Cost Transfers

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What is a Cost Transfer?

A cost transfer is an expense that is transferred to or from a sponsored project after the expense was initially recorded in the financial accounting system (PeopleSoft).

- Payroll (reallocation of salary and fringe benefit costs to reflect expended effort)
- Non-payroll
  - Transfer pre-award costs
  - Correction of clerical errors
  - Unallowable expenses

Cost Transfer Overview (1)

- Principal Investigator (PI)/Project Director is responsible for ensuring that only allowable and allocable costs are expensed against project

- Frequent monitoring of project/grant ledgers not less than monthly

- Comply with cost allowability and allocability requirements by explaining, justifying and documenting transfers of charges

Cost Transfer Overview (2)

- Include written detailed explanation of error
  - How did it occur?
  - How does it benefit the award?

- Submission and approval by department after 90 days will be granted only under extenuating circumstances

- Correction of error must be completed regardless of timeframe if it benefits the sponsor

[Cost Transfer Request Form](#) (1)

The University of Texas at San Antonio
Office of the Vice President for Research
Research Finance and Operations

UTSA RESEARCH
COST TRANSFER / JOURNAL CORRECTION REQUEST FO

PI/PD:	Layne Staley	Prepared by:	Jerry Cantrell	
Dept/Center/Institute:	GRK123	Phone:	x1234	Date: 6/1/2023

All costs should be charged to the appropriate Sponsored Program when incurred. When circumstances require transfer of expenditures after the initial recording of the cost, it is necessary to justify and document all cost transfer transactions. Cost transfers requested more than ninety (90) days after the initial posting will only be processed if the transfer benefits the Sponsored Program. Salary Cost Transfers are not permitted after Effort Certification reports are completed or after the Sponsored Program closeout date unless it benefits the sponsor. See HOP 10.08, *Cost Transfers on Sponsored Programs* (http://www.utsa.edu/hop/chapter10/10-8.html)

Type of correction(s)?	☑ Non-Payroll	☐ Payroll
Prior fiscal year correction?	☑ Yes	☐ No
Has PAA verified that budget exists and funds are available?	☑ Yes	☐ No
Is the project active?	☐ Yes	☑ No
If a salary correction, does this require re-certification of effort?	☑ Yes	☐ No
Has the PAA verified this is not a duplicate request?	☑ Yes	☐ No
Has the PAA verified that each expense is in the current project/cost center where it is requested to be moved from?	☑ Yes	☐ No

Why was the expense charged to the project id/cost center or expense account code from which it is now being transferred?

Expense was initially charged to cost GRK123 pending set up of project 1000001234.

Why does the expense need to be transferred to the proposed receiving project id/cost center or expense account code? How is the expense allowable and allocable based on the award terms and conditions?

To transfer costs to the appropriate receiving project of 1000001234 as it was allowable and allocable to the project but was temporarily posted to the cost center GRK123 due to delay in project set up.

Cost Transfer Request Form (2)

- Header Information

| PI/PD: | Layne Staley | Prepared by: | Jerry Cantrell |
| Dept/Center/Institute: | GRK123 | Phone: | x1234 | Date: 6/1/2023 |

Field	Input
PI/PD	Name of Principal Investigator
Prepared by	Name of individual who prepared the Cost Transfer Request form
Dept/Center/Institute	Enter the PI's Department ID
Phone	Enter the PI's phone number
Date	Enter the date of the request

- Checklist

	Yes/No 1	Yes/No 2
Type of correction(s)?	☑ Non-Payroll	☐ Payroll
Prior fiscal year correction?	☑ Yes	☐ No
Has PAA verified that budget exists and funds are available?	☑ Yes	☐ No
Is the project active?	☐ Yes	☑ No
If a salary correction, does this require re-certification of effort?	☑ Yes	☐ No
Has the PAA verified this is not a duplicate request?	☑ Yes	☐ No
Has the PAA verified that each expense is in the current project/cost center where it is requested to be moved from?	☑ Yes	☐ No

Cost Transfer Request Form (3)

Justification

Why was the expense charged to the project ID/cost center or expense account code for which is it now being transferred?

- Detailed explanation
- Could it have been prevented?

Cost Transfer Request Form (4)

Justification Cont'd

Why does the expense need to be transferred to the proposed receiving project ID/cost center or expense account code? How is the expense allowable and allocable based on the award terms?

Acceptable explanation examples (specific)

- Data entry error: Account code 63003 should have been account 63001

- Transposition error: Project ID 1000001875 should have been 1000001857

- To transfer project codes from the F&A (Facilities and Administrative) cost center to the existing project because the sponsor issued a modification to the existing award

Cost Transfer Request Form (5)

Justification Cont'd

Why does the expense need to be transferred to the proposed receiving project ID/cost center or expense account code? How is the expense allowable and allocable based on the award terms?

Unacceptable explanation examples

- Correct an error

- Correct coding

- Charge correct project/grant ID

- Transfer payroll charges to the account under which the work was actually performed

Cost Transfer Request Form (6)

Justification Cont'd

If the cost transfer is being requested more than 90 days after the original transaction date, explain how the transfer benefits the sponsored project. What corrective action has been taken to eliminate the need for cost transfers of this type in the future?

Acceptable extenuating circumstances

- Late issuance of notice of grant award or full execution of a subcontract subsequent to start of budget year or period of performance beyond control of requestor

- Failure of another department/administering unit to take action

Cost Transfer Request Form (7)

Signatures

	Name	Signature	Date
PI/PD:	Layne Staley		
Account Administrator (if different than PI/PD):			
Post Award Administration:	Kurt Cobain		
AVP for Research Finance and Operations (Salary			

Cost Transfer Journal Correction

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
	Unit	Ledger	Account	Speed Type	Fund	Dept ID	Program	Function	Cost Center	PC Bus Unit	Project	Activity	An Type	Affiliate	Fund Aff	Amount	Description	Reference

Column	Description	Input
A *	Unit	UTSA1
B *	Ledger	ACTUALS
C	Account	Enter appropriate Account Code
D	Speed Type	Enter appropriate Project/Cost Center
E	Fund	Enter appropriate Fund Code
F	Dept ID	Enter appropriate Department ID
G*	Program	"THECB" for Function 200; leave blank otherwise
H	Function	Enter appropriate Function Code
I*	Cost Center	Enter appropriate Cost Center (if applicable)
J*	PC Bus Unit	UTSSP
K*	Project	Enter appropriate Project (if applicable)
L*	Activity	1

Column	Description	Input
M	AN Type	Enter appropriate Analysis Type **
N *	Affiliate	Leave blank
O *	Fund Affil	Leave blank
P	Amount	Enter the amount to be transferred
Q	Description	Description of transaction being corrected (30 character limit)
R	Reference	Document ID of transaction being corrected (10 character limit)
S	Accounting Date	The date of the original transaction

*This value should **always** be used.
**Non cost share cost centers do not require an analysis type. Expenses to a cost share cost center should use analysis type CGE. Non-payroll expenses to a project ID should use analysis type GLE. Payroll expenses to a project ID should use analysis type PAY.

Cost Transfer Journal Correction Example

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
	Unit	Ledger	Account	Speed Type	Fund	Dept ID	Program	Function	Cost Cent	PC Bus U	Project	Activity	An Type	Affiliate	Fund Affil	Amount	Description	Reference
	UTSA1	ACTUALS	51101	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-245.79	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	51101	XYZ123	2115	CTR057		400	XYZ123							245.79	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	54402	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-2.40	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	54402	XYZ123	2115	CTR057		400	XYZ123							2.40	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	57101	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-37.07	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	57101	XYZ123	2115	CTR057		400	XYZ123							37.07	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	57302	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-17.51	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	57302	XYZ123	2115	CTR057		400	XYZ123							17.51	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	57502	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-16.38	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	57502	XYZ123	2115	CTR057		400	XYZ123							16.38	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	57503	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-4.72	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	57503	XYZ123	2115	CTR057		400	XYZ123							4.72	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	57603	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-2.98	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	57603	XYZ123	2115	CTR057		400	XYZ123							2.98	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	57701	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-0.43	083114 HPY1234567 Lastname Fir	6001012345
	UTSA1	ACTUALS	57701	XYZ123	2115	CTR057		400	XYZ123							0.43	083114 HPY1234567 Lastname Fir	6001012345

Note: On the above Cost Transfer sample, we are requesting that salary, longevity pay, and fringe benefiit costs be transferred from Project ID 3269910010 to Cost Center XYZ123.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
	UTSA1	ACTUALS	63005	XYZ123	2115	CTR057		400	XYZ123							-67.18	TRF 12345678 TO 3269910010	12345678
	UTSA1	ACTUALS	63005	3269910010	2100	CTR057		200		UTSSP	3269910010	1	GLE			67.18	TRF 12345678 FROM XYZ123	12345678
	UTSA1	ACTUALS	60373	XYZ123	2115	CTR057		400	XYZ123							-5.10	TRF 12345678 TO 3269910010	12345678
	UTSA1	ACTUALS	60373	3269910010	2100	CTR057		200		UTSSP	3269910010	1	GLE			5.10	TRF 12345678 FROM XYZ123	12345678

Note: On this example, we are moving Cuevas chemical payment and the delivery charge for voucher 12345678 from a cost center XYZ123 to project 3269910010

Note: If a speedtype is entered, it is not necessary to enter data in columns highlighted in grey.

Example Cost Transfer Request Form

We will show an example onscreen

Avoid Cost Transfer Common Issues (1)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
	Unit	Ledger	Account	Speed Type	Fund	Dept ID	Program	Function	Cost Cent	PC Bus U	Project	Activity	An Type	Affiliate	Fund Affil	Amount	Description	Reference
	UTSA1	ACTUALS	51101	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-245.79	083114 HPY1234567 Lastname Fir	6001012345

Unit

- UTSA1 should be entered without a space
- UTSA1 should not be dragged down as it will populate as UTSA1, UTSA2, UTSA3, etc.

Avoid Cost Transfer Common Issues (2)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
Unit	Ledger	Account	Speed Type	Fund	Dept ID	Program	Function	Cost Cent	PC Bus U	Project	Activity	An Type	Affiliate	Fund Affil	Amount	Description	Reference
UTSA1	ACTUALS	51101	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-245.79	083114 HPY1234567 Lastname Fir	6001012345

Ledger: Ensure that spelling of "Actuals" is correct

Avoid Cost Transfer Common Issues (3)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
	Unit	Ledger	Account	Speed Type	Fund	Dept ID	Program	Function	Cost Cent	PC Bus U	Project	Activity	An Type	Affiliate	Fund Affil	Amount	Description	Reference
	UTSA1	ACTUALS	51101	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-245.79	083114 HPY1234567 Lastname Fir	6001012345

Account: This field should always be populated

Avoid Cost Transfer Common Issues (4)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
	Unit	Ledger	Account	Speed Type	Fund	Dept ID	Program	Function	Cost Cent	PC Bus U	Project	Activity	An Type	Affiliate	Fund Affil	Amount	Description	Reference
	UTSA1	ACTUALS	51101	3269910010	2100	CTR057		200		UTSSP	3269910010		PAY			-245.79	083114 HPY1234567 Lastname Fir	6001012345

Analysis Type: Non Cost Share Cost Centers do not require an analysis type.

Avoid Cost Transfer Common Issues (5)

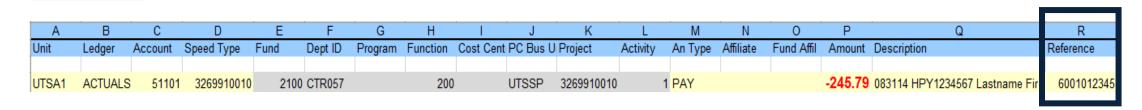| A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
Unit	Ledger	Account	Speed Type	Fund	Dept ID	Program	Function	Cost Cent	PC Bus U	Project	Activity	An Type	Affiliate	Fund Affil	Amount	Description	Reference
UTSA1	ACTUALS	51101	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-245.79	083114 HPY1234567 Lastname Fir	6001012345

Description

- Payroll: Pay period end date, HPY#, first 12 characters of name (no spaces)
- Non-payroll
  - **Trf From**: Line receiving expenses
  - **Trf To**: Line relinquishing expense (30 character limit)

Avoid Cost Transfer Common Issues (6)

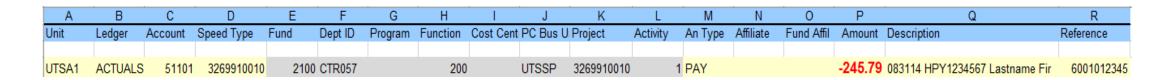| A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
Unit	Ledger	Account	Speed Type	Fund	Dept ID	Program	Function	Cost Cent	PC Bus U	Project	Activity	An Type	Affiliate	Fund Affil	Amount	Description	Reference
UTSA1	ACTUALS	51101	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-245.79	083114 HPY1234567 Lastname Fir	6001012345

Reference

- Payroll: Indicate employee ID
- Non-payroll: Indicate document number (Travel & Expense report ID, Voucher ID, Journal ID) (10 character limit)

Avoid Cost Transfer Common Issues (7)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
Unit	Ledger	Account	Speed Type	Fund	Dept ID	Program	Function	Cost Cent	PC Bus U	Project	Activity	An Type	Affiliate	Fund Affil	Amount	Description	Reference
UTSA1	ACTUALS	51101	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-245.79	083114 HPY1234567 Lastname Fir	6001012345

- No formulas in any journal line field
- Add total credits and debits after last journal line to ensure cost transfer nets to zero
- As backup, attach originating expense details from the general ledger in PeopleSoft
- Attach both Excel and PDF files

Cost Transfer Payroll Considerations

Unit	Ledger	Account	Speed Type	Fund	Dept ID	Program	Function	Cost Cent	PC Bus U	Project	Activity	An Type	Affiliate	Fund Affil	Amount	Description	Reference
UTSA1	ACTUALS	51101	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-245.79	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	51101	XYZ123	2115	CTR057		400	XYZ123							245.79	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	54402	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-2.40	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	54402	XYZ123	2115	CTR057		400	XYZ123							2.40	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	57101	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-37.07	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	57101	XYZ123	2115	CTR057		400	XYZ123							37.07	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	57302	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-17.51	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	57302	XYZ123	2115	CTR057		400	XYZ123							17.51	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	57502	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-16.38	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	57502	XYZ123	2115	CTR057		400	XYZ123							16.38	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	57503	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-4.72	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	57503	XYZ123	2115	CTR057		400	XYZ123							4.72	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	57603	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-2.98	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	57603	XYZ123	2115	CTR057		400	XYZ123							2.98	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	57701	3269910010	2100	CTR057		200		UTSSP	3269910010	1	PAY			-0.43	083114 HPY1234567 Lastname Fir	6001012345
UTSA1	ACTUALS	57701	XYZ123	2115	CTR057		400	XYZ123							0.43	083114 HPY1234567 Lastname Fir	6001012345

Note: On the above Cost Transfer sample, we are requesting that salary, longevity pay, and fringe benefit costs be transferred from Project ID 3269910010 to Cost Center XYZ123.

- Revise and re-certify previously-certified Payroll Confirmation Report
- Transfer proportionate fringe benefit costs along with payroll costs
- Complete current fiscal year payroll corrections via eForm

Cost Transfer Other Considerations (1)

- Originally incurred during award period?

- Originally incurred during final months of award period?

- Prepared in the final months of the award period?

- Impact on financial reporting or invoicing?

Note: These help prevent improperly prepared cost transfers, audit findings and disallowed costs.

Cost Transfer Other Considerations (2)

- Award in overdraft, or will go into overdraft?
- Account code changes: Are they appropriate?
- Identify original transaction
  - Confirm correct project/cost center
  - Confirm account code
  - Confirm accounting date
  - Verify cost transfer not already processed
- Confirm budget period and budget categories
- Review for F&A implications

Cost Transfer Routing

Type	From	To	Initiated By	Reviewed By	Forwarded To	Processed By
Non-payroll	Project	Project	BSC/Post Award	Post Award	GCFS	GCFS
Non-payroll	Project	Cost Center	BSC/Post Award	Post Award	GCFS	Accounting
Non-payroll	Cost Center	Project	BSC/Post Award	Post Award	GCFS	Accounting
Payroll (prior fiscal year)	Project	Project	BSC/Post Award	Post Award	GCFS	GCFS
Payroll (prior fiscal year)	Project	Cost Center	BSC/Post Award	Post Award	GCFS	Accounting
Payroll (prior fiscal year)	Cost Center	Project	BSC/Post Award	Post Award	GCFS	Accounting

Cost Transfer Resources

- [Cost Transfer Form & Instructions](#)

- Assistance with form completion: PostAward@utsa.edu

- Questions on form processing (payroll & non-payroll project to project): GCFS@utsa.edu

- Questions on form processing (payroll & non-payroll project to cost center): Controller.VPRAssist@utsa.edu

Summary

- What is a cost transfer?

- Overview of a cost transfer

- Preparation of cost transfer form and journal

- Common issues to avoid when preparing a cost transfer

- Cost transfer payroll and other considerations

- Cost transfer routing

- Cost transfer resources

Questions?