



COST TRANSFER REQUEST FORM – NON-PERSONNEL COSTS

As outlined in the Kean University Cost Transfer Policy, this form must be completed when you are requesting to transfer expenses to a sponsored project. The instructions for completing this form can be found on Page 2 of this document.

Section 1 – Identification of Expense

Transfer of Non-Personnel Costs

This is a transfer of non-personnel costs. **A copy of the General Ledger Detail, highlighting the expenses being transferred, must accompany this cost transfer form. Supporting documentation for each expense is also required (receipts, invoices, etc.). Email this information to ORSP@kean.edu.

Over 90 Days (Use the [Cost Transfer Calculator](#) to calculate 90 days)

This cost transfer is over 90 days. If this box is checked, **an answer to Questions #3 and #4 are required**. The cost transfer will be reviewed by the VP of Research or designee, who will approve, if appropriate.

Section 2 – Cost Transfer Information

Cost transfer amount:		Cost center to be charged:	
Original cost center:		Original expenditure date:	

Section 3 – Expense Explanation

1. Why was the expense(s) charged to the account(s) from which it is now being transferred? Include date, amount, and cost center (s) originally charged.
2. Explain why the expense(s) is now being charged to the proposed account. Describe how the expense(s) directly benefits (i.e. are allowable and allocable) the award. * Ensure that **no sponsor restrictions would preclude this transfer** and that **the transfer complies with sponsor and University policies**.
3. Why is this cost transfer being **processed 90 days after the month end closing date** of the original transaction's post to the general ledger? See Pg 2 for questionable justifications, which should be avoided.
4. Explain what measure will be taken to ensure these errors are detected more timely in the future and explain what corrective action has been taken to correct systemic problem(s), if any.

Approval Signatures

NOTE: By signing below, the Principal Investigator certifies that the cost to be transferred is an appropriate expenditure for the sponsored project to be charged and that the expenditure complies with the terms, conditions, and restrictions of the sponsor.

Principal Investigator:

Print: Signature: Date:

VP of Research:

Print: Signature: Date:

Please attach copies of the original transaction documentation (invoice, P-Card receipt or expense report, etc.), and forward to the Office of Research and Sponsored Programs.

ALL TRANSFERS SHOULD BE MADE WITHIN 90 DAYS OF THE ORIGINAL TRANSACTION DATE

COST TRANSFER REQUEST FORM – INSTRUCTIONS/GUIDELINES

DEFINITION

A cost transfer is an after-the-fact reallocation of costs, either personnel or non-personnel, to a sponsor funded award. Any time a transfer is initiated, you invite the assumption that the initial transaction was not handled properly. When expenses are being transferred to a sponsored project, there will be considerable scrutiny of the reasons for the transfer and of the justification for moving those charges. To be permissible, cost transfers must meet the criteria established for both timeliness and appropriateness. See Kean University's Cost Transfer Policy for more information.

JUSTIFICATION FOR TRANSFER – Questions #1 & #2

OMB federal requirements prohibit the use of cost transfers for the purpose of "convenience", i.e., a transfer largely for the purpose of using unexpended funds on an award that is ending. Timeliness and completeness of transfer explanations are important factors in supporting allowability and allocability in accordance with federal requirements.

Inappropriate reasons for cost transfers include, but are not limited to:

- transfers solely for 'spending down' an unexpended balance;
- transfers to avoid a cost overrun by charging another, unrelated sponsored agreement;
- transfers to circumvent pre- and/or post-award restrictions;
- transfers to avoid restrictions imposed by law or by terms of the sponsored agreement;
- other transfers for reasons of convenience.

Question 1: Provide sufficient detail to provide an independent reviewer a proper explanation as to why the incorrect account was initially charged. Merely stating "to correct an error" or "to transfer to correct account" is not sufficient.

Question 2: It is critical the expense(s) being transferred meet the rules for sponsor and University rules for allowability, allocability, reasonableness, and consistency (is this typically a direct charge to sponsored projects?). Must explain how the expense benefits the project being charged.

All cost transfers **require proper documentation**, to include:

- Date of original posting, grant/cost center, \$ amount, etc.
- For non-personnel expenses, copies of invoices/receipts and copy of Workday ledger, highlighting original transactions

OVER 90 DAYS – Questions #3 & #4

Question 3: Identify the **extenuating circumstances** that led to the cost transfer exceeding 90 days. Extenuating circumstances **DO NOT** include absences of PI or responsible administrator, and/or lack of experience or staff. It is the responsibility of Brown and the PI to ensure the availability of qualified staff to administer and exercise stewardship over sponsored projects in accordance with policies and procedures.

Question 4: Provide sufficient detail on what systemic corrective action will be instituted within the department/academic unit's business practices to prevent this type of error from occurring in the future.

COST TRANSFER FORM PROCEDURES

- Non-Personnel Cost Transfers: Email the completed Cost Transfer Request Form – Non-Personnel Costs and all supporting documentation to ORSP@kean.edu.

Important Note: Inappropriate charges made to sponsored projects must be removed, regardless of time frame. The department is responsible for transferring the inappropriate charge to a non-sponsored account.