Cost Transfer FAQs

1. **What Cost Transfer Policy version is applicable for my Cost Transfer (CT) request?**
   The applicable policy is based on the CT submission date and not the original transaction date or posting date. For example, if the original transaction date or posting date is prior to 7/1/18, but the CT request is submitted after 7/1/18, then the Cost Transfer Policy effective 7/1/18 would apply.

2. **How do I avoid a cost transfer?**
   Cost transfers can be avoided by ensuring, prior to purchase or direct charging salary, that all items will directly benefit the project and by conducting a regular (monthly) post award review of transactions to immediately correct erroneous transactions. For collaborative projects, using part-of accounts across departments (Orgs, Tubs), ongoing follow-up with the Main Org may be necessary to ensure accounts are set up on a timely basis.

   Cost transfers can also be avoided by setting up an at-risk account, also referred to as an advance account, in order to avoid the need to move costs at a later time. An advance account is set up to allow PIs to initiate spending on their awards before the University receives or accepts the award. **Note: Funds posted to an advance account are "at the risk" of the PI and/or department/school and, in the event an award is not accepted, the funds would need to be covered by another non-sponsored source of funding.**

3. **What date do I use for journal entries that involve multiple charges posted on different days?**
   Use the earliest transaction date.

4. **Can I transfer costs onto a federal award without a Cost Transfer Form if the original transaction or posted amount is below $1,000?**
   The $1000 threshold is applied to the original transaction amount. For example, if your original transaction amount is $1500, and you need to transfer $200 to a federal award, you will need to submit a Cost Transfer Form. The original $1500 amount exceeds the exemption threshold.

5. **Does a cost transfer always re-open an effort certification?**
   Depending on the circumstances, a salary journal adjustment may or may not trigger the reopening of a signed effort certification in the effort reporting system (ecrt). Similarly, a cost transfer journal may or may not trigger the reopening of a signed effort certification in ecrt.

   For example:
   - A salary journal for under $1,000 does not require a CT but it may trigger the effort certification to re-open (if the percentage change in effort for the quarter is over 3%).
   - A salary journal will not trigger the related effort certification to re-open if the changes in salary to federal awards are under 3%.

6. **What date do I use to determine whether a tuition remission or tuition support (6430) transaction is over or under 90 days?**
   Since tuition remission and tuition support are charged in advance, the 90 day count begins on the 15th of the month following the original salary related to tuition remission or the discovery of the need to transfer the tuition support transaction.

Tuition remission example:
In November of 2017, a PI indicates that the October 2017 salary for a post-doc should be on fund 123456 rather than their start-up account. In this case, the October 2017 would be considered the original salary associated with the tuition. The 90 day count begins November 15, 2017.

Tuition/Scholarship example:
It's May 2017 and you are notified that a graduate student in your PI's lab received an F32 retroactive to April 1, 2017. In this case, May 2017 would be the original date of discovery. The 90 day count begins June 15th, 2017.