**APPENDIX C**

**Brown University**

**Office of Sponsored Projects**

**Cost Transfer Explanation and Justification Form**

A cost transfer is a journal entry that transfers expenses onto an externally-funded sponsored project that was previously recorded elsewhere on Brown’s General Ledger and requires institutional approval before it can be posted to the General Ledger. The completed Cost Transfer Form serves as institutional approval and is required for all journal entries subject to the Cost Transfer Policy. The Cost Transfer Policy provides guidance on determining if the journal entry requires the following Cost Transfer Form.

**Procedures:**

* If cost transfer is made within 90 days of month end closing date from the original transaction please answer questions 1 and 2.

\**Note:* 90 days means 90 calendar days from the 5th business day of the subsequent month in which the charge was originally transacted.

* + - For example, if the original charge posted on 5/10/16, 90 calendar days are counted from 6/7/16.

* If cost transfer is made 90 days after end of month closing please complete questions 1, 2, 3, and 4.
* For journals, email the completed form and all supporting documentation to your OSP Grant/Contract Accountant with the journal entry number in the subject line. *Example naming convention: SF0000012345.*
* For Payroll Accounting Adjustments (PAA), attach the completed form to the PAA entry in Workday.

1. Why was the expense(s) originally charged to the account from which it is now being transferred? (Include identifying information: cost center, grant, employee, effort %, dollar amount)

1. Explain why the expense(s) is being transferred to the proposed receiving account. Describe how the expense(s) directly benefits (i.e. are allowable and allocable) the award. *\*Ensure that no sponsor restrictions would preclude this transfer and that the transfer complies with sponsor and university policies.*

1. Why is this cost transfer being processed 90 days after the month end closing date of the original transaction(s)?

1. If applicable\*, what corrective action has been taken to correct systemic problem(s) that would eliminate future need for cost transfers of this type?

*\*Frequent occurrences of late transfers over 90 days require completion of this question. In addition, OSP may require you to complete this question if they determine the late transfer is indicative of a systemic problem.*