Purpose

To document the procedure for reviewing non-payroll Cost Transfer Requests (CTRs).

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GCO PROCEDURES

1. Initial Task Actions

1.1. Run report: Sponsored Review – Accounting Journals Pending ORSPA Approval. Use filters to search by fiscal year, AMT Service Liaison, etc. Note: Report only pulls accounting journals, not accounting adjustments. See Accounting Adjustments for review process.

1.2. Open each journal to review and process the cost transfer request.

2. Cost Transfer Review

2.1. Determine how many journal lines are being transferred. Each expense should be accounted for on individual lines.

2.1.1. For lines less than 25, continue to Step 2.2.

2.1.2. For lines 25 or greater, departments should follow the Enterprise Interface Builder (EIB) process. Work instructions are in Workday.
2.2. Determine the category of the transfer (Category 1, 2, or 3) identified on the journal. See Appendix Cost Transfer Reference Worktag Table for descriptions.

2.3. For **all Category transfers**, confirm transaction information is accurate on the journal lines. Use the following checklist as a guide:

- Account type (sponsored project, cost share, program income, non-sponsored, etc.) is reviewed
- Correct Ledger Account is used (must be expense ledger account for an expense transfer.)
- Appropriate spend category is used.
- Award’s budget balance can absorb the transfer (with F&A, if applicable.)
- Number of days until project ends is known

2.4. For **Category 1** transfers (See Appendix for descriptions and criteria):

- Continue to Step 3. Note: The 90-day rule applies to Department Reporting: KED-Category 1 - Transposition Error. For transposition errors, follow Step 2.5.3 before continuing to Step 3.

2.5. For **Category 2** transfers (See Appendix for descriptions and criteria):

- Verify that a document showing the original transaction has been provided, along with the transaction ID on a completed Non-Payroll Cost Transfer Request (CTR) ORSPA 510 form.
- Verify the justification provided describes, in detail, the expenses being transferred, the benefit to the project receiving the transfer, and how the error occurred.
- Ensure request is compliant with Cost Transfer Policy RSP 506-02. The date of the original transaction should fall within the acceptable period as outlined in RSP 506-02. To calculate, visit FMS Calendars to determine the month-end close date in which the original transaction posted. Add 90 days to the closed date to calculate the end date in which the CTR should have been received. A calculator is available here.

  Example: Expense posted in September 2020 and the month of September 2020 closed on 10/06/20 per the FMS Calendar. Add 90 days to 10/06/20 to produce a date of 01/04/21. Therefore, a CTR transferring an expense with an original transaction date in September 2020 must be received by 01/04/21.

- If all criteria have been met, continue to Step 3; otherwise, move to Step 4.
2.6. For **Category 3** transfers (See Appendix for descriptions and criteria):

2.6.1. Verify that a document showing the original transaction has been provided, along with the transaction ID on a completed Non-Payroll Cost Transfer Request (CTR) ORSPA 510 form.

2.6.2. Verify the justification provided describes, in detail, the expenses being transferred, the benefit to the project receiving the transfer, and how the error occurred.

2.6.3. Review the expense for allowability. Additional information can be found in Job Aid – Sponsored Projects Allowability in [WI-EP-70](#).

2.6.4. Any exceptions (i.e., expense transfers >90 days) require approval from the AMT Assistant Director (AD). Email approval should be obtained prior to submitting cost transfer transaction in Workday. If approval is not attached, send back transaction to the department (Step 4, CTR Disapproval.) The department will need to obtain email approval from the AMT AD and resubmit.

2.6.5. If all criteria have been met, continue to Step 3; otherwise, move to Step 4.

3. **CTR Approval**

3.1. Approval is applied from Workday inboxes. Visit Workday > Inbox to find JRN.

3.2. Apply approval by selecting “Approve” in transaction. Once approved, Workday will display the next reviewer of the transaction, and the approval will be archived.

4. **CTR Disapproval**

4.1. GCO should make any reasonable attempts to work with the department to ensure the cost transfer request complies (i.e., gather additional justification or backup documentation). In the event the cost transfer must be sent back or denied, select “Send Back” in the transaction. Add detailed notes to describe reasoning for sending JRN back to the department. A history of the process, approvals, send back reasons, etc. can be found in the “Process History” section of the transaction.

**ADDITIONAL RESOURCES AND INSTRUCTIONS**

**Accounting Adjustments**

1. The same cost transfer review process applies to accounting adjustments, but a completed CTR form is not required if the department answers, in detail, the questionnaire responses within the accounting adjustment transaction.
Scholarship Expense Transfers

1. Departments do not prepare journals in Workday for requests to transfer scholarship expenses from Student Business Services to a sponsored account.

2. Instead, they will email scholarship transfer requests to AMT with all required documentation: CTR form, scholarship Description and Item Type, and a printout of the detailed expenses/revenue found on the Scholarship Balance Report.

3. Email department if not all criteria have been met; otherwise, continue to next step.

4. Forward the approved cost-transfer request to Student Business Services Accounting at ScholarshipTransferRequest@exchange.asu.edu to process the appropriate Workday transaction. Include the department in your submission.
### APPENDIX COST TRANSFER WORKTAG REFERENCE TABLE

<table>
<thead>
<tr>
<th>Category</th>
<th>Department Reporting Roll</th>
<th>Department Reporting</th>
<th>Cost Transfer Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 1: This category does not require the Cost Transfer Request Form (boiler plate responses); will go through automated pre-review and approved by ORSPA.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Department Reporting Roll: DR05845 KED-Category 1 - Transposition Error</td>
<td>Department Reporting: KED-Category 1 - Transposition Error</td>
<td>90-day rule applies.</td>
<td>The Cost Transfer AND the Cost Transfer Worktag serve as the justification for the correction. Additional documentation not needed (beyond the original transaction); error could be swapped numbers within the account or the wrong selection from a list of accounts; typos.</td>
</tr>
<tr>
<td>Department Reporting Roll: DR05847 KED-Category 1 - Intra-Award Adjustment</td>
<td>Department Reporting: KED-Category 1 - Intra-Award Adjustment</td>
<td>90-day rule does not apply.</td>
<td>Moving an expense from one grant account to another under the same Award (e.g., main project account to child account, participant support to main account). Not considered a cost transfer. Correcting one or more Worktags (e.g., Spend Category, Academic Employee, Campus) but the Grant Worktag stays the same. The Cost Transfer AND the Cost Transfer Worktag serve as the justification for the correction. Transferring an expense from an account under a consortium (interrelated) award to an account under a different award under the same consortium. Not considered a cost transfer.</td>
</tr>
<tr>
<td>Department Reporting Roll: DR05848 KED-Category 1 - Non-Sponsored</td>
<td>Department Reporting: KED-Category 1 - Non-Sponsored</td>
<td>90-day rule does not apply.</td>
<td>Transferring an expense from a sponsored (grant) account to a non-sponsored (state or local account). Does not require a cost transfer form.</td>
</tr>
<tr>
<td>Category</td>
<td>Requires Cost Transfer Request</td>
<td>Department Reporting Roll: DR05853 KED-Category 1 - Cost Share</td>
<td>Department Reporting: KED-Category 1 - Cost Share</td>
</tr>
<tr>
<td>----------</td>
<td>-------------------------------</td>
<td>---------------------------------------------------------------</td>
<td>--------------------------------------------------</td>
</tr>
<tr>
<td>Category 2: Requires Cost Transfer Request. Will go through automated pre-review and approved by ORSPA.</td>
<td>Department Reporting Roll: DR05851 KED-Category 2 - Department CTR Approval</td>
<td>Department Reporting: KED-Category 2 - Department CTR Approval</td>
<td>• Not a Category 1 or 3 AND Non-Payroll: Transfer is &lt;91 days AND &lt;$1,000 AND more than 90 days prior to the end of the project; complete cost transfer form. • Payroll: Transfer is &lt;91 days after the end of the semester; complete cost transfer form (boiler plate language for error/how you are fixing this going forward)</td>
</tr>
<tr>
<td>Category 3: Requires Cost Transfer Request Form, full review and ORSPA approval.</td>
<td>Department Reporting Roll: DR05852 KED-Category 3 - ORSPA CTR Approval</td>
<td>Department Reporting: KED-Category 3 - ORSPA CTR Approval</td>
<td>Not a Category 1 Non-Payroll: • Outside 90 days cost transfer posting window OR • Items above $1,000 threshold OR • Within last 90 days of grant period OR • After the grant has ended Payroll • Transfer is greater than 90 days after the end of the semester OR • Transfers to award where After the Fact report has already been acknowledged. • Requires &quot;how did error occur/how to fix going forward.&quot;</td>
</tr>
</tbody>
</table>