



MEMORANDUM

Fiscal Services

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TO: PIs and the Departmental Grant Administrators

FROM: Elizabeth Brock, Associate Vice President and Controller

DATE: June 15, 2009

SUBJECT: Cut-off Date for Processing Cost Transfers after Fiscal Year End

A handwritten signature in cursive script that reads "Beth Brock".

As you know, the Cost Transfer Policy, Administrative Policy No. 4007, addresses cost transfers on federal awards and states that there is an expectation that all PIs and responsible departmental staff charge the correct sponsored project initially. The PI or designee with direct knowledge of the sponsored project must review the account activity on a regular basis to ensure errors or adjustments are identified in a timely manner and the appropriate corrective actions are taken. Similar expectations apply to nonfederal awards, although a cost transfer form is not required when actions on nonfederal awards are taken later than 120 days of the original transaction.

It is critical to our status as a decentralized agency that the University's financial statements are prepared accurately in all material respects. Our financial statements are prepared based on a June 30 year end and submitted to the State in September. Therefore, cost transfers between federal or nonfederal sponsored funds and non-sponsored organizations (i.e., E&G, F&A, and Pools) that involve charges incurred prior to June 30 (both salary and non-salary items) must be processed no later than August 31. Should you determine that a prior year cost transfer is necessary, submit the appropriate form (reallocation or JV) to Beth Ives at MSN 4C6, along with an explanation of why the cost transfer was not processed prior to June 30.

I appreciate your attention to both the financial health of your projects and this processing requirement. Please do not hesitate to contact me with concerns or questions.