

Sponsored Programs Monthly

Cost Transfers Policy

PPM Chapter 7055.030

Principal Investigators and/or their delegate should regularly review the financial status of sponsored project accounts and prepare and submit transfers to correct errors on a timely basis. Such corrections must be supported with documentation of why the error occurred and how the cost directly benefits the project to which the transfer is being made. Corrections should not require multiple transfers of the same cost. Additionally, sponsored projects accounts should never be used as “holding” accounts for costs benefiting other projects or objectives.

Transfers of costs to a sponsored project account that are not prepared and submitted on a timely basis will be considered “late transfers”. Such transfers will require additional documentation and will be permitted only in limited circumstances with appropriate explanation.

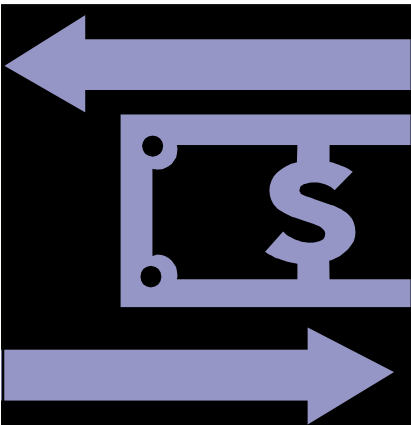
Late Transfers

Transfers should be done within 90 days of the original post date of a transaction. Late transfers that move costs to a sponsored project account will be allowed only in limited circumstances. A complete justification must be provided. Normally, late transfers must move the costs to a non-sponsored account only.

Payroll Transfers occurring after effort report certification will require a revised effort report certification.

Examples of Acceptable & Unacceptable Cost Transfer Explanations can be found in PPM Chapter 7055.050 & .051

Questions? Call 532-6207



Overview

The Federal government and other external sponsors expect costs to be charged appropriately at the time incurred and that proper procedures are in place to assure the integrity of any subsequent adjustments to those charges. It is generally recognized that cost transfers may be necessary to correct errors in original charges. However, frequent, late, inadequately explained transfers, or multiple transfers of the same cost are viewed as an indication of poor management of funds, particularly when projects with cost overruns or unexpended balances are involved.