

COMPTROLLER POLICY MANUAL

 NORTHERN ARIZONA UNIVERSITY	POLICY: CMP 430-29
	Section: 400 Disbursements
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	Responsible office: Comptroller
	Origination date: 01/01/2000
Subject: Expense Transfers	Effective date: 01/01/2000
	Revision date: 04/21/2020

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 policy.

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

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.

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

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PROCEDURE

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

Interdepartmental Department Journals (IDT journals):

Departments are able to process their own journals for legitimate expense transfers between Departments or within the same Department to correct/adjust expense account coding. If transferring between departments, the original expense account should be used to maintain the nature of the expense (do not use 739XX accounts). 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 center charges are presumed to be pre-approved by Departments/Projects 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 do not 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 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:

Supporting documentation must 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.

Journals **requiring** supporting documentation attachments:

- P-card or other expense transfers to an outside department (e.g., Biology to Engineering)
- P-card transfers between accounts within the same department or project (e.g., travel transfers to appropriate travel accounts)
- P-card transfers between departments where p-card charges are being allocated from a central p-card department.
- All expense transfers should include a detailed public purpose (including why moving the expense), and a screenshot of the existing expense.

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- Any IDT requiring Office of Sponsored Projects (OSP) approval.

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

- Service center IST journals referencing service request information

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/comptroller/wp-content/uploads/sites/66/Departmental-Journal-Overview.pdf>

See instructions for using the “Attachments” button at: 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, see [CMP 430-28](#).