

**THE MEDICAL COLLEGE OF GEORGIA  
ADMINSTRATIVE PROCEDURES**

**Office of Primary Responsibility**  
**Comptroller's Division-Financial Accounting**

**Subject:**  
**Processing Cost Transfers**

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**1.0 Purpose:** To present the procedures for processing cost transfers.

**2.0 Note:** If expenses need to be moved after they have been processed a cost transfer will be approved by Financial Accounting or sponsored accounting. If deemed appropriate by Financial Accounting or Sponsored Accounting, a journal entry will be processed to move the expense (s).

**3.0 Procedure: Processing Cost Transfers**

3.1 Responsibility: Department

- 3.1.1 Decides a cost transfer is necessary.
- 3.1.2 Completes the appropriate cost transfer form.
  - 3.1.2.1 Payroll: [http://www.mcg.edu/comptroller/pdf\\_files/cost\\_trsf\\_payroll.pdf](http://www.mcg.edu/comptroller/pdf_files/cost_trsf_payroll.pdf)
  - 3.1.2.2 Accounts Payable: [http://www.mcg.edu/comptroller/pdf\\_files/cost\\_trsf\\_jrnl\\_vchr.pdf](http://www.mcg.edu/comptroller/pdf_files/cost_trsf_jrnl_vchr.pdf)
  - 3.1.2.3 Other journal entries: [http://www.mcg.edu/comptroller/pdf\\_files/cost\\_trsf\\_jrnl\\_entries.pdf](http://www.mcg.edu/comptroller/pdf_files/cost_trsf_jrnl_entries.pdf)
- 3.1.3 Ensures that justification for cost transfer is explained on form and a copy of the Budget transaction detail report with cost highlighted is attached.
- 3.1.4 Obtains proper Departmental approvals.
- 3.1.5 If fund is 20000 or 21021 and a payroll cost transfer send form with backup to Grants & Contracts for approval. All other forms should be sent directly to Financial Accounting.

3.2 Responsibility: Sponsored Accounting

- 3.2.1 Receives **ALL** Payroll Cost Transfers.
- 3.2.2 Receives cost transfer form.
- 3.2.3 Reviews for appropriateness.
  - 3.2.1.1 If appropriate, approves cost transfer.
  - 3.2.1.2 If not approved, is returned to department with explanation of why it was not approved.

3.3 Responsibility: Financial Accounting

- 3.3.1 Receives cost transfer form.
- 3.3.2 Reviews for appropriateness.
  - 3.3.2.1 If appropriate, approves cost transfer.
  - 3.3.2.2 If not approved, is returned to department with explanation of why it was not approved.
- 3.3.3 Enters journal entry into PeopleSoft to complete cost transfer.
  - 3.3.3.1 Payroll: MCG Utilities – Use – Cost Transfer
  - 3.3.3.2 Accounts Payable: Enter Voucher Information – Use – Journal Voucher
  - 3.3.3.3 Other Journal Entries: Process Journals – Use – Journal Entry
- 3.3.4 Files documentation in applicable file.