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# THE CATHOLIC UNIVERSITY OF AMERICA



## Finance Orientation

**October 20, 2009**

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# **GENERAL ACCOUNTING – EXPENSE TRANSFERS & PAFS**



# Account Transfers

- ❖ Account transfers
  - Two primary kinds of transfers
    - *Expense transfers* – move expenses charged in one org to another org; expenses should be tracked in the org the expense benefited
    - *Fund transfers* – Excess funds from one org are transferred to another org with inadequate funds
  - All fund transfers from a budgeted fund (11/12/15) must be approved by the Budget Office
  - Budget Office will not usually approve a transfer from a budgeted fund to a reserve fund
  - Transfers cannot be made in funds 47, 51, 53 or any 7x fund
  - Transfers involving grant funds have more stringent rules and are not always allowed. A Cost Transfer Form must be completed by the PI and sent to the Grants and Contracts Office. (See Grants & Contracts website)



# Account Transfers (Cont'd)

- ❖ To request a transfer send email to Lizy Kannarkat:
  - Whether you want a fund transfer or an expense transfer
  - Amount
  - Reason (maintained for audit documentation purposes)
  - Copy of invoice if expense transfer (for audit documentation purposes)
  - Both chartfields - specifically indicate the “from” and “to” chartfields
  - Include approval of **fund manager** for the org whose available balance will decrease
  - Include approval of budget analyst if transfer involves fund 11, 12 or 15
- ❖ For gift transfers, send this information to Sheri Hardison, who will determine whether the transfer can be made based on accounting rules
- ❖ To transfer revenue deposits, send this information to Renell Lewis.



# Account Transfers (cont'd)

- ❖ Fund transfer will appear in account 8900, 8903 or 8910 in the affected orgs:

2910	Catering	-	-	18,024.00	18,024.00
5500	Services - Other	-	-	-	-
5505	Advertising	-	-	-	-
8900	Interfund Transfers	-	-	14,529.02	14,529.02
8903	Interdept'l Charges	-	-	(41,626.75)	(41,626.75)
8910	Intrafund Transfers	-	-	(8,771.26)	(8,771.26)
	<b>Z401-Supplies &amp; General Exps</b>	-	-	<b>(4,930.46)</b>	<b>(4,930.46)</b>

- 8900 – Transfer between orgs with different fund numbers
  - 8910 – Transfer between orgs with same fund number
  - 8903 – Inter-departmental charge (e.g. ad in the Tower)
- ❖ Expense transfer will not show as a separate line – Expenses will decrease in one org and increase in the other org by the amount transferred

# Project Approval Form (PAF)

- ❖ All capital projects must be pre-approved by Budget Committee, even if funding is available
- ❖ Approval Routing Process
  - Executive Director of Facilities
  - Departmental Authorization
  - Vice President of Project Area
  - Assistant Treasurer/Budget Director
  - VP Finance
  - General Accounting (who processes it)



# Project Approval Form (PAF)

- ❖ PAF must include:
  - Funding source
  - Description of work detailed enough for General Accounting to determine whether or not it is a capital item under accounting rules
  - A budget, if over \$50,000

