

COST TRANSFER AND RECODE POLICY

POLICY NUMBER: RESERVED FOR FUTURE USE
RESPONSIBLE OFFICIAL TITLE: CHIEF FINANCIAL OFFICER
RESPONSIBLE OFFICE: COMPTROLLER'S OFFICE
EFFECTIVE DATE: 7/1/2012

I. POLICY STATEMENT

To be considered allowable, all cost transfers must be timely, documented and explain in detail, adhere to the sponsor's standards and have all appropriate authorizing signatures. Cost transfers should be prepared and submitted as soon as the need for the transfer is identified, but under most circumstances, not later than 60 days from the posting date in SAP.

- A form submitted for the following reasons or with the following issues will be **rejected** and **will not be processed** as a recode in SAP.
- Adequate documentation is not provided with the request.
- The request for cost transfer does not meet the time deadline of sixty days past the posting date in SAP.
- The sole purpose of the transfer is to cover a budgetary deficit. A Budget transfer is required for this reason.
- The sole purpose is to "use up" unspent funds in awards/grants etc.
- Correct sign off on the form is missing.

II. ENTITIES AFFECTED

Faculty and Staff

IV. DEFINITIONS

Define any terms within the policy that would help in the understanding or interpretation of the policy.

1. A **cost transfer** is an after-the-fact reallocation of costs or revenue, either salary or non-salary costs, to one fund center/internal order/grant from another fund center/internal order/grant within a 60 calendar day period from the posting date in SAP.
2. **Reclassification of charges** within a fund center/internal order/grant is a recode and will only be accepted if requested within a 60 calendar day period from the posting date in SAP and is not associated with an unreconciled procard charge.
3. There are two types of cost transfers:
 - a. **Non-labor** – all charges not payroll/benefit related
 - b. **Labor** – Corrections made to assure that payroll records accurately report services actually performed for a specific purpose.

V. RESPONSIBILITIES

The account responsible person/principal investigator is designated as the individual who is fully responsible for the proper management of each fund center/internal order/grant. The account responsible person/principal investigator is expected to fulfill this responsibility by:

- Approving charges or activities used for recording the expenditures revenues or designative an authorized alternate with responsible person with authority to approve all such charges.
- Reviewing the monthly accounting reports on a timely basis to ascertain the propriety of all entries made.
- Initiating any necessary corrections and/or appropriate transfers, consistent with this policy and procedure statement.

VII. PROCEDURES

For labor related reallocations please follow the steps outlines on HR website including filling out the appropriate form.

To request a non-labor expense record or cost transfer, please complete a Recode Request Explanation along with a journal entry form. Obtain the proper authorizing signatures, attach supporting documentation and submit to the Comptroller's Office.

REVISION HISTORY

REVISION TYPE	MONTH/YEAR APPROVED
New Policy	7/1/2012
Choose an item.	
Choose an item.	
Choose an item.	
Choose an item.	
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