

Procedure 1305 PR.02

Cost Transfers Involving Sponsored Projects

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Who Can Prepare and Approve?	1
Identifying the Need for a Cost Transfer	2
Preparation, Approval, and Submission	2
Central Review and Approvals	4
Return, Reject and Remediation	4
Frequently Asked Questions	5
Related Information	6
Contacts	7
Roles and Responsibilities	7
Appendix: Instructional Guidance for Cost Transfers Involving Sponsored Projects	8

Purpose

This document outlines the procedures necessary to appropriately and properly execute a cost transfer of payroll and other direct costs associated with a sponsored project.

Definitions

Cost Transfer

The reassignment of an expense to or from a sponsored project after the expense was initially charged to another sponsored project or non-sponsored project. Cost transfers include reassignments of salary, wages, and other direct costs.

Cost transfers processed through Oracle—in the form of labor distribution adjustments (LDAs) or non-salary journal entries (JSAs)—represent the vast majority of cost transfers at Yale. However, a number of cost transfers are executed through other systems, such as the Graduate Student Payment System (GSPS) and Banner.

Preparer

The individual whose role is to support the proper execution of a cost transfer by i) gathering complete supporting documentation, ii) providing the appropriate and complete transaction description addressing the Who, What, When, Where and Why, iii) entering a valid and appropriate account(s), and iv) entering the cost transfer information into the Oracle Financial System.

Approver

The individual whose role is to support the proper execution of a cost transfer by i) acknowledging compliance with University policy and with sponsor terms and conditions, ii) confirm the transaction's information and supporting documentation entered by the preparer is reasonable, appropriate, and complete, iii) review accounting information and source of funds, and iv) approving the cost transfer in the Oracle Financial System.

Who Can Prepare and Approve a Cost Transfer?

Lead administrators, business managers, business support unit personnel, and office staff involved in the preparation and approval of cost transfers must be appropriately trained by the University regarding cost transfer policy and procedures prior to accessing the Oracle Financial System. The Oracle responsibilities associated with cost transfers for LDA's and JSA's respectively are:

- Preparer: YULD_Phase 2 Dept LD Accountant With Grants and YUGL_Phase 2 Staging User
- Approver: YULD_Department_Grant_Approver and YUGL_Phase 2 Staging Manager

Note: An individual who *prepares* a cost transfer cannot be the same individual who administratively *approves* that cost transfer.

For general information about Labor Distribution (LD) and Journal Staging Area (JSA) applications, please refer to the following procedures:

- [Procedure 1315 PR.01](#): Labor Distribution - Cost transfers involving salary charges.
 - [Procedure 1305 PR.01](#): Journal Entries - Cost transfers involving non-salary charges
-

Identifying the Need for a Cost Transfer

As outlined in [Procedure 1101 PR.02, Financial Review and Internal Controls](#), there are several steps leading up to, during, and after a month-end close, which present an opportunity for transactional review and proper account management. The need for a cost transfer may occur during any one of these steps. Refer to Procedure 1101 PR.02 for the entire process, including the [Financial Management Checklist](#). Selected activities identified in Procedure 1101 PR.02 related to sponsored project management include:

- Review of suspense activity
 - Close monitoring of the labor suspense account, Project 0300018 ensures timely salary reallocation and prevents future labor suspense charges with resulting cost transfers. **The labor suspense Project should not be utilized to “park” costs** that have already been identified to an award that either 1) is expected and has not been received/executed by Yale or 2) has not been set-up as an At-Risk Account. In either situation an At-Risk Account should be requested when appropriate for any work performed in advance of receiving the official award document from the sponsor, otherwise the work on the anticipated award should not begin. Please refer to the [At-Risk Accounts](#) Guide for assistance.
 - Clearing the A/P bounces and A/P Holds throughout the month assists in a more efficient month-end and helps control future suspense.
- Preview of salary information, for example, running monthly and weekly Payroll Preview reports and the BUG311a Semi-Monthly Labor Commitments Exception report.
- Transaction review including but not limited to expense reports, OK-to-Pay invoices, shipping transactions, subaward payments, and unallowable expenditure types.
- Ongoing monthly maintenance such as updating labor schedules, authorizing pending LD and JSA transactions, reviewing unprocessed and unapproved EMS transactions.
- Review of the Account Holder Report and other available financial reporting tools
 - On a monthly basis, Principal Investigators (PI) and other account managers (program/lab/project directors) **must receive** the Account Holder Report from the business office or business support unit. The account managers or other individuals responsible for award activity should identify any erroneous charges and communicate the need for any required corrections to the department business office or support center. In most cases, it may be department or business support unit personnel that identify the erroneous charge.

Preparation, Approval, and Submission of a Cost Transfer

The Preparer is expected to execute the following steps when initiating a cost transfer to ensure that the transfer is completely documented. Essential elements of a cost transfer include an appropriate and complete transaction description that addresses the Who, What, When, Where and Why of the error.

A. Step 1: Preparing the Cost Transfer in Oracle

Step-by-step instructions on accessing, entering, submitting and approving cost transfers for sponsored projects in Oracle are located in this Procedure’s Appendix. The Appendix contains supplementary information and is not intended to replace the [Labor Distribution Adjustments \(LDA\)](#) and [Journal Staging Area \(JSA\)](#) User Guides.

B. Step 2: Documentation Requirements

The following items/information must be collected, attached and submitted with **all** labor and non-labor related adjustments:

1. Documentation that provides evidence of existence of the charge on the award from which the cost is being removed (i.e., Account Holder detail transaction report, or other DWH Portal or BUG Library financial report) that dates and verifies the original charge.
2. Written, signed, and dated authorization for the cost transfer from the PI or other responsible individual (an e-mail from an authorized individual justifying the cost transfer is generally acceptable):
 - a. For JSA’s, authorization includes the approved cost allocation methodology when allocating charges based on interrelationship (refer to [Guide 1304 GD.02: Cost Allocation Methodologies](#) for additional information).
 - b. For LDAs, if an Effort Report was previously certified the PI must provide a detailed explanation as to why the Effort Report was certified without reallocating the Actual Effort % to

an appropriate account. A copy of the Effort Report form(s) is required as an attachment to the cost transfer as part of the supporting documentation.

Note: If an effort report was certified with a new account added and the certifier reallocated effort prior to certification, PI explanation is not required.

- c. For LDAs, if the transfer involves moving costs from a labor suspense account, the documentation must include evidence that the core issue has been resolved (e.g., a screenshot showing that the labor schedule was updated, a setup report indicating the award has been continued) and/or the reason why an At-Risk Account was not established.
3. A written detailed explanation of the error, including how it occurred and outlining what measures are in place to prevent future errors of a similar nature and thereby, eliminating the need for future cost transfers is required.
4. A description of how the cost benefits the award to which the cost is being transferred.
5. For labor cost transfers, the award benefit statement should include information regarding the percent effort devoted to the project(s).
6. Additional supporting documentation must be provided by the Preparer should the following conditions exist. Is the cost transfer for costs that are...
 - a. more than 90 days from the end of the calendar month in which the original transaction appeared on the award, or if [HHS \(excluding NIH\) over 90 days following occurrence?](#) *Requires an explanation of the extenuating circumstance. The extenuating circumstance must describe the unusual conditions that prevented the timely review and correction of expense. In cases involving HHS agencies or HHS flow-through funds, cost transfers greater than 90 days require sponsor approval. Prior approval from the appropriate HHS GMO is required if the cost transfer is charging an HHS award. Prior approval requests for HHS pass-through awards should be submitted to the recipient of the prime award. All requests for sponsor or prime entity approval must be routed and signed by the Office of Grant and Contract Administration (GCA), prior to submission.*
 - b. in the final months of or after the award period for the award that is to receive the transferred cost? *These charges are typically red flags and the explanation must substantiate why costs are being transferred at the conclusion of the project.*
 - c. to cover a cost overrun on the award? *Cost transfer from an over-expended sponsored award to another sponsored award or a new competitive segment for the same award is **not** permitted according to Federal sponsor policies.*
 - d. for any animal related charges? *If the transfer is to move the purchase of animals from one sponsored or non-sponsored award to another sponsored award, are the associated animal per diem costs and any other related charges also identified in the cost transfer? Did the IACUC perform a congruency review of the receiving award? *In order to transfer animal related charges to a sponsored award, the award must be linked to an appropriate IACUC protocol.**
 - e. related to summer salary? *If the labor transfer involves summer salary, a copy of the Faculty Summer Compensation Request form and associated instruction that authorized the original payment must be attached to the cost transfer request as supporting documentation.*

Preparers should contact the approver, their immediate supervisor, lead administrator and/or the Principal Investigator to resolve any problems related to the cost transfer request.

C. Step 3: Review of the Proposed Cost Transfer by the Approver

In evaluating the cost transfer submitted by the preparer, the Approver reviews the submitted transfer to confirm all supporting documentation accurately and completely satisfy the requirements specified above in Step 2. All required documentation is attached within the Oracle LD, JSA, or GSPS system and must satisfy the following questions **with respect to the Award to which the charges will be transferred.**

Are the charges being transferred:

1. Allowable under section J of Appendix A to [2 CFR Part 220](#) (OMB Circular A-21) **and/or the terms and conditions of the award and University policy?**
2. Allocable to the award that will now be charged? (Consult with PI - Is there an allocation method on file for the PI/Award? If no, does there need to be. If yes, why was it not followed?)

3. Reasonable and necessary? (Is it reasonable/necessary for example, to purchase a piece of equipment the last month before the grant expires?)
4. Within the award period or pre-award period, if applicable? (For example, charges made after the grant expiration cannot be applied to an award)
5. Consistently treated in relation to other awards?

D. Step 4: Approving and Posting Batches in Oracle

Once Step 3 is complete, the Approver approves by pressing the “post batch” button, Oracle will process the transaction and validate the Approver’s entries against pre-defined system validations. The Approver will either receive confirmation that the batch was posted, or an error message that will require the batch status to be changed to **“Ready for GCFA Approval”** in order for the transfer to be routed to GCFA for central review and approval.

Note: Step-by-step instructions on accessing, entering, submitting and approving cost transfers for sponsored projects in Oracle are located in this Procedure’s Appendix. The Appendix contains supplementary information and is not intended to replace the Labor Distribution Adjustments (LDA) and Journal Staging Area (JSA) User Guides.

Central Review and Approvals

A. GCFA

“Ready for GCFA Approval” Status – This status occurs systematically or once the Approver changes the status of a cost transfer in Oracle to “Ready for GCFA Approval”. Under normal circumstances, GCFA’s initial review is performed within 5 business days. As part of the central review process, additional information may be requested and required in order to process and approve the transfer.

If for any reason a cost transfer does not meet all policy and procedure requirements and cannot be centrally approved, the “Return, Reject and Remediation” section below will apply.

B. Secondary Approvals

LDA’s that involve a previously certified effort report require the review and approval of the GCFA Director and/or the Associate Vice President for Research Administration (AVP).

The GCFA Director has the authority to approve, on behalf of the AVP, when the LDA transfer a) does not involve a change in sponsored project effort, b) credits a sponsored award and charges a non-sponsored award resulting in a net benefit to the sponsor, c) does not change or affect the certified effort percentages, or d) reconciles the payroll charges with the certified effort report, which was adjusted by the certifier at the time of certification.

The AVP will review and approve, if appropriate, LDAs involving a change in percentages to an already certified Effort Report and requiring recertification due to a change to a sponsored award(s). It is essential that all supporting documentation is collected, scanned and attached to the cost transfer request.

1. If the AVP approves the cost transfer, GCFA will post the approved batch and recertification of the effort report will be required.
2. If AVP approval is not granted and the charges are crediting a sponsored project, the charges in question are transferred to the department’s suspense account. An e-mail communication is sent to the Department Approver and/or the PI with an explanation outlining the reasons provided by the AVP for denying the request.

NOTE: If the removal of charges results in a change to a previously certified effort report, the certifier will need to recertify the effected effort report. In some cases, cost sharing may be required. For additional information, refer to Section 1315.05 of [Policy 1315](#): Effort Reporting: Certifying Effort on Sponsored Projects.

Return, Rejection, and Remediation

A. Returning the Cost Transfer

For each cost transfer returned as a result of the central review and approval process, an email notification is sent to both the Preparer and Approver providing the reason for the return and/or requesting additional information. GCFA will coordinate with the department to resolve the

deficiencies with the submission. Preparers and Approvers must provide high quality explanations as well as complete documentation supporting the cost transfer.

To ensure sponsors are not inappropriately charged or invoiced for expenses that do not benefit the sponsored award, it is expected that the improper charges are removed from the award within a reasonable time period once the error is detected. Therefore, it is expected that the department will resubmit the cost transfer to GCFA within the 10 business day timeframe. Failure of the transfer to meet GCFA's approval on the resubmission may result in a charge to the department's sponsored project transfers (suspense) account.

- When the transfer is crediting a sponsored award, the credit will be processed. The debit portion of the transfer will post against the sponsored project transfers (suspense) account, **project 1052982**.

Upon transfer of charges to project 1052982, GCFA will inform the Approver by email that the charges contained within the batch have been moved. This action does not preclude a department from resubmitting the cost transfer at a later date with the appropriate documentation or justification supporting the cost transfer to the sponsored award.

B. Rejecting the Cost Transfer

In some cases, it may be necessary to reject the cost transfer request. The rejection of the cost transfer will typically stem from either the charge not being allowed on the award or the charge not being properly documented and fully justified. Generally, a cost transfer should not be returned more than three times to a department for corrections. Departmental transfers that cannot meet this expectation may indicate weaknesses within the department's preparation and approval process, which may require remediation. Ultimately, rejected cost transfers will be returned to the department in order for the department to delete the batch in Oracle.

When a cost transfer has been rejected by GCFA personnel, the PI and/or department may appeal the decision to the Expenditure Review Panel (ERP). In situations where the cost transfer is being rejected due to insufficient documentation, **the ERP will not review the appeal until sufficient documentation is provided and first reviewed by GCFA**. The ERP's decision on whether or not to approve the cost transfer is final.

C. Remediation

If GCFA determines that regularly rejected cost transfers are indicative of a weakness at the Preparer or Approver level, GCFA will work to remediate the problem, which may include the following: i) retrain certain department staff, ii) reduce the GCFA review threshold for cost transfers submitted by a particular department, Preparer, or Approver, or iii) deny access to Oracle for the preparation and/or approval of future cost transfers by certain individuals.

Frequently Asked Questions

1. As a PI, what if I need to start my research and incur costs on an award prior to receiving the actual award document or fully executed contract?

In situations in which an award is delayed, contact GCA to determine if an At-Risk Account can be created. At-Risk Accounts are subject to compliance requirements contained in [Guide 1304 GD.01: At Risk Accounts](#).

2. Why can't I post my cost transfer in Oracle?

The following are the most commonly experienced "roadblocks" when attempting to post a cost transfer:

- A. Incorrect authority/responsibility in Oracle: In order to post a cost transfer that affects a sponsored award, the user needs to be in the "Approve" function.
 - i. In LDA, the correct responsibilities are the following:
 - "YULD_Phase 2 Dept LD Accountant With Grants" for the Preparer
 - "YULD_Department_Grant_Approver" for the Department Approver
 - ii. In JSA, the correct responsibilities are as follows:
 - "YUGL_Phase 2 Staging User" for the Preparer
 - "YUGL_JSA_Department_Grant_Approver" for the Department Approver who is using the Grant & Contract Cost Transfer Process
- B. GCFA Approval required: If the cost transfer falls under one of the categories listed in the FAQ directly above, posting will not occur until GCFA approval is received. **In these cases, the**

Departmental Approver must change the status to “Ready for GCFA Approval.” This notifies GCFA that there is a cost transfer awaiting review.

- C. Wrong status: To approve and post a batch of cost transfers by a department, the batch status in Oracle must be set to “Approved by Department”.
- In LDA, the Department Approver must click on the “Dept Approval” button
 - In JSA, the Departmental Approver must click on the “Post” button that appears in the lower left-hand corner of the screen. **Note:** If the “Post” button is **NOT** selected, the cost transfer remains unposted and will not appear in the general ledger.
3. ***Will a LDA and/or JSA batch(es) be deleted if they remain unposted at the end of the month?***
No. Cost transfers involving sponsored awards will not be automatically deleted from Oracle. Cost transfers will remain in the application until the department deletes or approves the transfer.
4. ***I have an unposted LDA and/or JSA that needs review and approval but the current period ended and closed. Should I delete the batch and create a new duplicate transfer in the open period?***
No.
- For LDAs, departments need not take any action, as batches will automatically be carried over in Oracle from one month to the next.
 - For JSAs, individual departments have the ability to change the period of a batch manually in Oracle. To do so, click the Review Batch button, choose Tools from the menu at the top of the page, and then select Change Period.
5. ***What if I do not agree with the GCFA reviewer’s decision to disallow my cost transfer?***
A business manager or PI has the option of appealing any review or approval decision to the Expenditure Review Panel (See **Contacts** below.). This panel is the final authority at Yale for all issues related to the allowability of charges affecting sponsored awards. For more information, refer to the following announcement from the Yale Office of Research Administration: [Expenditure Review Panel](#).
6. ***How can I check the status of a batch of cost transfers that I submitted?***
The Preparer or Approver can pull up a JSA or LDA batch and check its status in Oracle.
- If the status is listed in Oracle as “Ready for GCFA Approval,” the batch is still under review.
 - If, however, the status of a batch is “Returned to Department by GCFA,” the Preparer or Approver should check the short-text description by clicking the “Paperclip” icon for details from the GCFA reviewer regarding any compliance concerns or additional information or documentation that may be required.

Related Information

[Policy 1305](#): Cost Transfers Involving Sponsored Projects

[Procedure 1305 PR.04](#): Unallowable Costs

[Procedure 1305 GD.07](#) Determining Allowability, Reasonableness, and Allocability of Costs for Sponsored Projects

[Procedure 1305 PR.01](#): Journal Entries

[Form 1305 FR.15](#): Journal Staging Area—Cost Transfer Justification

[Procedure 1315 PR.01](#): Labor Distribution

[Form 1305 FR.16](#): Labor Distribution—Cost Transfer Justification

[Guide 1304 GD.01](#): At Risk Accounts

[Policy 1105](#): Retention of University Financial Records (Policy Statement and Section 1105.7: Records Related to Grants and Contracts)

[Policy 1315](#): Effort Reporting: Certifying Effort on Sponsored Projects

[Policy 1316](#): Effort Commitment: Managing Effort Associated with Sponsored Projects

[2 CFR Part 220 \(OMB Circular A-21\)](#)

[2 CFR Part 215 \(OMB Circular A-110\)](#)

[Prior Approval of HHS Cost Transfers](#), GCAAlert, Volume 1, Issue 5 Week of February 13-17, 2012

[Clarification of “90-day rule”](#), GCAAlert, Volume 2, Issue 3 Week of April 5-9, 2010

Contacts

Subject	Contact	Address	Phones	E-mail
Cost Transfers (JSA, LD, and PCE) Concerns and Issues	GCFA	47 College Street, Suite 216	785-3630 Fax: 737-5837	GCFA Contact
Appeal of a GCFA Cost Transfer Decision	Expenditure Review Panel			ExpenditureReviewPanel@yale.edu

Roles and Responsibilities

Principal Investigator (PI)

- Reviews monthly Account Holder Reports to identify errors in a timely manner and promptly communicates required changes to the departmental business office to enable charges to be made correctly to the appropriate awards.
- Provides written authorization for cost transfers, which represent the allocation of expenses or the correction of errors.
- Establishes sponsored-project budgets and plans and documents cost-allocation methods.

Delegated PI Approver

- Provides written or email authorization for cost transfers, which represent the proper allocation of expenses or correction of errors.

Departmental Business Office or Business Support Unit (Preparer and/or Approver)

- Provides PIs with Account Holder Reports and assists PIs in reviewing those reports, preferably on a monthly basis.
- Ensures that cost transfers requested by PIs are performed promptly and have complete justifications.
- Advises PIs about University policies and procedures, sponsor policies and procedures, and regulations regarding cost transfers.
- Verifies that the Preparer and Department Approver is not the same individual.
- Ensures retention of complete documentation for cost transfers by reviewing and verifying attachments are properly loaded into the Oracle system.

Office of Grant and Contract Financial Administration

- Reviews, approves, and escalates submitted cost transfers either on an advanced-approval or post-audit review basis.
- Provides training on procedures and certifies individuals to prepare and approve cost transfers.
- May require cost transfers to be reversed or moved to a suspense account if they are inadequately justified or documented.
- May initiate remediation to correct perceived weaknesses at the Preparer or Department Approver level. Such remedies may include 1) retraining certain department staff, 2) lowering the GCFA review threshold for cost transfers submitted by a particular department, Preparer, or Department Approver, or 3) denying access to Oracle for the preparation and/or approval of future cost transfers by certain individuals.
- Provides guidance on the interpretation of sponsor terms and conditions.

The official version of this information will only be maintained in an on-line web format. Please make certain to review the material on-line prior to placing reliance on a dated printed version.

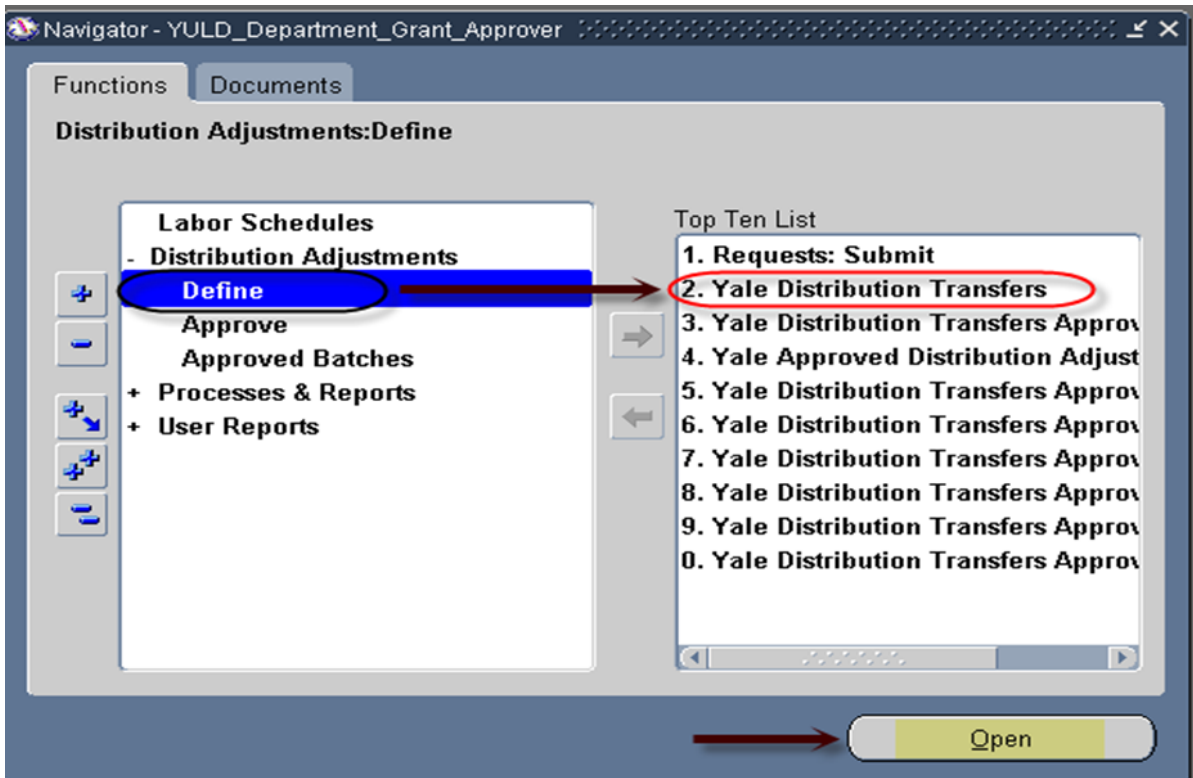
Appendix: Instructional Guidance for Cost Transfers Involving Sponsored Projects

This guidance is to be used as a supplement and is not intended to replace the [Labor Distribution Adjustments \(LDA\)](#) and [Journal Staging Area \(JSA\)](#) user guides.

ACCESSING COST TRANSFER APPLICATIONS IN ORACLE

The Preparer begins the cost transfer process by selecting the Financial, Procurement and Human Resources link under the Financial, Procurement & HR Applications menu within Yale Administrative Menu system (YAMS). After logging into CAS, the Preparer will select the appropriate responsibility as identified in the Oracle E-Business Suite navigator and as defined for the Preparer in the section “Definitions.”

1. For cost transfers involving **salary charges**, the Preparer should promptly define a new LDA in Oracle by filling in all applicable boxes on the following screen. (Refer to [Procedure 1315 PR.01: Labor Distribution.](#))



The screenshot shows the Oracle 'Distribution Adjustments' window. The 'Employee' section includes fields for Full Name, University Person Identifier, Employee Number, and Assignment. The 'Transfer Period' section includes Begin Date, End Date, Element Class, and Earnings Element. The 'Actual Distributions' section shows a table with columns for GL Account, Amount, and %. A 'Find Distributions' dialog box is open in the center, containing fields for Employee Name, Assignment, Begin Date, End Date, and Earnings Element. A note in the dialog says 'Please leave this blank to select ALL elements'. Buttons for 'Clear' and 'Find' are at the bottom of the dialog. At the bottom of the main window, there are buttons for 'Information Box', 'View Element Details', 'Submit', and 'Dgpt Approval'.

- For cost transfers involving **non-salary type charges**, the Preparer defines a new JSA on the following screen in Oracle. (Refer to [Procedure 1305 PR.01: Journal Entries.](#))

The screenshot shows the Oracle 'Journals (JSA)' window for a new journal entry. The window title is 'Journals (JSA - YALE) - 527012-MANEIK-27-JUL-2011-0001'. The 'Journal' field is highlighted with the value '527012-MANEIK-27-JUL-2011-0001'. Other fields include Period (JUL11-12), Effective Date (27-JUL-2011), Category, Source (Manual), Balance Type (Actual), Budget, Reference Date, Description, and Reference. The 'Conversion' section includes Currency (USD), Date (27-JUL-2011), Type (User), and Rate (1). The 'Status' section includes Posting (Unposted), Funds (N/A), and Approval. The 'Reverse' section includes Date, Period, Method (Switch Dr/Cr), and Status (Not Reversed). Below these sections is a table with columns: Line, Account, Debit (USD), Credit (USD), and Description. The table is currently empty. At the bottom, there is an 'Account Description' field with a scrollable text area.

ENTERING AND COMPLETING THE JUSTIFICATION FORM

The Preparer must enter and complete the justification form for each cost transfer batch involving sponsored projects.

To access the Cost Transfer Justification Form for either LDAs or JSAs, click the “Zoom” icon pointed out below:

The screenshot shows the Oracle Applications-HOP7 window with the following content:

- Toolbar:** Contains various icons, including a yellow Zoom icon highlighted by a green arrow.
- Title Bar:** Oracle Applications-HOP7
- Menu Bar:** File Edit View Folder Tools Window Help
- Form Title:** Yale University Cost Transfer Justification Form
- Section 1:** "What is the reason for the cost transfer?" with radio button options:
 - Correction of an erroneously charged expense
 - Transfer costs from a labor suspense account
 - Transfer pre-award / late-award costs from a department holding account
 - Reallocate estimated effort to reflect actual effort
 - Other
- Text Area:** "Please provide a detailed statement explaining your selection and how the error occurred."

Research Assistant John Doe works on three grants for Carolyn Demsky, MD. John Doe accidentally used a Project Number from the wrong grant (7654321)
- Section 2:** "Is the cost transfer being submitted within 90 days from the end of the calendar month in which the transaction appeared on the award?"
 - Yes
 - No

If no, please explain the extenuating circumstance.
- Section 3:** "Please justify why the charge should be transferred to the proposed receiving award and explain the benefit to the receiving award."

Dr. Carolyn Demsky knows that these telephone toll charges belongs on Project 1025345. This is an international program projet with extensive communications required.
- Approval Section:** "Approval by the Principal Investigator is required (named below)."

Name: Demsky, Carolyn J.

Organization: MPEDI Hematology / Oncology 726002

Position: _____
- Buttons:**
 - Justification Complete (Yellow)
 - Cancel (Grey)
 - Print Form (Grey)

Select Justification Complete after completing form.

1. **LDA Cost Transfer Justification Form** screen:

The screenshot shows a web-based form titled "Yale University Cost Transfer Justification Form". The form is divided into several sections:

- Section 1: What is the reason for the cost transfer?** This section contains five radio button options: "Correction of an erroneously charged expense", "Allocation of costs that benefit more than one award", "Transfer pre-award / late-award costs from a department holding account", "Intra-/Inter-departmental billing for internal services", and "Other". Below these options is a text box for a detailed statement. To the right of this section are three input fields labeled "Batch", "Preparer", and "Approver", each with a small button to its right.
- Section 2: Is the cost transfer being submitted within 90 days from the end of the calendar month in which the transaction appeared on the award?** This section has two radio button options: "Yes" and "No". Below is a text box for an extenuating circumstance if "No" is selected.
- Section 3: Please justify why the charge should be transferred to the proposed receiving award and explain the benefit to the receiving award.** This section contains a large text box for justification.
- Approval Section:** A heading states "Approval by the Principal Investigator or other responsible individual is required (named below)". Below this are three input fields for "Name", "Organization", and "Position".
- Buttons:** At the bottom of the form are three buttons: "Justification Complete", "Cancel", and "Print Form".

2. **JSA Cost Transfer Justification Form** screen:

Note the differences in the answers listed under Question 1 between the above LDA Cost Transfer Justification Form and the Cost Transfer Justification Form for JSAs below:

Yale University Cost Transfer Justification Form

1. **What is the reason for the cost transfer?**

- Correction of an erroneously charged expense
- Allocation of costs that benefit more than one award
- Transfer pre-award / late-award costs from a department holding account
- Intra-/Inter-departmental billing for internal services
- Other

Batch

Preparer

Approver

Please provide a detailed statement explaining your selection and how the error occurred.

2. **Is the cost transfer being submitted within 90 days from the end of the calendar month in which the transaction appeared on the award?**

Yes No

If no, please explain the extenuating circumstance.

3. **Please justify why the charge should be transferred to the proposed receiving award and explain the benefit to the receiving award.**

Approval by the Principal Investigator or other responsible individual is required (named below).

Name

Organization

Position

Justification Complete Cancel Print Form

ATTACHING SUPPORTING DOCUMENTATION

Attaching supporting documentation in the JSA or LD application can be accomplished either one of two ways:

- Scan and upload documents to the Cost Transfer Server using the **Batch Header Form**.

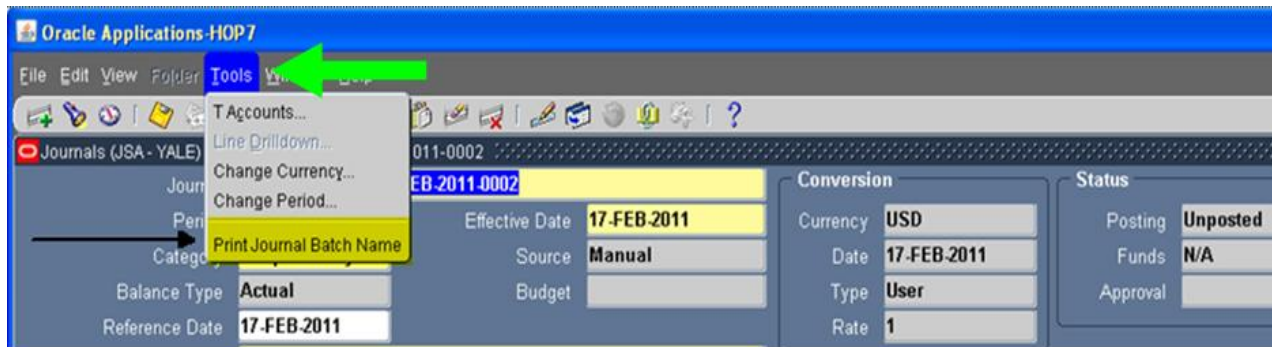
The Batch Header Form is used as the cover sheet for any printed cost transfer documentation. To print the Batch Header Form, the Preparer performs the following steps:

- Click “Tools” in Oracle and select “Print Journal Batch Name” in the menu, which will display the Batch Header Form (see below).
- Print the LD or JSA Cost Transfer Scanning Submission Form

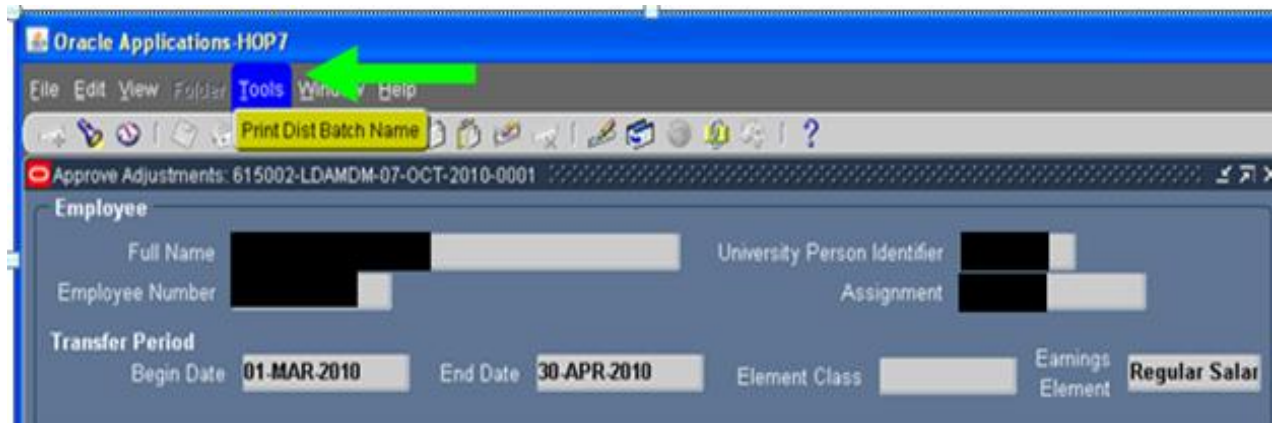
Attach printed supporting documentation with the Cost Transfer Submission Form (Batch Header Form) and scan using the scanner or copier set up with the connection to the cost transfer server. Documentation scanned will automatically be matched to the JSA or LDA transaction directly in the Oracle application.

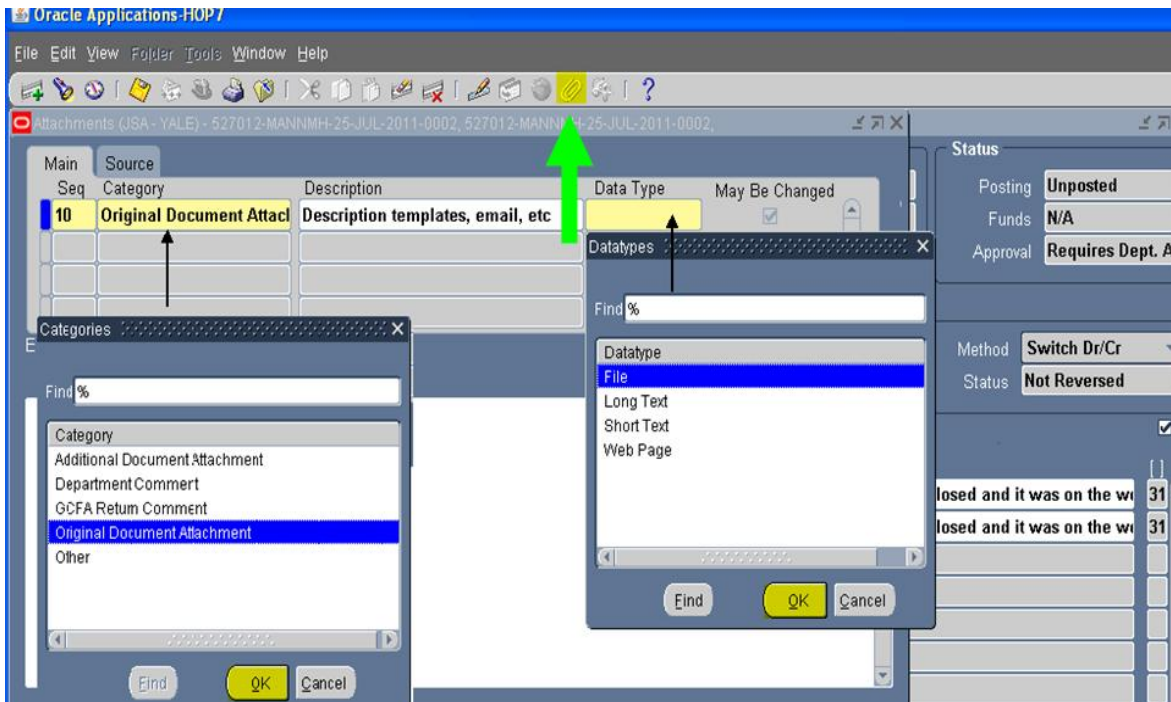
Note: To establish the scanner or copier connection to the cost transfer server, contact Yale Printing and Publishing Services (YPPS) ext. 432-6560.

JSA



LD





ORACLE

Upload a File

File

C:\Documents and Settings\nmt5\My Documents\1.pdf

Browse...

OK

Cancel

ORACLE

Upload a File

File upload completed successfully.

* Please close the web browser.

* Return to the Attachments form and click the Yes button to indicate file upload is complete.

Attachments (JSA - YALE) - 527012-MANNMH-25-JUL-2011-0002, 527012-MANNMH-25-JUL-2011-0002,

Main	Source	Description	Data Type	May Be Changed
Seq	Category			
10	Original Document Attac	Descriptions templates, email, etc	File	<input checked="" type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

Entity Name: Journal Entry

Open Document...

Decision

Has the file been uploaded successfully?

Yes No

Include Related Documents

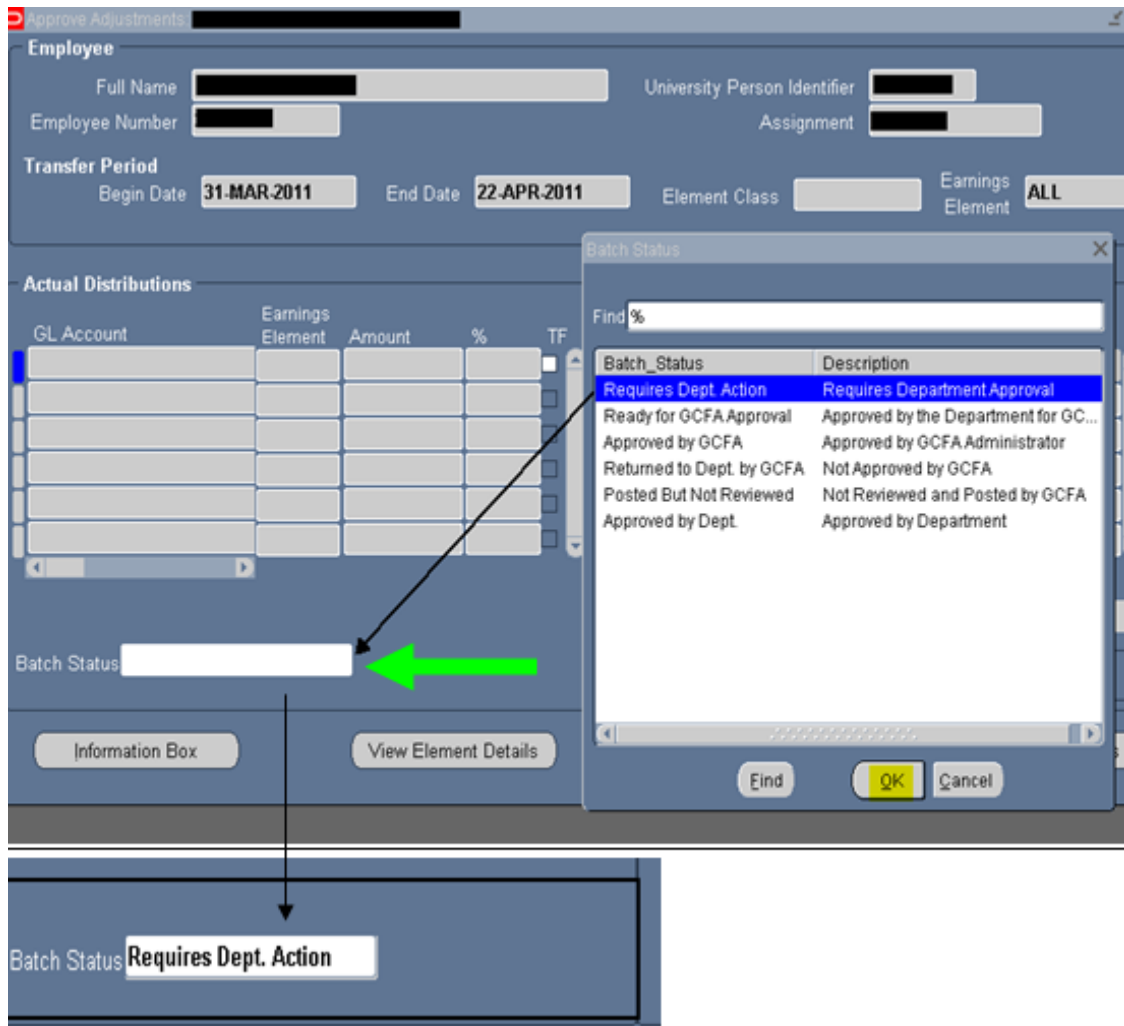
Publish to Catalog

Document Catalog...

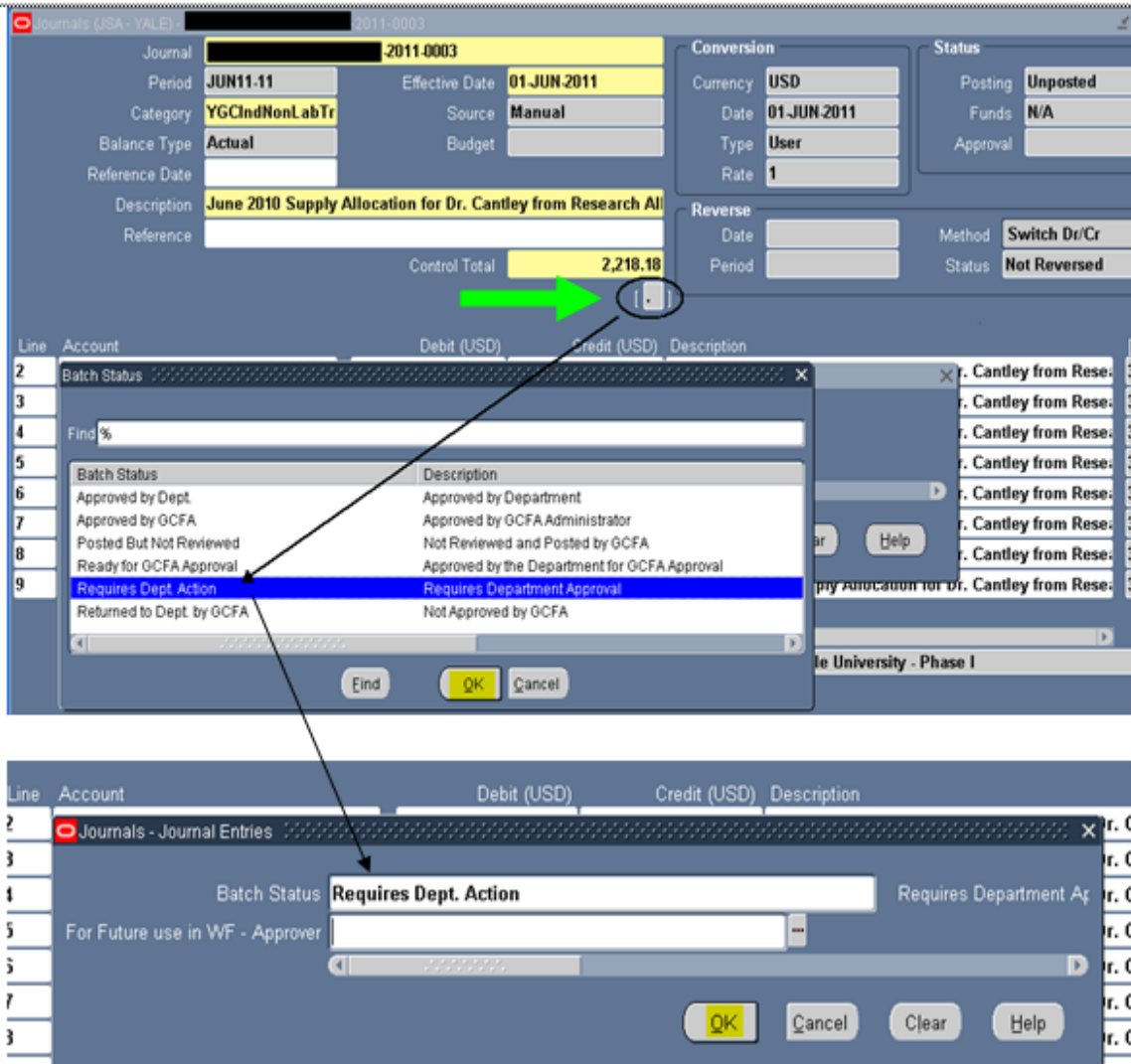
SUBMITTING THE COST TRANSFER BATCH FOR DEPARTMENT APPROVAL

Once the Preparer completes the cost transfer by filling out the justification form and providing the necessary supporting documentation, the batch is ready for review and approval by the Department Approver. All information is forwarded to the Department Approver by selecting the batch status **“Requires Dept. Action”** (see screen shot below)

- a. To change the batch status box in LD, select the batch status **“Requires Dept Action”** and click **OK** (see screen shot below):



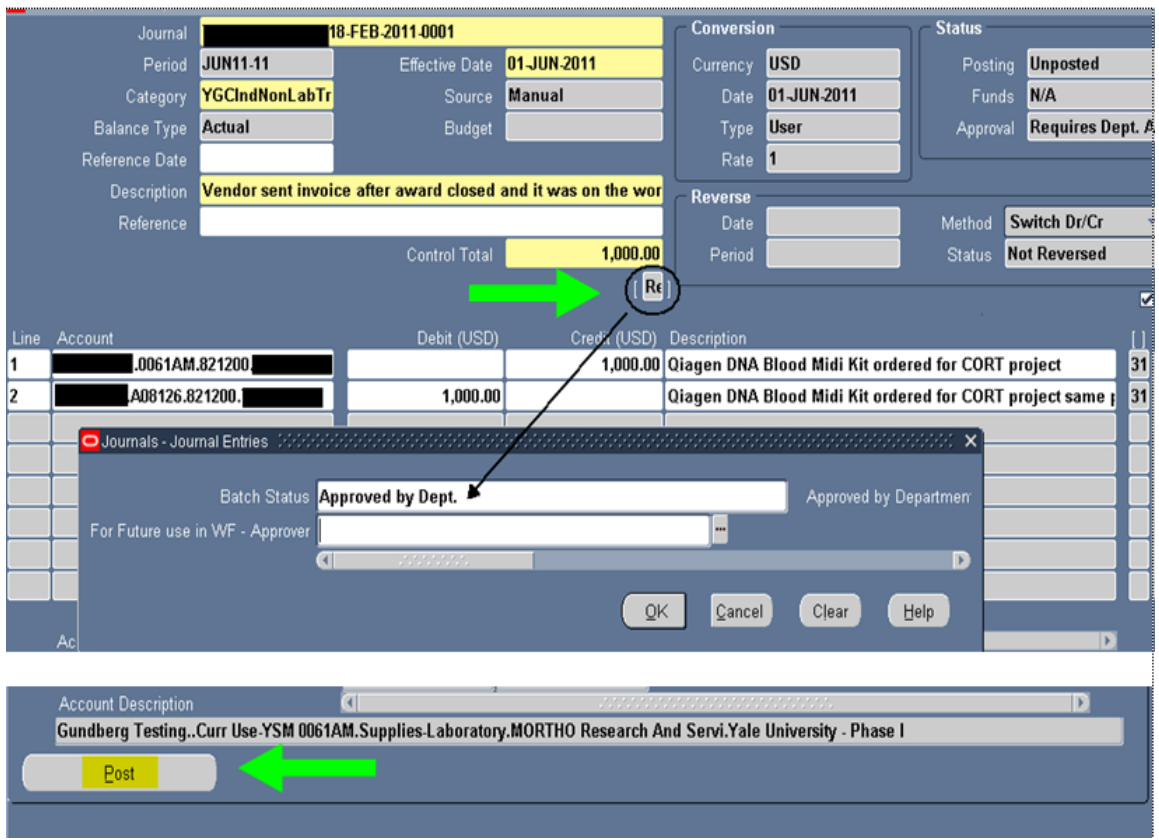
- b. To change the batch status box in JSA, click the “Beer mug” button pointed out below and select **“Requires Dept Action”** and click **OK**:



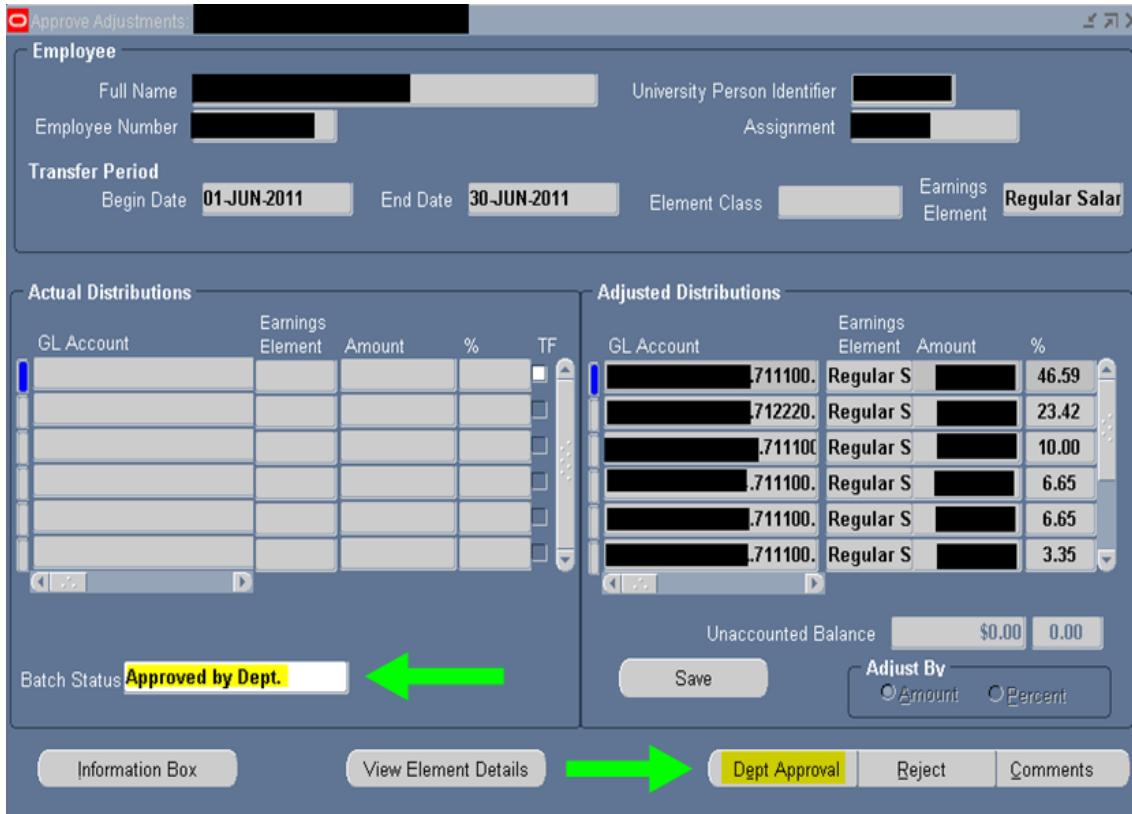
APPROVING AND POSTING COST TRANSFERS IN ORACLE

To approve and post cost transfers involving sponsored projects, Departmental Approvers must set the batch status in Oracle to **“Approved by Department”**.

- a. In the **JSA** application, batch status must be changed to **“Approved by Department”** and the **“POST”** button selected. It is important that the POST button in JSA is selected in order for the batch to post to the general ledger.
Note: If batch status is set to “Approved by Department” but the POST button is NOT selected, the batch is UNPOSTED and will not appear in the general ledger.



- b. In the LD application, batch status must be changed to **“Approved by Department”** and **“Dept Approval”** button selected to approve and post an LD Adjustment cost transfer batch.



Exceptions:

GCFA approval is required for cost transfers that a) meet certain threshold levels, b) are greater than 90 days, or c) involve certified effort. These validations have been pre-programmed into the application and will not allow the approver to post the batch. If an error message or note appears after selecting batch status to “Approved by Department”, this indicates that the cost transfer must be reviewed by GCFA. The Department Approver is required to set the batch status to “[Ready for GCFA Approval](#)”

Note: In the LD application, once the Department Approval selects the “Dept Approval” button, the system will automatically set the batch status to “Ready for GCFA Approval” **IF** the cost transfer meets the condition(s) identified above.

The following pages are examples of error messages indicating that a particular cost transfer needs to be reviewed and approved or rejected by GCFA.

Error Message when a line transaction exceeds 90 days:

The screenshot displays a financial application interface. At the top, there are fields for Journal (18-FEB-2011-0001), Period (JUN11-11), Effective Date (01-JUN-2011), Category (YGCndNonLabTr), Source (Manual), Balance Type (Actual), and Budget. The Description is "Vendor sent invoice after award closed and it was on the wor". The Control Total is 3,000.00. An error message dialog box is overlaid on the screen, containing the following text:

Error

APP-YUGL-02820: You are trying to post a transaction which is late according to Yale's Cost Transfer Policy located at <http://www.yale.edu/ppdew/policy/1305/1305.pdf>. Please make sure you have reviewed the transaction dates and they are in accordance with the Expenditure Item date policy at <http://www.yale.edu/ppdew/Procedures/ga/EID/EID.pdf>. Per the Cost Transfer Policy, if you proceed with this transaction you must include the nature of the extenuating circumstance for its lateness in the Cost Transfer Justification form and change the Batch Status to "Ready for GCFA Approval" for review and approval. &PTAEO

The table below shows the journal entry details:

Line	Account	Debit (USD)	Credit (USD)	Description
1	0061AM.821200		3,000.00	Qiagen DNA Blood Midi Kit ordered for CORT project
2	.A08126.821200	3,000.00		Qiagen DNA Blood Midi Kit ordered for CORT project same p

Note: In the JSA application, the system will use the original posting period to calculate the 90 days.

The screenshot shows a journal entry form with the following details:

- Journal: 18-FEB-2011-0001
- Period: JUN11-11
- Effective Date: 01-JUN-2011
- Category: YGCIndNonLabTr
- Source: Manual
- Balance Type: Actual
- Conversion: Currency USD, Date 01-JUN-2011, Type User, Rate 1
- Status: Posting Unposted, Funds N/A, Approval Requires De
- Description: Vendor sent invoice after award closed and it was on the wor
- Control Total: 3,000.00

The 'Enter Journals: Lines' pop-up window shows:

- Date Of Original Transaction: 31-JAN-2011
- Original Posting Period: FEB11-11 (highlighted with a yellow circle and an arrow)
- Reference ID of Original Trx: Qiagen invoice

Line	Account	Debit (USD)	Credit (USD)	Description
1	.0061AM.821200		3,000.00	Qiagen DNA Blood Midi Kit ordered for CORT project
2	A08126.821200	3,000.00		Qiagen DNA Blood Midi Kit ordered for CORT project same p

Error Message when an award net-debit amount exceeds a \$2,500 threshold:

The screenshot shows the same journal entry form as above, but with an error message dialog box overlaid:

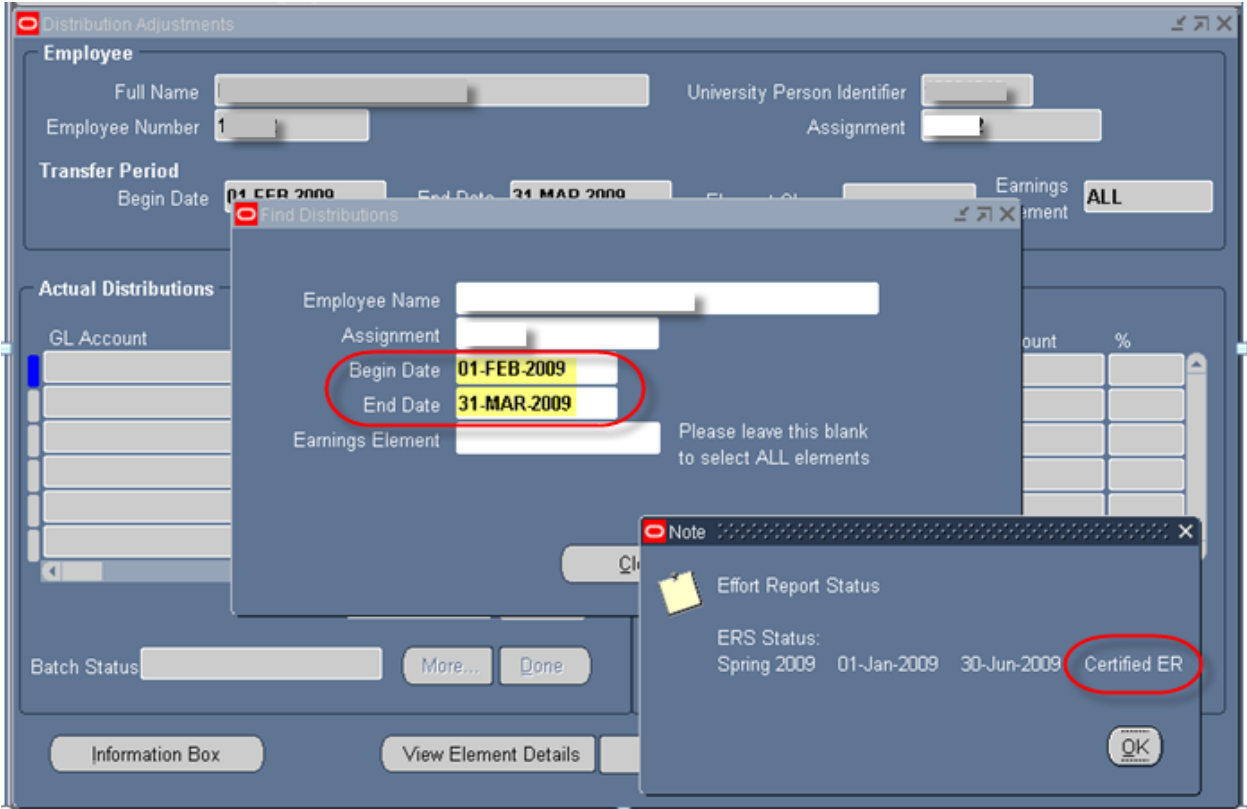
Error

APP-YUGL-02780: Batch contains Grant and Contact Cost Transfers and exceeds the department posting threshold. Must be Approved by GCFA...

The dialog box has an 'OK' button.

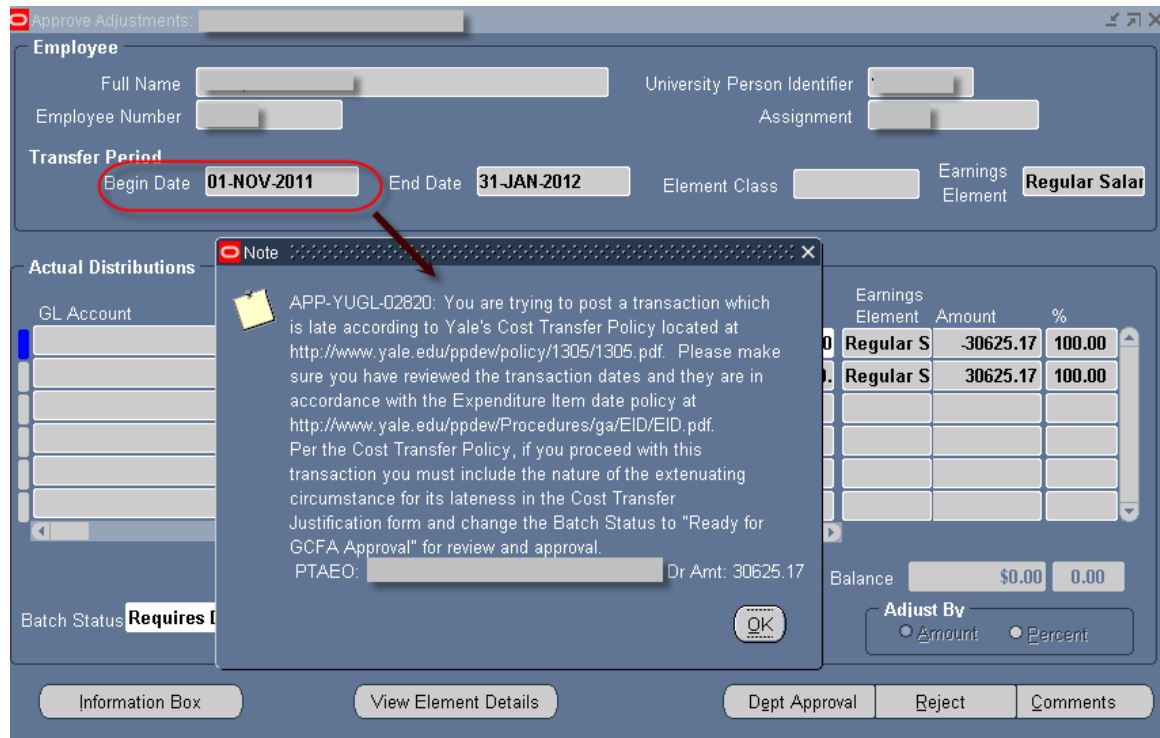
Line	Account	Debit (USD)	Credit (USD)	Description
1	.0061AM.821200		3,000.00	Qiagen DNA Blood Midi Kit ordered for CORT project
2	A08126.821200	3,000.00		Qiagen DNA Blood Midi Kit ordered for CORT project same p

ERS Look-back for PCE



- The effort reporting lookback feature, which provides information about certified/uncertified effort reports in ERS, validates based on the beginning and end dates entered in the 'Find Distributions' form.

LD Note Message when batch exceeds 90 days



The over 90 days calculation is determined by first looking at the transfer period begin date for the transaction entered, then identifies the last day of that month, and adds the 90 days.

LD batch exceeding \$2,500 dollar threshold

The screenshot displays the 'Approve Adjustments' window. At the top, it shows employee details and the transfer period from 02-JAN-2012 to 31-JAN-2012. Below this are two tables: 'Actual Distributions' and 'Adjusted Distributions'. The 'Adjusted Distributions' table has the following data:

GL Account	Earnings Element	Amount	%
	Regular S	-3064.12	100.00
A08329.711300.	Regular S	3064.12	100.00

The amount '3064.12' in the second row of the 'Adjusted Distributions' table is circled in red. Below the tables, the 'Batch Status' is 'Returned to Dept. by GCFZ'. At the bottom left, the 'Comments' section contains the text: 'Federal Award. Amount over threshold >= \$2500.', where the second line is also circled in red. A red arrow points from the circled amount in the table to the circled comment.

The official version of this information will only be maintained in an on-line web format. Any and all printed copies of this material are dated as of the print date. Please make certain to review the material on-line prior to placing reliance on a dated printed version.