

COMPTROLLER POLICY MANUAL

	<b>POLICY: CMP 430-29</b>
	Section: 400 Disbursements
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	Responsible office: Comptroller
	Origination date: 01/01/2000
<b>Subject: Expense Transfers - Non Payroll</b>	Effective date: 01/01/2000
	Revision date: 02/10/2016

**PURPOSE**

To define the policy and procedures for transferring non-payroll expenses in the PeopleSoft Financial System. See [CMP 430-28: Payroll Expense](#) Transfers for payroll expense transfer procedures.

**SOURCE**

University Policy

**BACKGROUND**

Departments are responsible for ensuring that expenses charged to their PeopleSoft Financial (PS Financials) Department/Projects are appropriate and relate to the purpose for which the Department/Project was established (see [CMP 203: Unit Manager Responsibilities](#)). In certain situations, expenses may be legitimately charged to a central Department with the knowledge that they should be charged to a different Department/Project account. Some examples would be for shared expenses and purchasing card transactions tied to a central purchasing card Department account. There are also times when a Department/Project is charged an expense in error. In both situations, the expense must be transferred to the appropriate Department/Project.

**POLICY**

**CMP 430-29: Expense Transfers – Non Payroll**

Expenses charged to Departments/Projects must relate to the purpose for which the Department was established. Expense activity that does not relate to the Department/Projects purpose must be transferred to an appropriate Department/Project. Expense transfers should be made within 30 days of the original charge and within cutoff dates for year-end close.

Expense transfers must NOT be made to cover for a budget deficit or a negative fund balance in a Department/Project, or to build local fund balances when the expenses are unrelated to the Department/Project to which the expenses are being transferred. In addition, expenses CANNOT be transferred to grant accounts simply because they have unexpended funds. Departments should contact the [Budget Office](#) with questions regarding budget or fund balance deficits and [Office of Sponsored Projects](#) for questions regarding transfers to Grant accounts.

Department/Projects that wish to fund activity in another Department/Project may do so by voluntary fund transfer according to [CMP 430-26: Voluntary Fund Transfers](#). An example would be a College providing funding support to Student Services for a cultural event, or funding a cost sharing department for cost sharing commitments.

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**Note: voluntary fund transfers cannot be made to or from state or agency Departments.**

**PROCEDURE**

Expense Transfers are recorded in PS Financials on a Departmental Journal (IDT - Internal Departmental Transfer or IST - Internal Service Center Transfer journal source).

**Interdepartmental Department Journals (IDT journals):**

Departments are able to process their own Departmental journals for legitimate expense transfers between Departments/Projects or within the same Department/Project to correct/adjust expense account coding. When submitted for approval, valid IDT journals will route to the Department being charged for approval. In addition, certain expense transfers against grant projects will be routed to the Office for Sponsored Projects for approval.

**Service Center Journals (IST journals):**

Service Centers may request that *only* their department be required to approve journals for services center charges on journals with a journal source of IST. Service center charges are presumed to be pre-approved by departments/project requesting the service, and thus do not require approval when the charges are recorded. Service Centers are defined through Comptroller Policy [CMP 401-02:NAU Service Center Policy](#), however, departments don't necessarily have to meet the policy requirements to request the ability to process journals using the IST journal source. To request Service Center IST journal approval department managers must submit an e-mail to [Ask-FAS@nau.edu](mailto:Ask-FAS@nau.edu) with the following information:

- Department ID:
- Department Name:
- Description of services provided:
- How are services authorized (e.g., e-mail, request form - attach request form):
- Does CMP Policy 401-02 apply to Department (Yes or No):

**Supporting Documentation:**

As a general rule, supporting documentation should be attached to the IDT when a journal cannot stand on its own in terms of justification and/or to assist an Approver's evaluation of the appropriateness of the transaction.

Journal transactions **generally not needing** supporting documentation:

- Reversing and correcting journals referencing original journals or sub system documents (e.g. Expense Report or Voucher).
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- P-card transfers between accounts within the same department or project (e.g., travel transfers to appropriate travel accounts)
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- P-card transfers between departments where p-card charges are being allocated from a central p-card department.
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- Service center IST journals referencing service request information

Journal transactions where supporting documentation is **recommended**:

- P-card or other expense transfers to an outside department (e.g., Biology to Engineering)

Journals **requiring** supporting documentation attachments:

- Any IDT requiring Office of Sponsored Projects (OSP) approval.
- Documentation to justify an expense transfer against grant projects where the IDT is routed through the PeopleSoft workflow for OSP approval must be submitted through the PeopleSoft attachments functionality. Such transactions must meet the OSP Transfer Guidelines.

See instructions and overview documentation for Departmental Journals at:

[https://nau.edu/its/learn/psfinancials\\_journalcreation/](https://nau.edu/its/learn/psfinancials_journalcreation/)

See instructions for using the “Attachments” button at: [https://nau.edu/its/learn/psfinancials\\_Attachments/](https://nau.edu/its/learn/psfinancials_Attachments/)

**CROSS-REFERENCE**

For information on voluntary fund transfers, see [CMP 430-26: Voluntary Fund Transfers](#).

For instructions and a form for transferring Payroll Expenses, visit the [ITS Web Site](#) or see [CMP 430-28](#).