

STANDARD ADMINISTRATIVE PROCEDURE

25.99.99.M0.01 Expenditure Transfers Between University Accounts (Non- Payroll)

Approved January 22, 2001

Revised July 13, 2009

Revised May 20, 2013

Revised June 27, 2018

Next scheduled review: June 27, 2023

SAP Statement

This procedure establishes the process for non-payroll expenditure transfers between university accounts. Requests to transfer costs between Texas A&M University accounts should be submitted in a timely manner and adequately justified and documented. Cost transfers involving sponsored project accounts require additional review by the administering office to ensure that the transfer is in accordance with sponsor guidelines and federal cost principles.

Definitions

Administering office – SRS (Texas A&M Sponsored Research Services), Office of the Vice President for Research, or TAMU Finance.

Cost transfer – A cost transfer occurs when an expense originally charged to an account is transferred to another account.

FAMIS-FRS – Financial Accounting Management Information System – Financial Reporting System

Sponsored project account – This is an account funded by a sponsor (federal, state, local, private, or foreign) external to the university. For TAMU, these accounts are located in the 160*** or 4***** account range in FAMIS.

DCR Module – CANOPY based module that provides the ability to initiate a correction transaction for accounting entries in FAMIS.

DCR – A departmental correction request transaction processed through the on-line DCR Module system, in FAMIS.

Official Procedure/ Responsibilities/ Process

1. General

- 1.1 Requests to transfer costs between Texas A&M University accounts should be submitted in a timely manner. Requests should be made within the same fiscal year of the original transaction. All others will be reviewed on a case-by-case basis.
- 1.2 Cost transfers (non-payroll) include changing voucher payments, payment card charges and Interdepartmental Transfers (IDT) or expenditures for student tuition and fees or scholarships and fellowships.
- 1.3 Requests should include an explanation for the change and the approval by an individual with signature authority, such as the dean, department head, their designee or principal investigator (transfers on grants or contracts).

2. Guidelines

- 2.1 Sponsored Project Cost Transfer Guidelines for project administered within TAMU
 - 2.1.1 Cost transfers to a sponsored project require approval by the administering office. Additional guidance should be obtained by contacting the Responsible Accountant (project administrator) for the project account shown on Screen 008 in FAMIS – FRS.
 - 2.1.2 Requests for sponsored project accounts that are received more than 90 days after the original transaction will be considered and approved on a case-by-case basis by the administering office and OVPR. Cost transfers over 90 days are considered a major risk to a sponsored project and may result in TAMU not being able to collect payment and reimbursement to the sponsored project.
 - 2.1.3 Cost transfers made through the DCR module should include approval by an individual with signature authority for the account, principal investigator or designee's approval.
 - 2.1.4 Justification for the cost transfer should be included as part of the DCR routing notes. Justification should explain how the cost(s) being transferred

directly benefit account or sponsored project being charged. Transfer(s) must document how the error occurred.

2.1.4.1 Explanation merely stating that the transfer was made "to correct error" or "to transfer to correct project" is not considered sufficient justification.

2.1.4.2 The transfer of costs from one budget period to the next budget period solely to cover cost overruns on a sponsored project is not allowable.

2.1.5 Examples of appropriate cost transfers -

2.1.5.1 Clerical and data entry errors – Any request to correct a clerical error should be accompanied by an explanation of how the error occurred. The correcting entry must include a statement certifying that the adjusted charge/credit is correct and appropriate

2.1.5.2 Transfers between an existing continuation grant and a new sponsored project when the account number was not established at the time the expenses were incurred

2.1.5.3 Pre-award costs that are specifically authorized in writing by the sponsor.

2.1.5.4 Pertinent information is received subsequent to the date of original entry.

2.1.5.5 It was impractical or impossible to allocate charges at the time of the original entry.

2.1.5.6 A sponsored project fails to materialize and charges have been incurred on the sponsored project account. Costs incurred subsequent to the anticipated effective date of the award will need to be transferred to other departmental funds.

2.1.6 The [Cost Transfer Request Justification form](#) for sponsored projects administered by SRS should be completed when transferring costs to a sponsored project or between sponsored project accounts. Costs being transferred must be allowable according to the sponsor's guidelines and within the sponsored project period.

2.2 Cost Transfers for Other Accounts

2.2.1 Transfers may be made through the DCR corrections module. Please refer to TAMU Financial Management Operations resources on "Corrections" at <http://fmo.tamu.edu/general-accounting/corrections/> for further details.

Related Statutes, Policies, or Requirements

[Cost Principles for Educational Institutions \(OMB Circular A-21\), 2 CFR Parts 215 and 220 Section C.4.b.](#) (may apply to awards issued prior to December 26, 2014)

[Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards \(2 CFR 200\)](#) for awards issued on or after December 26, 2014

NIH Grants Policy Statement, 7.5 Cost Transfers, Overruns, and Accelerated and Delayed Expenditures

https://grants.nih.gov/grants/policy/nihgps/HTML5/section_7/7.5_cost_transfers__overruns__and_accelerated_and_delayed_expenditures.htm

[System Policy 15.01.01 Administration of Sponsored Agreements – Research and Other](#), 6. Allowability of Costs on Federally Sponsored Agreements

[University SAP 25.99.99.M0.07, Transfer of Payroll Costs Between University Accounts](#)

[TAMU Financial Management Operations, Accounting, Corrections Office – DCR Corrections Module Training](#)

Contact Office

For DCR module questions, contact Financial Management Operations at corrections@tamuds.tamu.edu or (979) 845-8809.

For sponsored project account questions, contact Responsible Accountant (project administrator on SRS accounts) on screen 008 in FAMIS.