

OSU INSTITUTE OF TECHNOLOGY
POLICY & PROCEDURES

**Retroactive Cost Transfers Relating to Sponsored
Agreements, Grants and/or Contracts**

**3-036
FISCAL SERVICES
February 2013**

GENERAL STATEMENT

- 1.01 At times it is necessary to make correcting journal entries (retroactive cost transfers) to ensure that original charges and/or credits are recorded in the proper account, fund group, unit, project, and expenditure code. A "Retroactive Cost Transfer" form should be completed and submitted to OSU Institute of Technology's (OSUIT) Office of Fiscal Services for review and submission to OSU-Stillwater's Grants & Contracts Financial Administration (GCFA) Office for final approval and processing.
- 1.02 Retroactive cost transfers to correct charges/credits other than payroll related costs are recorded on a Grant Retroactive Cost Transfer Form. Payroll retroactive cost transfers for correction of labor and benefit charges are recorded on an HRS Reallocation or Recast Transaction Form and submitted to OSU-Stillwater's GCFA Office for approval and processing, and submission to OSU-Stillwater's Office of Human Resources.

POLICY

- 2.01 Individuals responsible for sponsored agreement administration may request necessary reclassification of accounting data. Since the original entry is presumed to have been approved after adequate review, any change should be fully justified. The unit must ensure that funds are available to permit any transfer of charges/credits. Documented explanation and justification should be provided in order to permit subsequent reviewers (OSUIT's Office of Fiscal Services) to evaluate the appropriateness of the cost transfer.
- 2.02 For sponsored agreements, retroactive cost transfers for the purpose of expending available funds still remaining on a project are not allowable. Other unacceptable purposes for retroactive cost transfers include circumventing award restrictions, avoiding a cost overrun by charging another unrelated agreement, or transferring an item which applies to a closed fiscal year.

Regulations governing cost transfers are specified in OMB Circular A-21 and in certain federal sponsors' regulations.

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- 3.01 As a branch campus of the OSU System, primary functions related to such efforts are managed and performed on behalf of OSUIT, by OSU-Stillwater. For details related to this activity, refer to OSU-Stillwater Policy and Procedures 4-0136, *Retroactive Cost Transfers Relating to Sponsored Agreements*.

Approved: March 2006
Revised: July 2009
Revised: February 2013