



Proposal
Submission



Award and Account
Establishment



After
Research
Commences



Closeout

What is a cost transfer?

A cost transfer is a mechanism used to transfer payroll and non-payroll transactions to or from a sponsored account and another USC account to accurately reflect the benefitting account. A cost transfer can occur for a variety of reasons, including: a clerical or bookkeeping error; an inappropriate initial allocation of a charge; or an initial charge to a non-sponsored account necessitated by a delay in finalizing contract negotiation on a sponsored account.

The Sponsored Projects Accounting (SPA) office is responsible for approving cost transfers if they involve at least one sponsored Grant Worktag.

Note: Transfers of costs are subject to agency audit. Any submissions without proper justification will not be approved, and SPA will transfer the costs to the dean's clearing Driver Worktag.

When must cost transfers be made?

- Cost transfers should be made within 90 days (or less, depending on the agreement) of when the error is discovered.
- No later than 15 days after the termination date of the budget period. If the cost transfer is related to salary, investigators must certify the changed effort accordingly.
- All cost transfers must be fully documented. Lack of required documentation will cause delays.

What requirements must be met in order for cost transfers to be approved?

- The timing of the cost transfer must adhere to USC and Sponsor requirements and policies.
- The expenses must be allowable, allocable, and reasonable on the receiving Grant Worktag.
- Proper documentation and justification must be provided for the transfer.

What is the difference between payroll and non-payroll Cost Transfers?

Accounting Journal for Cost Transfers formerly known as Non-Payroll Expense Transfers (NPET)

- Accounting Journals for Cost Transfers are used to reallocate non-salary/wage costs.
- To submit a transfer to/from a Grant Worktag, complete the Workday Accounting Journal.
- A quick reference guide (QRG) for this Workday process can be found here: https://fbs.usc.edu/files/2021/09/QRG-Create-Accounting-Journal-for-Grants-Dept_v1_released.pdf
- SPA will review and approve as appropriate.

Payroll Accounting Adjustments (PAA) formerly known as Payroll Expense Transfers (PET)

- Payroll Accounting Adjustments (PAA) are used to reallocate costs related to salary and wages. These transfers must be submitted electronically through the Payroll Accounting Adjustment task in Workday. A quick reference guide (QRG) for this Workday process can be found here: [QRG Create Payroll Accounting Adjustments 9.8.22.pdf](#)
- SPA will review any PAAs. If the Grant Worktag has a status of Closed, Closeout in Progress, Final Reconciliation, Freeze, or Void, the PAA will route to SPA for review and approval and if needed assign the appropriate next steps.

