

Resource transfers

Crossing funds with resource transfers should be avoided whenever possible because it compromises reporting and the integrity of our fund and function accounting framework. Resource transfers essentially convert resources from one fund to another fund. (There are recognized exceptions, such as transferring into plant funds and ISOs.) University policy calls out transfers involving "restricted" non-sponsored funds for particular scrutiny, but transfers between "unrestricted" non-sponsored funds also are very important and should be similarly scrutinized. Accurate reporting on unrestricted non-sponsored funds (O&M, tuition, ICR) is as important as accurate reporting on restricted non-sponsored funds.

Expense transfers

Use of expense transfers is highly preferable to resource transfers because reporting is not compromised when an expense is moved. Expense transfers are appropriate when the charge could have been put on the other fund initially. A charge is simply being moved from one appropriate place to another appropriate place. Expense transfers should not be used to correct transactions from previous fiscal years. RRC approval should not be required for expense transfers between funds. The expense transfer approver should apply the same scrutiny to charges to the new source of funds as they would to approving an original expense.

Recommendations:

All resource transfers between funds, above a de minimis threshold, should require RRC approval.

Allowable expense transfers between funds should not require RRC or Central approval.

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