

COST TRANSFER JUSTIFICATION GUIDELINE (GECs & PPDAs)

Instructions: Complete the Primary Reason for the Cost Transfer and provide an Explanation for the Error and Benefit to Receiving Project. For Cost Transfers greater than 90 days, address the Explanation and Corrective Action.

Primary Reason for the Cost Transfer (select one)

<u>PPDA</u>		<u>GEC</u>	
A.	Charged to incorrect account (including transposition error)	A.	Charged to incorrect account (including transposition error)
B.	Clearing costs to non-sponsored account	B.	Clearing costs to non-sponsored account
C.	Allocation of costs that benefit more than one project	C.	Allocation of costs that benefit more than one project
D.	Transfer Pre-Award costs from a department holding account	D.	Transfer Pre-Award costs from a department holding account
E.	Late Award (Received Notice of Award late from awarding agency)	E.	Late Award (Received Notice of Award late from awarding agency)
F.	Due to Regulatory Hold (COI, IACUC, IRB, IBC)	F.	Due to Regulatory Hold (COI, IACUC, IRB, IBC)
G.	Transfer costs from Labor Suspense		
H.	Reallocate effort to reflect actual effort		

1. Explanation for Error: Provide an explanation for the error and how it occurred. (e.g. transposition error).

2. Benefit to Receiving Project: What is the benefit to the receiving award?

3. Explanation and Corrective Action for Cost Transfers Greater than 90 Days: If the transfer is more than 90 days past the original transaction, explain the unusual circumstance that prevented the timely review, correction, and submission of the error and what preventative action has been taken to eliminate future cost transfers of this type.

COST TRANSFER EXAMPLES

PPDA Examples

Acceptable: Clearing costs to a non-sponsored account to accurately reflect Dr. Principal Investigator effort for September 2016. Dr. Principal Investigator completed the study early and the accounting technician was not notified in enough time to adjust her labor distribution before the payroll deadline.

Acceptable: During September 2016, Dr. Principal Investigator had an increase effort on his X project during the deer season while project Y is in its final stage requiring less effort from Dr. PI. This PPDA is to reallocate effort to reflect actual effort on each project. The increased effort on Project X was a direct benefit to the award as the time spent was on additional analysis of the increased sample supply during the peak of the season.

Unacceptable: New account issued for Yr 2. Moving to new account. *What is the reason? What is the benefit to the new account charged?*

Unacceptable: Staffing sheet was changed, but labor distribution was not. This corrects the salary to where the effort was spent. *What is the benefit to the award to which the cost are being moved?*

GEC Examples

Acceptable: P-Card holder X was unable to obtain a receipt from the vendor before the P-Card charge was automatically reallocated by the system to the P-Card default account, 14-XXXXX. Although the P-Card holder was aware of the issue, she was unable to obtain a receipt prior to the automatic reallocation process occurring. Central to understanding the host-pathogen interaction is a clear picture of the host immunological response. The purchase of X lab supply allows the identification of the host response to the pathogen and also to drug induced toxicity. This GEC moves the lab supply to the project that directly benefited from the expense and correct the object code from the default of general supplies, to the appropriate lab supply code.

Acceptable: Allocating September 2016 charges for BSL3 to Dr. Principal Investigator's two projects. BSL3 is required on project X in order to perform the necessary objectives of Aim 1 of the research project. BSL3 is also required on project Y to perform necessary analysis to meet Aim 4 of the research project.

Unacceptable: PI discovered charges were not being split correctly between grants. *What caused the error? What is the benefit to the receiving award?*

Unacceptable: Moving pre-award cost from department account to the grant account. *What is the benefit of the charges to the receiving award?*

Greater than 90 days

Due to the departure of the research administrator responsible for timely review of expenses on award X for Dr. Principal Investigator, combined with Dr. Principal Investigator's travel abroad over the summer, the department was unable to review account expenses with the PI for accuracy. Upon return of the PI from her travels, department met with the PI to review expenses and it was determined that salary for Post-Doc Y was lower than actual effort spent over the summer while PI was on travel. Department will be sure to review salary distributions with PIs that will be on extended leave prior to their departure going forward.