Office for Sponsored Programs Cost Transfer Request Form

This Form is for a request to move a non-salary cost onto a sponsored project.

Acctg Date	Transaction # (e.g.Voucher ID, Expense Rpt #)	Vendor/Empl ID	Dept ID	Fund	Fund Source	Program	Func.	Property	Account	Project	Amount (+/-)

1) Please explain why the charge/cost should be moved. Please explain how it was discovered and determined that the cost should be moved.

____

____

____

2) Please explain what makes the cost appropriate to the chartstring now receiving the cost. For Fund 500 or 120, how does the cost directly benefit the chartstring now being charged, and is the cost allowable, allocable, and reasonable per sponsor's terms and conditions?

____

____

____

3) If greater than 90 days, what action will be taken to prevent this delay from recurring?

____

____

Preparer's Name:________________________________ Signature:__________________________ Date:____________

Principal Investigator:____________________________ Signature:__________________________ Date:____________

Authorized Official – Dean or Dept. Chair NOT THE PI

Print:______________________________________ Signature:__________________________ Date:____________

OSP:_______________________________________ Signature:__________________________ Date:____________

Please attach copies of the original transaction documentation (invoice, P-Card receipt or expense report, TDR etc.), and forward to the Office for Sponsored Programs.

Form Revised - June 2020

Cost Transfer Request Form Guidance and Instructions

This Form is to be used to move a non-salary cost onto a sponsored program (Fund 500 or 120). Salary cost transfer requests should utilize OSP's Labor Redistribution Form. Some internal cost "movements" are not classified as cost transfers per OSP's Cost Transfer and Labor Redistribution Policy; see policy on OSP's website for details.

A cost transfer invites the assumption that the transaction was not handled properly initially. The charge will be scrutinized for allowability and allocability to the benefiting sponsored project. The documentation and justification for moving a cost will also be scrutinized. This is to ensure a sponsor's requirements are met when costs transferred to a sponsored project were initially charged to other accounts.

Chart Fields / Chart String: Fill in the PeopleSoft chart fields from the line initially charged. Then on the line below it, fill in the chart fields for the sponsored project to now be charged the cost.

Acctg Date = Accounting Date per PeopleSoft
Transaction # - will depend on type of transaction: voucher = voucher ID; expense reimbursement = expense report ID; etc.
Vendor/Empl ID – vendor for a voucher; employee's name for an expense reimbursement; etc.
Dept ID = 6-digit department or responsibility center identification number used in PeopleSoft
Fund = 3-digit global classification of funding source (i.e. sponsored programs Fund 500 or Fund 120)
Fund Source = 5-digit, identifies specific sources from operations, sponsors, donors; (i.e. 12010 = Federal fund source)
Program = 5-digit, formal (named) and informal programs; will be 00000 for sponsored programs' line
Function = 3-digit, functional purpose and activity (i.e. 301 = sponsored research)
Property = 5-digit, buildings; will be 00000 for sponsored programs' line
Account = 5-digit, asset, liability, revenue, expense classifications (i.e. 68902 = domestic travel expense)
Project = 7-digit, sponsored programs (PeopleSoft project/grant #) or capital projects
Amount – identify the amount being transferred (e.g. moving total amount or partial amount; if partial then clearly mark on TDR or TDI the amount and explain the allocation methodology in the questions on the Form).

NOTE: A P-card cost transfer should be charged to the appropriate expense account based on the type of cost e.g. supplies, printing, etc. The expense account code 68370 (P-card) cannot be used for the transfer in PeopleSoft.

Please make sure you have both sides of an entry. When added up, the lines total zero. Example ($25.75) + $25.75 = 0

Acctg Date	Transaction # (e.g.Voucher ID, Expense Rpt #)	Vendor/Empl ID	Dept ID	Fund	Fund Source	Program	Func.	Property	Account	Project	Amount (+/-)
2/5/2020	PCD0747044	Miko Printing	051001	110	10401	13911	302	00000	68370		($25.75)
2/5/2020	PCD0747044	Miko Printing	051002	500	12040	00000	301	00000	68306	5101234	$25.75

Supporting Documents

Documentation to accompany the Form includes paperwork that shows where the cost was originally charged (e.g. TDR, TDI, etc.) and documents to fully explain or identify the cost being transferred (e.g. vendor invoices and packing slips, Vendor Justification Form, P-card receipt and statement, travel expense report and receipts, allocation methodology if cost is split among chart strings, etc.)

The cost transfer policy requires thorough documentation to support the transaction which includes fully and completely answering the questions on the Form. In addition, the transfer must be timely, complete, and comply with allowability, allocability, and reasonableness requirements. If applicable, please include additional documentation showing the relationship to the sponsored project ultimately being charged, e.g. PI communications regarding the transfer.

Providing detailed documentation for costs transfers will facilitate their timely review and approval by OSP.

Utilize the Cost Transfer Additional Information form when more chart string lines are needed than are on the Form.

Tips for Writing the Justification

Answers to the Form's questions should be easily understood by anyone reviewing the cost transfer paperwork, so please provide enough detail to inform approvers and auditors about the action. Think, can a third party not involved in the transaction understand who, what, when, where, why, and how.

Who: the person, organization, or department name(s) that caused or played a role
What: what events or circumstances are causing the need for the cost transfer
How: how was the need to do a cost transfer discovered or determined and by whom
When: the key date(s) related to the cause (e.g. accounting date)
Where: the location of the event or occurrence (if it is significant)
Why: why a change/transfer is required, and how will the project receiving the expense benefit from the transfer.

The documentation needs to be able to stand on its own. Also will it still be understandable 3 years from now. If you wonder if you have included enough information, you probably haven't.

Most important, remember, you cannot transfer costs to a sponsored project just because it has money!

Question 1 has two parts to it; how and why: a) how did you figure out that a cost needed to be moved; how was this error or situation discovered; and b) why should the cost be moved onto the sponsored project; why was it not charged to the sponsored project initially.

All cost transfers must be supported by documentation that fully explains the situation. An explanation merely stating that the transfer was made "to correct an error" or "to transfer to the correct project" is not sufficient.

Transfers due to the same mistake multiple times indicate disorganized record keeping, which reflects poorly on the PI as well as the administration of sponsored programs. Cost transfers should be avoided whenever possible - they should be the exception, and not the norm.

All cost transfers should be made within 90 days of the original accounting date.

Question 2 The purpose of your response is to justify why the cost is necessary to further the programmatic needs of the project now being charged. The explanation should include how the sponsored project directly benefits from the cost of the goods and services being transferred. Remember, the cost must be in compliance with the sponsor's terms and conditions including allowable, allocable, and reasonable.

When transferring a cost onto a sponsored project, the date the original cost was incurred or date of services performed must fall within the effective dates / period of performance of the sponsored project the cost is transferred onto.

At no time should a sponsored project be used as a holding account for a cost that will be subsequently and knowingly transferred elsewhere.

Timeliness

Question 3 deals with timeliness. Cost transfer requests should be initiated as soon as possible after a need has been identified. Timely review of costs charged to a sponsored project and prompt execution of a cost transfer request is critical. Regular PI reviews of a sponsored project's expenditures can go a long way in helping to catch a problem early. OSP recommends Departmental Research Administrators have periodic reviews (e.g. monthly) of a project's expenses with the PI. Repeated use of cost transfers may call into question a project's fiscal accountability, and could jeopardize the fiduciary responsibility entrusted to the PI.

Cost transfer requests that do not meet the timeliness criteria of less than 90 days after the accounting date, will receive additional central review, and require further explanation and approvals.

Additional explanation needed includes:

- The reason for the delay in the timely processing of the transfer
- That any systematic reasons which might cause this problem to be repeated have been addressed
- Steps taken to prevent recurrence e.g. controls to be implemented

NOTE: Costs determined to be incorrectly charged or **unallowable** to a sponsored project must always be removed from that project without regard to when the cost was initially charged (accounting date).

Signatures and Approvals

A cost transfer request made within 90 days from when the cost was initially charged (PeopleSoft accounting date), does not require the PI's signature. It is the responsibility of the Form's Prepare to ensure a cost transferred to a sponsored project is in compliance with sponsor's terms and conditions, BC policies and procedures, and any laws or regulations.

A cost transfer request made more than 90 days after the initial charge (PeopleSoft accounting date), requires both the PI's signature and the Dean or Department Chairperson's signature. The PI **cannot** sign both lines.

If the date the cost was initially charged is greater than six months and the cost would be transferred onto a sponsored project, then the **PI must** obtain written approval from the Director of the Office for Sponsored Programs before a Cost Transfer Request Form can be completed. This authorization must accompany the Form, and the Form still requires the signatures listed in the paragraph above (PI and Dean or Chairperson).

Once the Form and supporting documentation are complete, they should be submitted to OSP. Remember, answers to the Form's questions should have thorough explanations; must be specific and detailed responses. Responses that are inadequate will be returned/denied. An OSP staff member will review the Form with its accompanying documentation. When complete, OSP will sign the Form and process the cost transfer journal in PeopleSoft. The Form's Preparer should ensure the transfer is recorded correctly by reviewing the sponsored project's TDR.

If a cost transfer request is rejected, then it is the responsibility of the PI in conjunction with the Departmental Research Administrator to ensure that the cost is assigned to a non-sponsored account in a timely manner.
It is never acceptable to "park" costs on a sponsored project.