Project Manager Cost Transfer Notifications

In order to comply with UC policy requirements for cost transfers involving federal funds, PI's and Project Managers must be informed of financial activity, including cost transfers, on their awards/projects.

To meet policy requirements as referenced below, starting on the evening of February 18, 2021, each PI will receive a cost transfer notification after a cost transfer has been completed on their award/project before the 10 pm job runs. It is possible that PIs/PMs will receive an email notification for an extended period of time.

Q: Who will receive daily notifications?
A: PIs and Project Managers will only receive a notification when a cost transfer has been completed on their award/project before the 10 pm job runs. It is possible that PIs/PMs will receive an email notification for an extended period of time.

Q: Can I request to turn off daily notifications?
A: No, it is not possible to receive daily notifications of cost transfers on their award. As part of an enhancement to the report, and in collaboration with AMAS, we are exploring notification schedule options, such as weekly or monthly, as possible.

Q: Can the notifications be routed to Fund Managers?
A: Fund Managers will be included in the same email notification.

Q: Which policy requires that I receive notification?
A: The most specific guidance from the federal government on cost transfers is contained in the OMB Circular A-21, which states:

Cost transfers from one project to another or from one competitive segment to another are allowable if:

1. The error or cost transfer was caused by a responsible organizational official of the recipient, consortium, or sub-recipient and not by a responsible organizational official of the grantee.
2. The recipient maintained documentation of the cost transfers, pursuant to 45 CFR 75.116, which may include emails from the PI approving of the transfer or hardcopy forms demonstrating that the PI was aware and approved of the transactions, which could include emails from the PI approving of the transfer or hardcopy forms demonstrating that the PI was aware and approved of the transactions.
3. The transactions were certified and approved by the PI, department head (Chair), or other academic official.
4. Transfers involving federal funds, any cost transfer that is not electronically processed or using online systems, the certification and approval signatures must include that of the principal investigator (PI) or other academic official.
5. In the case of adjustments which involve Federal grants and contracts, the adjustment being made is “to correct an error,” “to transfer to correct project,” or “to correct subcontract charge by a responsible organizational official of the recipient, consortium, or sub-recipient and not by a responsible organizational official of the grantee.”
6. Recipients must maintain documentation of cost transfers, pursuant to 45 CFR 75.116, and must receive it available for such an error in accordance with 42 CFR 94.310(b) which states the “recipient should have systems in place to detect errors within a reasonable time frame, discover the nature of the error, and correct any identified errors. Frequent errors in recoding may indicate the need for accounting system improvements, such as additional training, and use of automated controls. If errors are caused by a responsible organizational official of the recipient, consortium, or sub-recipient and not by a responsible organizational official of the grantee, the recipient should be fully explained, justified, and approved by the appropriate administrative officials involved in the transaction (as explanation which merely states that the adjustment was made to correct a known error or to correct a known project, or “expansion of cost to correct incurred costs” is insufficient). In the case of adjustments which involve federal funds, any cost transfer that is not electronically processed or using online systems, the certification and approval signatures must include that of the principal investigator, department head, or other academic official. For transfers involving federal funds, if the recipient determines the error to be a cost transfer, the recipient must be fully explained, justified, and approved by the appropriate administrative officials involved in the transaction. (As explanation which merely states that the adjustment was made to correct a known error or to correct a known project, or “expansion of cost to correct incurred costs” is insufficient). In the case of adjustments which involve federal funds, any cost transfer that is not electronically processed or using online systems, the certification and approval signatures must include that of the principal investigator, department head, or other academic official. A: The most specific guidance from the federal government on cost transfers is contained in the OMB Circular A-21, which states:

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5. In the case of adjustments which involve Federal grants and contracts, the adjustment being made is “to correct error” or “to transfer to correct project” is not sufficient.
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