Financial Services
Sponsored Award Accounting

Late Cost Transfer Policy and Procedure Changes
January 2015
Late Cost Transfers - Topics

- Policy Changes

- Procedure Changes

- System Changes
  - Payroll Expense Transfer System (PETS)
  - Account Create/Cost Transfer System (ACCTS)

- Resources

- Questions
Cost Transfer Policy: **No. 2111** – Former Policy for Late Transfers

- The **principal investigator or his/her designee** is responsible for ensuring that cost transfers that are necessary to distribute clearing account expenses, to correct salary distribution estimates, to correct clerical or bookkeeping errors, or to make other accounting adjustments are:
  - Made within 90 days after the month in which the cost was originally recorded in the Financial Accounting System.
  - Supported by an explanation that accurately describes in sufficient detail why the transfer is necessary.
  - In compliance with Financial Policy No. 2109, Approval of Direct Cost Expenditures.
- Cost transfers not made within the time frames stated above will be reviewed on a case-by-case basis and must be approved by both the dean's office and Financial Services.
Cost Transfer Policy: No. 2111 – New & Effective Immediately

New Language for Late Transfers

• Cost transfers not made within 90 days after the month in which the cost was originally posted in FAS need to be approved by the principal investigator or his/her designee of the sponsored project being charged. Additionally, the transfer request must explain why the transfer was not requested in a timely manner. Financial Services will review these on a case-by-case basis and approve after sufficient justification and documentation has been provided.

• Cost transfers are not allowed for transactions more than two fiscal years after the cost was originally posted in FAS without advance written approval from the Executive Director of Sponsored Award Accounting.
Cost Transfer Procedure Changes

Late Cost Transfer Form Signature Requirements

**Request for Late Cost Transfer**

Below, explain the circumstances that caused the transfer not to be made timely. If those circumstances were management problems, explain how those will be corrected.

- Allow for PI designee = Authorized Signer of debit account
- Require PI signature on revised Annual Certification Statements (attach to Cost Transfer)
- Provide metric reports to Dean’s Offices
- Add additional controls for high-risk items
Cost Transfer Procedure Changes

Additional Controls

- Supporting documentation will be required for higher-risk Late Cost Transfers:
  - Revised closing memo for transfer impacting submitted financial reports/invoices
  - Revised ACS signed by PI for transfer impacting certified effort
  - Prior transfer with explanation for change if second time transfer

Metric Reports for Dean’s Office or Other Oversight Responsibility

- Provides a more global view of activity and potential areas of risk
  - >= 6 months old; > 12 months
  - Prior Effort Period Change
  - After Closing Memo/Financial Report submitted

- Built in Business Objects for immediate availability:
  - By Department
  - By Account Administrator
  - Detail for each risk area
Thank you to our department test users!

Jason Banks, Physical Sciences Division
Shawnya Covington-Atlas, Biological Sciences Division
Sergio Avila, Biological Sciences Division
Cindy Cheers, Social Sciences Division
Suzanne Fournier, Social Service Administration
JacQuan Henley, Biological Sciences Division
Chris Sorensen, Biological Sciences Division
Crystal Taylor-Nevils, Computation Institute
Cost Transfer System Changes – PETS

New PETS Requirement and Routing for Late Cost Transfers

• PETS flags transactions submitted 3 months after the Effort Period month end
  – From January 1-31, 2015, the following Effort Periods are late:
    ✓ For monthly payroll, Effort Period = 9/30/2014 or earlier
    ✓ For biweekly payroll, Effort Period = 9/27/14 or earlier

• A Late Cost Transfer requires the approval of an Authorized Signer and a Late Explanation

• A warning message is added if you are changing an Effort Period that has already been certified via the Annual Certification Statement process

• Sponsored Award Accounting (SAA) routing has been updated to include both the Post-Award Administrator and Manager/Director approval.

• Any transactions submitted two business days by 5:00 pm before the final PETS deadline will be reviewed by SAA by the final PETS deadline.
If any of the Effort Periods selected are 90 days after the month in which the cost was originally recorded in FAS and the cost is being transferred to a sponsored award account, select an Authorized Signer for the account.
Cost Transfer System Changes – New PETS Requirements

- Explain why you need to make the transfers **AND explain why the transfer is late**.
- If you are seeking approval from the PI, you can Save and Print the transfer for routing and approval. Attach the approval before submitting the entry.
Cost Transfer System Changes – New PETS Requirements

- **If the Effort Period is 6/30/2014 or earlier, attach any updated Annual Certification Statement as needed.**
- **If you are revising a Closing Memo, attach the updated closing memo.**
Cost Transfer System Changes – New PETS Routing

Preparer Queue

Summary of Transfers for Amy Hinze-Pifer

<table>
<thead>
<tr>
<th>Control #</th>
<th>Late</th>
<th>Employee</th>
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<tr>
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<tr>
<td>PT101481</td>
<td>Y</td>
<td></td>
<td>APPROVED</td>
<td>01/05/2015</td>
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Approver Queue

Summary of Pending Approvals for Mary Rudofski

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<th>Status</th>
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</tr>
</thead>
<tbody>
<tr>
<td>PT61103</td>
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<td>Bocek, Juris</td>
<td>SUBMIT_SAA</td>
<td>12/17/2014</td>
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<tr>
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<td>Y</td>
<td>Bocek, Juris</td>
<td>SUBMIT_A</td>
<td>12/23/2014</td>
</tr>
</tbody>
</table>

Submitted Statuses | Description
--- | ---
SUBMIT_A | Pending approval from Authorized Signer (only if Signer is different from the Preparer); Signer receives an email notification with link to PETS
SUBMIT_COR | Approved by Authorized Signer; pending approval from SAA PAA
SUBMIT_SAA | Approved by SAA PAA; pending approval from SAA Manager/Director
APPROVED | Fully approved and ready for processing
REJECT_XXX | Rejected by one of the above approvers
Cost Transfer System Changes - ACCTS

Account Create/Cost Transfer System (ACCTS)

- The Cost Transfer module in ACCTS has been updated to indicate if a transfer is over 90 days past the ledger date.
- Replaces the paper expense transfer form (Expenditure Transfer Comptroller Form No. 61)
- ACCTS will be updated with same workflow as PETS.
- In the meantime, use the updated Request of Late Cost Transfer form
- Scan and send the form and ACCTS entry to your Sponsored Award Accounting Post-Award Administrator
Cost Transfer System Changes – New Late Cost Transfer Form

Request for Late Cost Transfer
Effective 1/9/2015

ACCTS Reference #: ______________

Sponsored Award Debit Account: ______________

Explain why the transfer is late.
Cost Transfer System Changes - **New Late Cost Transfer Form**

Principal Investigator or Authorized Signer of Debit Account:

________________________
Printed Name

________________________  ______________________
Signature                  Date

Scan and send this completed and signed form with a printout of the ACCTS entry to your [Sponsored Award Accounting Post-Award Administrator](#).

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*Sponsored Award Accounting Use Only*

PAA Approval: ___________________________  Date_______

Manager/Director Approval: _________________  Date _______
Resources

• Cost Transfer Policy:  
  http://finserv.uchicago.edu/support/policies/2100/2111_costtrans.shtml

• Cost Transfer Systems:  
  • PETS:  https://itservices.uchicago.edu/node/2093  
  • ACCTS:  http://adminet.uchicago.edu/adminsys/accts.shtml

• Request for Late Cost Transfer form:  
  http://finserv.uchicago.edu/award/lifecycle/transfers.shtml

• Cost Transfer Quick Reference Guide – *In development* but these slides are available at:  
  http://finserv.uchicago.edu/award/lifecycle/transfers.shtml

• System issues should be reported to:  accts@lists.uchicago.edu
Questions
Notifications – PETS Profile

- Click Tools and Utilities, Click User Info

**Note:** Watch your Junk E-mail Folder for these notifications.
Notifications – ACCTS Cost Transfer Module Profile

- Click File to get the dropdown and click Preferences

Note: Watch your Junk E-mail Folder for these notifications.