

## **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.
- 2.2. Confirm a cost transfer category worktag has been applied and is appropriate on each journal line containing a grant. See [Cost Transfer Worktags](#) chart 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
- Budget date represents incurred date of original transaction
- Journal line memo references original transaction number being moved
- 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 [Cost Transfer Worktags](#) chart for descriptions):

2.4.1. Continue to Step 3. Note: The 90-day rule applies to cost transfer worktag "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 [Cost Transfer Worktags](#) chart for descriptions):

2.5.1. 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.

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

2.5.3. 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.

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

2.6. For **Category 3** transfers (See [Cost Transfer Worktags](#) chart for descriptions):

- 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 require approval from AMT Assistant Director (AD). When submitting an exception request, the GCO must submit a thorough summary and analysis, which should include: a determination of allowability, review of sponsor's T&C's (i.e., Does the sponsor specifically restrict over 90-day cost transfers) and recommendation of the request to the AMT AD.
- 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](mailto:ScholarshipTransferRequest@exchange.asu.edu) to process the appropriate Workday transaction. Include the department in your submission.