

Policy and Procedure for Cost Transfers

Cost transfers are required when expenses are incorrectly charged to a particular grant. Cost transfers include: payroll reallocations and invoice reclassifications between FOAP's. To ensure the corrections are processed in a timely manner, the following procedures must be followed.

- On a monthly basis, at the very minimum, all PI's are required to review all financial transactions affecting their grant in the Banner financial system.
- If the PI notes an expense was incorrectly charged to the grant, they must immediately notify the Associate Director of Post-Award Grants Administration in writing of the error. The PI must specify 1) the grant FOAP, 2) the expense to be reclassified and 3) the FOAP where the expense should be properly recorded to and why.
- The Associate Director of Post-Award Grants Administration will review the request and if appropriate, prepare a journal entry reclassifying the expense out of the grant.
- The Controller or Associate Controller will review, approve and post the journal entry.
- The PI will see the correction when they review the financial activity in the following month.

All corrections must be posted as soon as possible, but no later than 30 days from the date the original expense appears in Banner. Additionally, all final corrections must be forwarded to the Associate Director of Post-Award Grants Administration within 10 days of the grant's termination date.