Dear Research Administration Fiscal Officers,

As fiscal year 2022 commences, I am writing to provide tips to streamline cost transfer transactions on sponsored accounts. Please contact me if you are interested in scheduling a cost allowability workshop for your unit or college. Cost transfers are among the most scrutinized costs in financial audits, and we thank you for your partnership with these best practices.

Documentation:
- The explanation field must include a note explaining the need for transfer. Examples include: New account setup, backstop extended, correcting P-card auto-approve, PI reviewed prior month reconciliation, etc.
- Cost transfers made after 30 days require additional documentation via the late adjustment certification form, which is built into the Salary Expense Transfer (SET) and General Error Correction (GEC). The SET and GEC will automatically prompt you to enter the form when required.
- Costs must be reasonable, allocable and allowable under the project terms and conditions. Please review [https://research.arizona.edu/administration/managing-projects/allowable-costs](https://research.arizona.edu/administration/managing-projects/allowable-costs) for costing guidance.

Payroll Costs:
- Salary Expense Transfers may still be used to transfer January – June FY 2021 payroll if a sponsored account is involved.
- Please contact [financialcompliance@email.arizona.edu](mailto:financialcompliance@email.arizona.edu) to recreate effort reports for older payroll.

Non Payroll Costs:
- Costs incurred in FY 2022 should be moved by a General Error Correction (GEC) unless SPCS has preapproved usage of a Distribution of Income and Expense (DI) for certain reoccurring transactions.
- Costs incurred in FY 2021 may be moved with a Distribution of Income and Expense (DI). A Correction of Error Certification form must be attached to the DI. Please enter the original transaction number in the “Org Ref ID” field, and the “Line description” field should begin with “GEC” followed by the original document number that is being corrected (this will allow easier identification of these for future reporting).

Further Training Resources:
- Research Support Website:
  - Sponsored Account Management for Investigators and Fiscal Officers: [https://research.arizona.edu/administration/managing-projects/fiscal-responsibilities#AccountManagement](https://research.arizona.edu/administration/managing-projects/fiscal-responsibilities#AccountManagement)
  - Cost Transfers: [https://research.arizona.edu/administration/managing-projects/fiscal-](https://research.arizona.edu/administration/managing-projects/fiscal-)

Financial Services Website:
  - Account Management: https://policy.fso.arizona.edu/fsm/600/610
  - GEC vs DI Guide: https://www.fso.arizona.edu/financial-management/gec-di

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