

Cost Transfer Checklist

Completion of the checklist is recommended to assist in determining if a cost transfer is allowable. If you answer “no” to any of the questions 1-6 below, then the cost transfer is not allowable.

Questions	Yes	No
1. The expense directly benefits the receiving award?		
2. The expense is allowable on the receiving award?		
3. If the cost transfer is for administrative or clerical salaries, does this expense comply with the applicable federal regulations? Note: Under Uniform Guidance the requirements for direct charging these costs have changed.		
4. The transaction meets all sponsor requirements? (e.g. restrictions on travel or equipment, Fly America Act, etc.)		
5. The transfer complies with all Princeton’s and sponsor’s policies? There is a valid reason why the expense was charged to the incorrect sponsored project chartstring?		
6. The reasons for any delay in a timely processing of the transfer are valid and fully documented?		

Additional consideration should be given to the following questions when initiating a cost transfer.

- Is the expense budgeted? Note: Budgeted expenses provide a stronger indication of the allowability of the cost, but if the expenses were not budgeted they may still be appropriate if they provided a direct benefit to the award. Reasons for budget variances should generally be documented by the department, and when appropriate approved by the sponsor.
- Is this error a result of a systemic issue? Note: Systemic issues are indications of control weaknesses within a business process that if not addressed will cause errors to be repeated. Steps should be taken to timely address these issues.