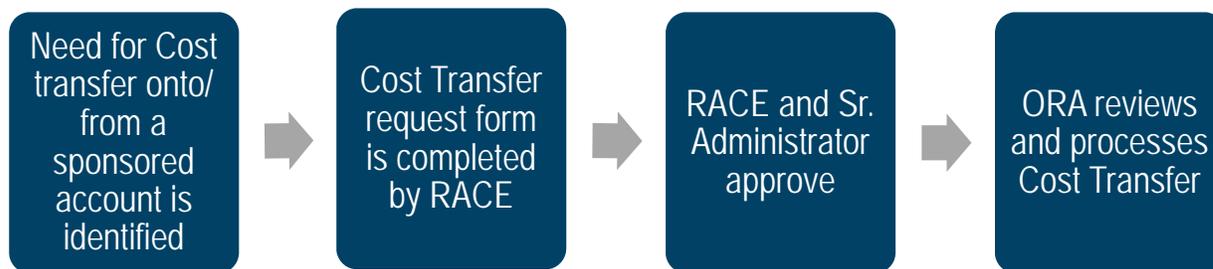


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## I. PI Road Map



## II. Description and Purpose

The purpose of the procedure is to provide guidelines by which TJU manages cost transfers on sponsored accounts. A cost transfer is a transaction that moves expenses from one account to another for the purpose of correcting an error or making an adjustment.

Cost transfers are a necessary and required component to managing sponsored projects, but they should be kept to a minimum. Transfers are often required when a single charge benefiting multiple projects needs to be allocated across those multiple accounts (sponsored and non-sponsored). Examples may include equipment purchases benefitting many projects. Also, a cost transfer may be necessary if a cost has been charged to the incorrect account and needs to be moved to the correct account, such as in the cases of a late issuance of an award notice, effort reallocation, etc.

Cost transfers must meet the cost principle standards of being allowable, allocable, reasonable, and consistent. Frequent, tardy, or unexplained cost transfers raise serious questions about our stewardship of funds, as well as our processes and internal controls.

The cost transfer request form and procedures are located on the Office of Research Administration (ORA) website at [www.jefferson.edu/ora/](http://www.jefferson.edu/ora/). For more information, see the TJU policy # 103.25 "Costing Guidelines for Sponsored Projects." TJU/ TJUH policies can be accessed through the Pulse portal.

## III. Definitions – See Full Research Administration Glossary

## IV. Roles and Responsibilities

Personnel	Responsibility
PI	a. Approves cost transfers
RACE Grants Administrator	a. Reviews expenses on sponsored accounts on a monthly basis and identifies expenses that must be transferred in accordance with the sponsor, ORA, and TJU policies b. Prepares Cost Transfer Form and completes > 90 day justification, if necessary



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	c. Routes Cost Transfer Form for approval
Senior Administrator	a. Receives cost transfers that credit dept. accounts for information purposes b. Approves cost transfers that debit dept. accounts
ORA/ Academic Finance	a. Reviews cost transfers submitted by RACE and forwards to SPAO for final processing
SPAO	a. Processes cost transfers

V. Procedure

- A. The process begins when the need for a cost transfer is identified by the RACE Grants Administrator. If ORA identifies the need for a cost transfer, they may process it automatically in accordance with ORA's Cost Transfer Procedures.
  1. The Department may identify the need for a cost transfer as well and alert the RACE Grants Administrator.
- B. The RACE Grants Administrator will then prepare a cost transfer form.
- C. The RACE Grants Administrator will send the form to the PI for approval.
  1. The PI will approve the cost transfer form at grant initiation for repetitive cost transfers. An example of a repetitive cost transfer would be one in which the sponsor does not allow benefits, so benefits must be removed from the account on a monthly basis (since they are automatically tied to a person's salary).
  2. The PI will approve the cost transfer form at each individual occurrence for non-repeating cost transfers.
- D. The Senior Administrator will need to be notified of all cost transfers that credit non-sponsored accounts. They will not, however, need to approve the transfer. The RACE Grants Administrator will deliver a copy of the cost transfer form via e-mail.
- E. The Senior Administrator will need to approve all cost transfers that are debited to non-sponsored accounts.
- F. Once all approvals have been obtained, the RACE Grants Administrator will route the cost transfer form to the RACE Associate Director for final approval. The RACE Associate Director will route all cost transfers to ORA.
  1. If the cost transfer is requested more than 90 days from the original transaction, the RACE Director must approve in addition to the Associate Director.
- G. ORA will review the cost transfer and approve, if appropriate.
- H. In the case of an Interdepartmental Transfer (IDT), the process is triggered with an expense report in the department initiating the transfer.
  1. The report is divided by the initiating department and the PI.
  2. The initiating department sends the report to the corresponding RACE Grants Administrator.
    - a. The Department Administrator should be copied.
  3. The RACE Grants Administrator will review the report to ensure that the correct sponsored account is identified.
  4. The RACE Grants Administrator will note any changes that should be made to the sponsored account.
  5. The initiating department will prepare and process the Interdepartmental Transfer.



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6. The RACE Grants Administrator will review the accounts to ensure that the IDTs are posted appropriately.
7. IDTs for F&A sharing are sent to the appropriate RACE Grants Administrator for review.
  - a. These actions are performed quarterly.
  - b. These are prepared by departments and approved by RACE.

**VI. Enabling Tools/ Technology**

- A. Cost Transfer Request Form [http://www.jefferson.edu/content/dam/tju/research\\_administration/ORA/Cost-Transfer-Request-Sept-2015.xls](http://www.jefferson.edu/content/dam/tju/research_administration/ORA/Cost-Transfer-Request-Sept-2015.xls)
- B. Examples of Cost Transfer Explanations  
[http://www.jefferson.edu/content/dam/tju/research\\_administration/Examplescosttransfer.doc](http://www.jefferson.edu/content/dam/tju/research_administration/Examplescosttransfer.doc)

**VII. Performance Metrics**

- A. Number and \$ amount of cost transfers performed by RACE teams and Grants Administrators.
- B. Number and \$ amount of cost transfers > 90 days versus cost transfers < 90 days.

**VIII. References**

- A. Cost Transfer Manual (pages 55 – 67):  
[https://www.jefferson.edu/content/dam/tju/research\\_administration/ORA/PostAwardBinder\\_Aug2019.pdf](https://www.jefferson.edu/content/dam/tju/research_administration/ORA/PostAwardBinder_Aug2019.pdf)
- B. Costing Guidelines for Sponsored Projects:  
<https://tjuh3.jeffersonhospital.org/policy/index.cfm/universitypnp/view/id/252916>