cost transfer involves payroll or reimbursed time. Recertification will be determined by RESP based on the accounts included in the transfer. The expense must comply with the sponsor regulations, Foundation policies and OMB Circular A-21. All transfers become part of the official project file and are subject to audit.

The description and explanation should be prepared in such a way that Foundation staff and outside auditors would be able to understand why the transfer is necessary. **Exception:** If the transfer is due to a data entry error the description and explanation are not required.

Unallowable transfers typically include:

1. Transfer of expenses between sponsored projects in order to remove a deficit.
2. Transfer of expenses to spend the balance of an award.
3. Transfers requested more than 30 days after the end date of a sponsored project.
4. Transfers to adjust reimbursed time transactions. **Note:** Such transfers cannot be made unless corrected effort certifications are signed and received.
5. Transfer of labor costs for an individual where the project number is not listed on an individual's Personnel Action Form (PAF).

Extenuating circumstances will be reviewed on a case-by-case basis and approved by the Director of the Office of Research & Sponsored Programs or the Vice Provost for Research.

NOTE: Transfers made over 90 days after the posting date of the original transaction are generally not allowable. If you wish to make such a transfer, you must provide an explanation of why the transfer is being requested beyond the 90-day limit.

A Foundation **Transfer Form** is available that addresses the required information. However, an e-mail may be used if it contains all the information included on the transfer form.

The transfer form or email request should be submitted to the Administrative Analyst, in the Office of Research & Sponsored Programs, assigned to managing the project from which the transfer is being made.