



# UNIVERSITY OF NORTH DAKOTA

## GRANT & CONTRACT ACCOUNTING

### Cost Transfer Checklist

This document is for departmental use only to assist in preparing and executing cost transfers. Though this tool may not be all-inclusive of every cost transfer scenario, it will provide instructive steps and requirements to successfully complete a cost transfer.

When creating a cost transfer, ensure the correct reason is selected and appropriate supporting documentation is attached. Failure to do so will result in denial of the cost transfer.

See below to review the system-generated reasons and examples of appropriate documentation.		
Item	Cost Transfer Reason	Examples of appropriate documentation include but are not limited to:
A	Charged to incorrect account string	General Ledger Summary Report or Detailed Transaction Report with the project and fund of the original charge To correct a T&E transaction: Original Expense Report, General Ledger Summary Report
B	Transfer costs to non-sponsored account	
C	Allocation of costs that benefit more than one project	
D	Transfer pre-award costs from a department fund	Approval for pre-award costs / At-Risk account approval
E	Late Award (received NoA late from awarding agency)	Copy of the NoA
F	Due to Regulatory Hold (COI, IACUC, HRPP)	Date of hold release, protocol number issued or IRB approval letter
These examples may be in addition to Payroll and PPS required forms and documentation.		

✓	Check to ensure cost transfers are submitted with appropriate information/documentation.
	The cost transfer justification form must include the reason for the error. <i>Provide a detailed explanation of how and why the error occurred and what measures are in place to prevent future occurrences.</i>
	The cost transfer justification form must include an explanation as to why the charge belongs on the receiving award and include a statement of benefit to the receiving award.
	Supporting documentation must include evidence of charge to the award from which the cost is being removed, such as the General Ledger Summary Report or Detailed Transaction Report.
	The PI should have written documentation of the cost transfer and why it must occur. For example, an email request from the PI or department that the cost transfer should be made.
A cost transfer submitted without the above information will not be approved.	

✓	For the following cost transfer types, check to ensure:
	A cost transfer performed more than 90 days from the original transaction date must include an explanation of the extenuating circumstances as well as what prevented a timely review and correction of expenses. <i>Certain sponsors require prior approval if the cost transfer is performed 90 days following the "occurrence" (i.e., CDC)</i>
	A cost transfer cannot be used as a method of "zeroing out" (i.e., spending down) an award. A detailed explanation must substantiate why costs are being transferred near or after the budget end date of the award.
	If a payroll adjustment affects a previously certified Project Statement, the PI must provide an explanation as to why the Project Statement was certified without the payroll adjustment.
	A cost transfer related to summer salary (i.e., 9-month faculty) must include a copy of the summer appointment letter.
	If transferring animal or human subjects related charge to an award, the protocol associated with the charge must be congruent with the award. <i>Animal related charges (i.e., husbandry, per diem costs) must include a protocol number. For human subject charges, the department must verify IRB was active.</i>

✓	Additional Checks:
	Ensure the preparer and approver of the transfer are different individuals.
	Ensure the costs being transferred are within the award line dates or during an approved pre-award period.
	Ensure the cost transfer is in compliance with sponsor requirements. Check the regulations, policies, and terms and conditions of UND and the sponsor.
	Ensure the transaction is appropriate to the award and properly justified.
	If any line of the cost transfer is greater than 90 days, route to Grants & Contracts for review.