Accounts Payable
509-335-2060
Sponsored Programs Services
509-335-2058
Payroll Services
509-335-9575

Expenditure Transfers Between Funding Sources

REQUESTING TRANSFERS

To help assure proper documentation and certification of expenditures, faculty and staff are to apply the following procedures when requesting transfers.

- Department chairs, principal investigators, and account administrators are responsible for monitoring expenditures and account balances.
- Account administrators and principal investigators correct errors or clear overdrafts by requesting transfer of direct charges between funding sources. The following procedures require prompt correction of the errors or overdrafts. See also *BPPM* 30.21.

Forms

Expenditure Transfer Request

Use an Expenditure Transfer Request form to make an expenditure transfer that does not involve salaries.

Expense Assignment Action

Use an Expense Assignment Action (see *BPPM* 58.03) or a Position Action (see *BPPM* 58.02) to make a *salary* transfer.

STATE ACCOUNTS

Transferring charges from or to state accounts.

Programs

State accounts include accounts in programs 01 through 10 and programs 15 and above. (For a definition of program see *BPPM* 30.05.)

Deadlines

Initiate a nonpayroll transfer request within *90 days* of the original charge's date as shown in the online Account Balances/Detail Application. Expenditures incurred in a given fiscal year cannot be transferred after the July cutoff date following year-end.

Payroll must receive a wage transfer request within *30 working days* of the charge's date as shown in the online Account Balances/Detail Application. NOTE: This time limit applies to transfers involving state accounts in programs 01 through 10 only.

SPONSORED ACCOUNTS

Transferring charges from or to sponsored accounts.

Programs

Sponsored accounts include accounts in programs 11 through 14.

Expenditure Transfers Between Funding Sources

Requirements

Departments should avoid frequent, late, or inadequately explained transfers to sponsored projects. Personnel are to ensure that expenditures are initially assigned to the correct account. On an exception basis, Sponsored Programs Services (SPS) may transfer a given expenditure more than once.

Do not transfer expenditures from one sponsored account to another for any of the following reasons:

- Clearing an overdraft. (NOTE: A transfer between a home account and a subaccount may be acceptable.)
- Avoiding restrictions imposed by law.
- Avoiding restrictions in a sponsored agreement.
- Convenience.

Such expenditures may only be transferred to a state-supported account in programs 01-10 or to other appropriate nonfederal funding sources.

NOTE: The above requirements are from Uniform Guidance Subpart E: Cost Principles (2 *CFR* 200.400).

Allowable Transfers

Expenditure transfers are allowable between closely related projects when the transfer meets all of the conditions specified in the sponsor's policies or guidelines or award terms and conditions. The following conditions are typical for an allowable transfer:

- The projects are scientifically and technically related, and
- The projects are under the direction of the same principal investigator, and
- There is no change in the scope of the individual projects involved, and
- The transfer is not detrimental to each individual project, and
- The transfer is not used to circumvent the terms and conditions of an individual award.

Overdrafts

On occasion, one of the following situations occurs, causing a sponsored account to be exceeded. Overdrafts happen while awaiting supplemental funding, awaiting expenditure transfers to nonfederal funding sources at account closeout, and/or awaiting expenditure transfers from subaccounts to home accounts or home accounts to subaccounts. Refer to overdraft procedures in *BPPM* 30.21 for additional information.

Expenditure Transfers Between Funding Sources

Terminated Accounts

Departments may transfer overdrafts from terminated sponsored accounts to state accounts, other appropriate nonsponsored accounts, or fixed price consolidation accounts by using object-subobject 03-WV.

When using this object/subobject, it is not necessary to itemize each direct cost transaction. Under **Justification** enter explanation #1. (See Justification/Explanation for a description of justifications.) In such cases, SPS should be contacted prior to coding the account since a transfer may impact sponsor billings.

Deadlines

90 Days

SPS must receive the request within 90 days of the transaction date of the original charge as shown in the online Account Balances/Detail Application.

Exceptions

Route deadline exception requests to the SPS Officer for approval. Explain why the transfer was not initiated in time to meet the 90-day deadline and what internal control procedures have been implemented to reduce the risk of reoccurrence.

Expenditure Reports

If a sponsor's final expenditure report is upcoming, submit a transfer request in time for the transfer to be posted at least 30 days prior to the due date. See also *BPPM* 40.03 for expenditure deadlines.

EXPENDITURE TRANSFER REQUEST

Obtaining Forms

The Expenditure Transfer Request form is available in PDF and FileMaker formats on the Procedures, Records, and Forms (PR&F) website at:

policies.wsu.edu/prf/index/forms/

Preparation

Instruction numbers correspond to numbers on the samples. Sections without numbers are considered self-explanatory.

To**:** (1)

Indicate the request's destination. Check only *one* block.

Sponsored Accounts

Send all requests involving accounts in programs 11 through 14 to Sponsored Programs Services.

Expenditure Transfers Between Funding Sources

Payroll

Send requests to transfer wages (object 01) to Payroll Services.

EXCEPTION: Send transfer requests involving wages in programs 11 - 14 to SPS.

Travel

Send requests to transfer travel expenditures (object 04) to Travel Services.

EXCEPTION: Send travel transfer requests involving accounts in programs 11 - 14 to SPS.

IRI Desk

Send requests to transfer interdepartmental expenditures to the IRI Desk of the Controller's Office Revenue Section.

EXCEPTION: Send interdepartmental transfer requests involving accounts in programs 11 - 14 to SPS.

Other

Send other requests to Accounts Payable.

Questions

Direct questions regarding the request to the indicated office.

EXPENDITURE TRANSFER REQUEST

See BPPM 30.25 for instructions.

JV NUMBER

Washington State University
Controller's Office

TO:
1
- ☐ **Sponsored Projects Finance Office** (For all transfers involving programs 11-14.)
- ☐ **Payroll** (For transfers involving wages except in programs 11-14.)
- ☐ **Travel** (For transfers involving travel (object 04) except in programs 11-14.)
- ☐ **IRI Desk** (For interdepartmental transfers except in programs 11-14.)
- ☐ **Accounts Payable** (For all other transfers.)

COLLEGE/DEPARTMENT	MAIL CODE	CONTACT NAME AND TELEPHONE	E-MAIL	DATE

	Tran Code	Prg	Budget	Proj	Obj/Sub Scr/Sub	Doc No.	Ref No.	Vendor No.	Amount	Vendor Name	Other
2 **Transfer From:** (Decrease Expense)											
3 **Transfer To:** (Increase Expense)											

Figure 1

Expenditure Transfers Between Funding Sources

Transfer From: (2)

Enter the coding for account(s) which originally incurred the expenditure. Account coding includes: program, budget, project, object, and subobject. Also enter other requested information regarding the transaction, i.e., document and reference numbers, the amount, vendor number, and vendor name. This information is available from the online Account Balances/Detail Application or the Budget Statement.

Amount for Wages

Enter *gross pay* under **Amount** when making wage transfers. Refer to the Budget Statement, the online Account Balances/Detail Application, the Payroll Expenditure Audit Report (PEAR), or Query Payroll Expense in DEPPS for gross pay. (See *BPPM* 55.22 for a description of the PEAR and DEPPS.)

When requesting a partial transfer of wages, enter the partial gross pay under **Amount**.

When transferring wages from multiple funding sources, enter the applicable gross pay amounts on individual lines in **Amount**.

For work study transfers, enter only the departmental charge in **Amount**.

Do not include charges for benefits in **Amount**. Benefits are automatically calculated and included by Payroll.

		Name (one per form)	Social Sec. No.	Payroll Dates	Hours Worked	Position No.
4	**Complete for wage transfers.**					
5	**Complete for all transfers.**	Justification/Explanation				

I certify these expenditures to be appropriate charges to the above recipient account(s), meet approved budgetary guidelines, and directly support program/project objectives.

NAME OF PRINCIPAL INVESTIGATOR (recipient account)	6	SIGNATURE	TITLE	DATE
NAME OF ADMINISTRATOR (recipient account)	7	SIGNATURE	TITLE	DATE

8 EFFORT CERTIFICATION STATEMENT
(Wage transfers only)—After personal review of this transfer and having firsthand knowledge of the effort expended, I certify that the time indicated is a reasonable estimate of effort expended.

NAME OF ADMINISTRATOR/SUPERVISOR	SIGNATURE	TITLE	DATE

ROUTING: The department transferring the expenditure retains a copy and routes the original form to the department assuming the expenditure. After approving the transfer, the department assuming the expenditure retains a copy and routes the original to the Controller's Office.

CONTROLLER'S OFFICE REVIEW	DATE

WSU 1048-CONTRO45-0698

Sponsored Projects Finance Office Use Only		
Budget/Project	LEAD Date	Checked initials
Exact Amount (including benefits)?		Yes ☐ No ☐

Figure 2

Accounts Payable
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Expenditure Transfers Between Funding Sources

Transfer To: (3)	Enter the coding for account(s) that will assume the expenditure and enter the amount to be transferred to each account. *The remaining fields on this line need not be completed.*
Wage Transfers (4)	Enter the requested information for the employee. *Transfer wages for only one employee per form.* Transfers involving multiple employees require multiple forms.
Payroll Dates	Enter the dates (begin and end) of the work period(s) to which the transfer corresponds or enter the end date(s) of the pay cycle(s) in which the expenses were earned. NOTE: Pay cycle earned dates are different than the payment expensed dates listed in BALANCES. Separate the entry for each work period or pay cycle with a comma.
Hours Worked	Enter the number of hours worked for each transfer line, separated by a comma.
Attachments	To assist in processing large wage transfers for the same employee, a department may attach supporting documents (e.g., Excel spreadsheets) that adequately indicate the following: • Existing funding source (account coding) line for each transfer; • Associated work period or pay cycle for each transfer line; and • Associated gross amount for each transfer line. NOTE: The department must attach the supporting documents to a *completed* Expenditure Transfer Request. The department enters a summary of the wage transfer request on the form, including: • Account coding • Total gross pay in **Amount** • Begin and end dates of the period(s) worked by the employee
Justification/Explanation (5)	Enter the number of the explanation that best describes the reason for the expenditure transfer. The transferred expenditure must be an allowable, allocable and reasonable expense for the account receiving the expenditure. NOTE: The originating department must retain sufficient documentation to support transfer allowability to future auditors.

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Expenditure Transfers Between Funding Sources

Justification/Explanation (cont.)

The purpose of the expenditure transfer is one of the following:

1 To **remove an overdraft of a terminated sponsored project** by transferring expense(s) to a state or local project or a fixed consolidation account. (Use object-subobject 03-WV.)

2 To **move an expense from one state or local project to another state or local project**. Example: To equipment replacement funds or a gift account. Additional justification is not required.

3 To **correct a typographical error**. Example: A data entry error caused the wrong account code to be entered. The error was found when the principal investigator reviewed periodic accounting reports.

4 To **correct an account coding error**. Example: A principal investigator has multiple awards and the wrong project number or object code for this expense was given to the account administrator. The error was found when the principal investigator reviewed periodic accounting reports.

5 To **redistribute a high number of low cost individual or minor charges**. Example: Copy machine rental, paper costs, telephone charges, mailing charges, or office supplies were billed to departmental accounts, but a portion of the total applies to a sponsored project. (NOTE: Telephone, mailing, and office supply costs must be in the proposal budget as approved by the sponsor.)

If an expenditure is identifiable as an entry in Account Balances/Detail, a reference is required. If not identifiable, departments must maintain internal records/logs of such usage to support the adjustment. Provide details on the Expenditure Transfer Request.

6 To record a **change in the original decision** as to the use of the goods or services. Example: A case of beakers originally charged to a teaching program is subsequently transferred to a research project. The requestor is certifying that the expenditures are appropriate charges to the recipient account.

Expenditure Transfers Between Funding Sources

Justification/Explanation (cont.)

7 To record a **transfer between interrelated accounts**. These expenditures are being transferred between interrelated accounts. Sponsor guidelines and procedures have been followed in determining interrelatedness. (NOTE: The process for establishing interrelatedness varies among sponsors.)

8 **Other reasons**. Explain how the error occurred, and how the costs will benefit the funding source.

The above explanations are not all inclusive. If the reason for the transfer is not adequately described in the first seven explanations, include a detailed explanation indicating how the error occurred and how the costs will benefit the funding source receiving the expense. An explanation, which merely states that the transfer is being made to *correct an error*, or to *transfer to the correct account*, or *to correct costs that were inadvertently charged to an incorrect account* is not sufficient.

Principal Investigator (6)

The principal investigator responsible for the sponsored project which will receive the expenditure signs the request. This line is usually left blank when transferring expenditures to state accounts.

Administrator (7)

An authorized departmental or administrative representative from the department which assumes the expenditure signs the request. This representative must have been delegated expenditure authority for the supporting account. See *BPPM* 70.02 for an explanation of expenditure authority.

Effort Certification (8)

Complete this section when transferring a temporary employee's wages to an account in programs 06-14.

A supervisor or administrator who signed the employee's Daily Activity Report and who has firsthand knowledge of the expended effort signs the certification statement.

See *BPPM* 40.34 for a description of effort certification.

Routing

The department from which the expenditure is transferred retains a copy and routes the original to the department which will assume the expenditure.

After approving the request, the recipient account's department retains a copy and routes the original to the designated administrative section in the Controller's Office.

Expenditure Transfers Between Funding Sources

Records Retention

Refer to *BPPM* 90.01 for records retention requirements.

Departments are to retain sufficient documentation to adequately explain and justify expenditure transfers to auditors.