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Proactively Prevent Cost Transfers Before and During Award Set-Up at Department Level

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Department of Systems Biology, City of Hope

Learning Objectives:

- Learn what key pre-award and award set-up stage resources and documents are available to prevent cost transfers
- Create a broad framework that leverages institutional resources and systems to implement what is learned

Agenda:

- What are Cost Transfers?
 - Why is it important to avoid Cost Transfers?
- What does preventing Cost Transfers look like at the Department Level?
- Prevent Cost Transfers before Award set-up
- Prevent Cost Transfers at Award set-up
- Create a Checklist to Proactively Prevent Cost Transfers

What are Cost Transfers?

What are Cost Transfers?

- **After-the-fact reallocation** of personnel and non-personnel costs from one project to another.

- When?

- Pre-award costs need to be transferred in
- Costs benefit several projects
- Error correction

Can be prevented!



Error Correction

- Costs not allowed by project due to sponsor restrictions
- Costs identified as utilized by a specific award
- Retroactive allocation of personnel effort as budgeted in a grant
- Moving off costs after budget period or award end

Why is it important to avoid Cost Transfers?

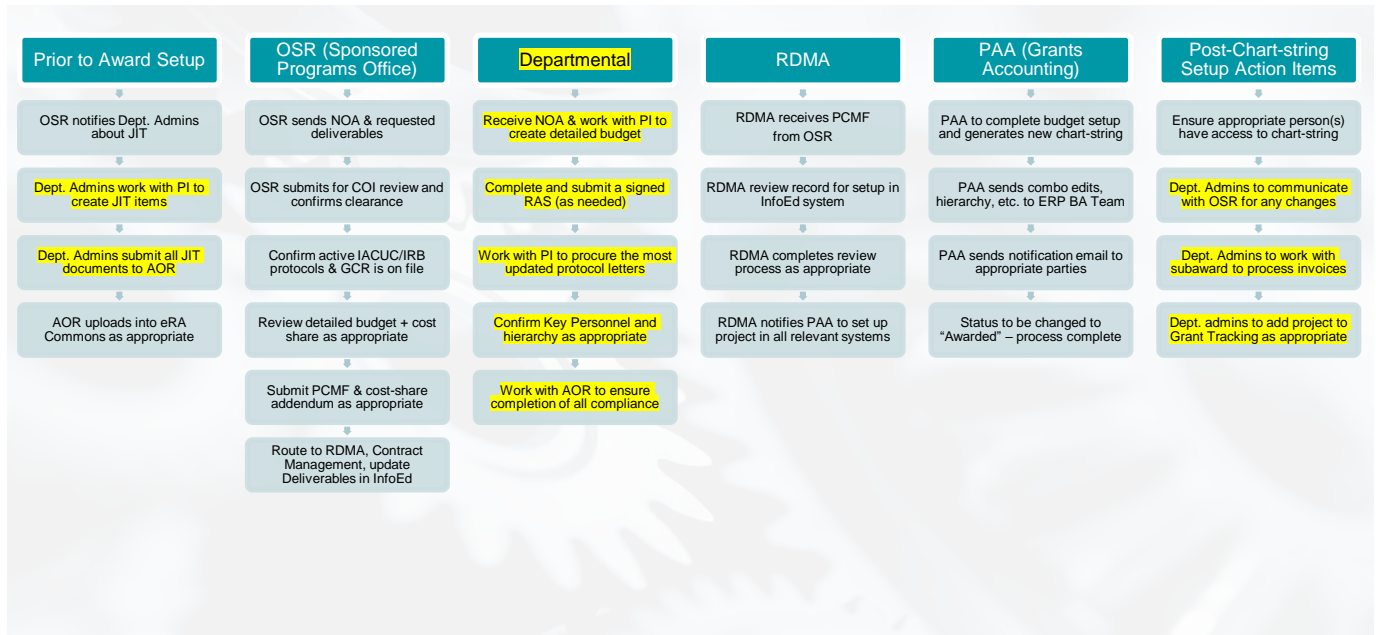
NIH Grants Policy Statement

7.5 COST TRANSFERS, OVERRUNS, AND ACCELERATED AND DELAYED EXPENDITURES

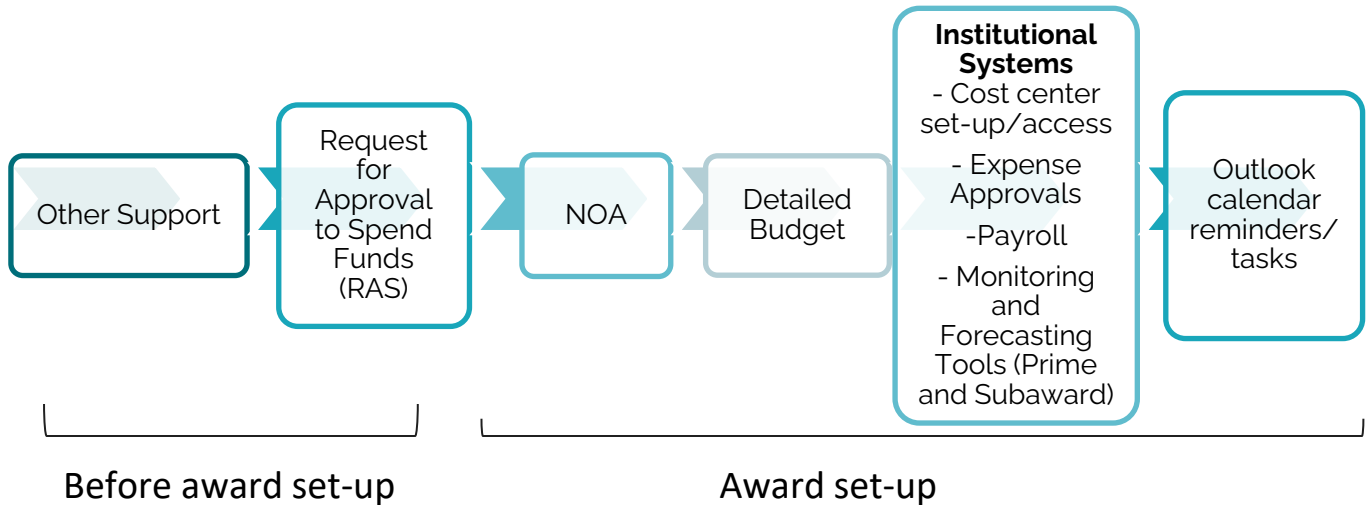
Cost transfers to NIH grants by recipients, consortium participants, or contractors under grants that represent corrections of clerical or bookkeeping errors should be accomplished within 90 days of when the error was discovered. The transfers must be supported by documentation that fully explains how the error occurred and a certification of the correctness of the new charge by a responsible organizational official of the recipient, consortium participant, or contractor. An explanation merely stating that the transfer was made “to correct error” or “to transfer to correct project” is not sufficient. Transfers of costs from one project to another or from one competitive segment to the next solely to cover cost overruns are not allowable.

Recipients must maintain documentation of cost transfers, pursuant to 2 CFR Part 200.337, and must make it available for audit or other review (see [Administrative Requirements—Monitoring—Record Retention and Access](#)). The recipient should have systems in place to detect such errors within a reasonable time frame; untimely discovery of errors could be an indication of poor internal controls. Frequent errors in recording costs may indicate the need for accounting system improvements, enhanced internal controls, or both. If such errors occur, recipients are encouraged to evaluate the need for improvements and to make whatever improvements are deemed necessary to prevent reoccurrence. NIH also may require a recipient to take corrective action by imposing additional terms and conditions on an award(s).

Prevent Cost Transfers at the Department Level



Key documents and resources



Key documents and resources

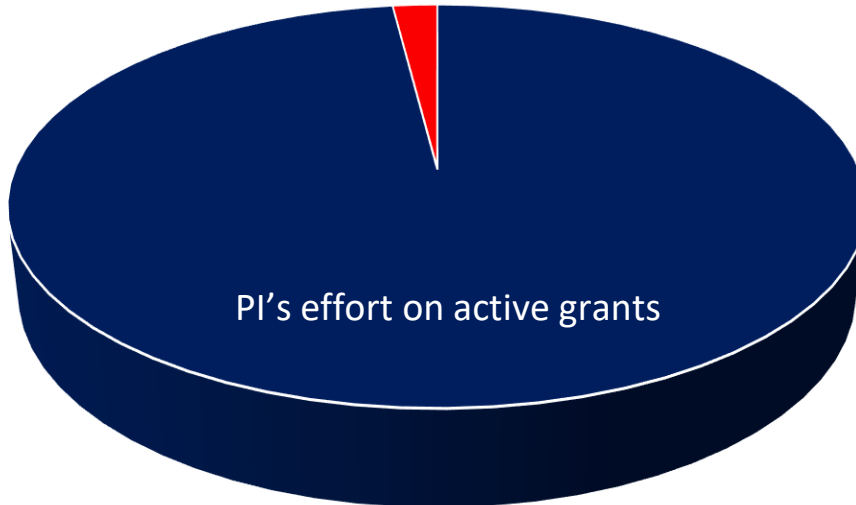


Prevent Cost Transfers before Award set-up

Prevent Cost Transfers before Award Set-up

Resources or Documents	Key Information	Strategy/Action Items
Other Support	PI effort on external grants	Monitor and discuss: Is PI effort on active grants (aligning with submission start date) within 12 CM, and is there a plan to address any overcommitment?
Request for Approval to Spend Funds (RAS)	Pre-award spending with prior sponsor approval; pending COI clearance; pending protocol approvals; etc.	Submit Request for Approval to Spend Funds (RAS) to charge project-related expenses before the actual award is received (as allowed by sponsor and institutional requirements).

Address Potential Overcommitment if Grant is Awarded



Prevent Cost Transfers during Award set-up

Prevent Cost Transfers during Award set-up

Resources or Documents	Key Information	Strategy/Action Items
Sponsor-provided Notice of Award	<ul style="list-style-type: none"> - Start and end dates - Named key personnel - Allocation per budget category - Restrictions - Streamlined Noncompeting Award Process (SNAP)? - Reporting due dates 	<ul style="list-style-type: none"> • Coordinate with PI to submit detailed budget in alignment with NoA. • Utilize Outlook calendar reminders/tasks for payroll/reporting reminders.
Institutional Lab Supplies/Expense Approval Systems (for e.g., ERP and iLabs)	<ul style="list-style-type: none"> - Start and end dates - Amounts budgeted per expense category 	<ul style="list-style-type: none"> • Ensure lab staff receive procurement training and are briefed on allowable, allocable, reasonable, consistent, and timely non-personnel expense allocations based on sponsor guidelines. • Provide access to designated cost centers as appropriate.

Review Notice of Award



National Institutes of Health NATIONAL CANCER INSTITUTE		FAIRN R37CA276517 Federal Award Date 07/15/2023
Recipient Information	Federal Award Information	
Recipient Name BECKMAN RESEARCH INSTITUTE OF THE CITY OF HOPE 1500 DUARTE RD DUARTE, CA 91010	11. Award Number 1R37CA276517	
Congressional District of Recipient 31	12. Unique Federal Award Identification Number (FAIN) R37CA276517	
Payment System Identifier (ID) 1953432210A1	13. Statutory Authority 42 USC 241 42 CFR 52	
Employer Identification Number (EIN) 953432210	14. Federal Award Project Title [REDACTED]	
Data Universal Numbering System (DUNS) 027176833	15. Assistance Listing Number 93-396	
Recipient's Unique Entity Identifier NPH1VN32EWNS	16. Assistance Listing Program Title Cancer Biology Research	
Project Director or Principal Investigator [REDACTED]	17. Award Action Type New Competing	
Authorized Official Sylvia Daniela Campos	18. Is the Award R&D? Yes	
Federal Agency Information	Summary Federal Award Financial Information	
Awarding Agency Contact Information Ashley Michelle Utter NATIONAL CANCER INSTITUTE ashley.utter@nih.gov 240-276-5635	19. Budget Period Start Date 07/15/2023 – End Date 06/30/2024	
Program Official Contact Information Chanelle Shappan NATIONAL CANCER INSTITUTE chshappan@mail.nih.gov 240-276-6220	20. Total Amount of Federal Funds Obligated by this Action 20 a. Direct Cost Amount \$438,242 20 b. Indirect Cost Amount \$188,241	
	21. Authorized Carryover 22. Offset	
	23. Total Amount of Federal Funds Obligated this budget period \$438,242	
	24. Total Approved Cost Sharing or Matching, where applicable 50	
	25. Total Federal and Non-Federal Approved this Budget Period \$438,242	
	26. Project Period Start Date 07/15/2023 – End Date 06/30/2028	
	27. Total Amount of the Federal Award including Approved Cost Sharing or Matching this Project Period \$438,242	
	28. Authorized Treatment of Program Income Additional Costs	
	29. Grants Management Officer - Signature Alice Ch Wong	
Remarks: Acceptance of this award, including the "Terms and Conditions," is acknowledged by the recipient when funds are drawn down or otherwise requested from the grant payment system.		

Provide Access to designated cost centers to PI, lab members, and as relevant

From: Pooja Sathyanarayanan
Sent: Friday, October 4, 2024 10:24 AM
To: [REDACTED]
Cc: [REDACTED]
Subject: Shared Resources Grant Chartstring

Hi all:

I have provided access on iLabs to the below Shared Resources chartstring, up to \$30k can be expended on this chartstring.

30000-8010101-10014-[REDACTED]-STRAT

Thank you!

RE: Animal Charges [REDACTED] -October 2024

Pooja Sathyanarayanan

To: [REDACTED]
Cc: [REDACTED]

-ti [REDACTED]

The [REDACTED] COA is now active. Can you confirm you're now able to make the below c

Investigator	Protocol	Colony	
[REDACTED]	23150	3447/NZM2328	30000.898042.40001 [REDACTED] PCGF
[REDACTED]	23150	3447/NZM2328	30000.898042.40001 [REDACTED] PCGF



coh.ilabsolutions.com/about/show_profile/111

iHope - City Of Hop... Home - Learning &... Oracle PeopleS...

Agilent CrossLab | iLab Operations Software

Filter Chart-strings

Filter Members

Name	Default Chart-string	
[REDACTED]	None	<input checked="" type="checkbox"/>
[REDACTED]	None	<input type="checkbox"/>
[REDACTED]	None	<input type="checkbox"/>
[REDACTED]	None	<input type="checkbox"/>
[REDACTED]	None	<input checked="" type="checkbox"/>
[REDACTED]	None	<input checked="" type="checkbox"/>
[REDACTED]	None	<input checked="" type="checkbox"/>
[REDACTED]	None	<input checked="" type="checkbox"/>
[REDACTED]	None	<input checked="" type="checkbox"/>
[REDACTED]	None	<input checked="" type="checkbox"/>

30000-8010101-10014-2013473-STRAT

Prevent Cost Transfers during Award set-up

Resources or Documents	Key Information	Strategy/Action Items
Institutional Portal to Schedule Payroll	<ul style="list-style-type: none">- Start and end dates- Key/Non-Key Personnel effort- Costshare requirements, if any	<ul style="list-style-type: none">• Schedule payroll in alignment with approved budget• Utilize Outlook/calendar calendar reminders to stop payroll on award end date
Institutional resources to Monitor and Manage Spending: <ul style="list-style-type: none">- For e.g., PeopleSoft	<ul style="list-style-type: none">- Amount budgeted- Actuals per budget category	<ul style="list-style-type: none">• Implement regular monitoring and forecasting of project expenses, including costshare requirements – if applicable• Coordinate with PI and lab staff on non-personnel expenses allocated.

Prevent Cost Transfers during Award set-up

Resources or Documents	Key Information	Strategy/Action Items
Subaward set-up and Expense Monitoring Tools	<ul style="list-style-type: none">• Detailed Budget and SoW of subawardee• Invoices received, balance remaining for budget period	<ul style="list-style-type: none">• Coordinate with PI, subaward PI, Sponsored Programs Office, and Purchasing to set-up Purchase Order and confirm there are no changes to SoW on an ongoing basis• Create Outlook/calendar reminders to regularly follow-up with subawardee on pending invoices, and add funds as appropriate 2 mos prior to new PoP• Implement subaward tracking system.

Implement Subaward Tracking System

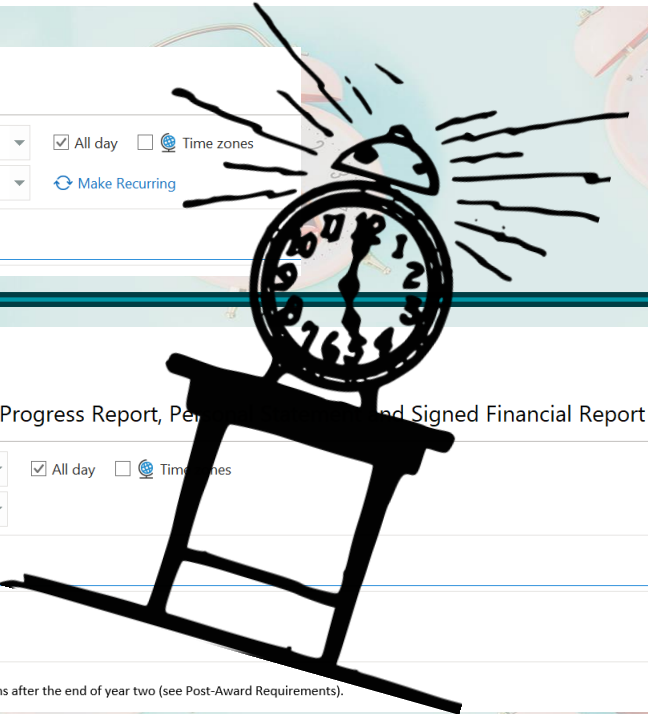
PAYMENT LOG

Subaward Agreements and Grant-Funded Consultant/Vendor Agreement

Name of Subcontractor:		[REDACTED]									
Subaward Account Code:		Subaward Letter: A		Account Code: 669301							
Subaward No.:		[REDACTED]									
Period of Performance:		7/1/2021	to	6/30/2026	Total Agreement Limit:		\$ 53,763.00				
Chartstring:		[REDACTED]			Carryover Automatic (Y/N):		Y				
NTract #:											
Agreement / Amendment #		Full Execution Date	Purchase Order #		Amount Obligated in This Action		Cumulative Amount				
Original Agreement			30002 [REDACTED]		\$ 27,091.00		\$ 27,091.00				
Amendment 1		8/31/2022	30002 [REDACTED]		\$ 26,672.00		\$ 53,763.00				
Amendment 2							\$ 53,763.00				
Amendment 3							\$ 53,763.00				
Amendment 4							\$ 53,763.00				
Amendment 5							\$ 53,763.00				
Total:							\$ 53,763.00				

SUBCONTRACTOR INVOICE						Cumulative		Submitted to AP	
Invoice Number:	Invoice Period:	Invoice Date:	Amount:	PO Number:	Account Code:	Amount:	Balance:	Date Submitted:	Submitted By:
Voucher 1 (0259G591 2210141557)	07/01/2021-08/31/2022	11/11/2022	\$ 4,298.16	30002		\$ 4,298.16	\$ 49,464.84	12/2/2022	POOJA
Voucher 2 (0259G591 2210141557)	07/01/2021-08/31/2022	11/11/2022	\$ 4,298.16	30002		\$ 8,596.32	\$ 45,166.68	12/2/2022	POOJA
Voucher 3 (0259G591 2334131530)	09/01/2022-02/28/2023	6/6/2023	\$ 9,244.69	30002		\$ 17,841.01	\$ 35,921.99	6/6/2023	POOJA
Voucher 4 (0259G5912306211227)	07/01/2022-06/30/23	6/21/2023	\$ 5,614.67	30002		\$ 23,455.68	\$ 30,307.32	6/21/2023	
Voucher 5 (0259G5912308181436)	07/01/2022-06/30/23	8/18/2023	\$ 2,188.21	30002		\$ 25,643.89	\$ 28,119.11	8/29/2023	
Voucher 6 (0259G91240410553)	07/01/2023-02/29/2024	4/10/2024	\$ 17,152.69	30002		\$ 42,796.58	\$ 10,966.42	4/23/2024	
			\$ -			\$ 42,796.58	\$ 10,966.42		

Outlook calendar reminders/tasks



Save & Close

Title: Stop 2008037 Payroll

Start time: Mon 3/24/2025 12:00 AM ☒ All day ☐ Time zones

End time: Mon 3/24/2025 12:00 AM [Make Recurring](#)

Location: |

Occurs day 14 of every 1 month(s) effective 1/14/2025 until 4/14/2026

Green Category


Save & Close

Title: (PI:) Final Progress Report, Personal Statement, and Signed Financial Report due 4/14/2025

Start time: Fri 3/14/2025 12:00 AM ☒ All day ☐ Time zones

End time: Fri 3/14/2025 12:00 AM

Location: |

 .pdf 72 KB

A final progress report, personal statement and signed financial report are due three months after the end of year two (see Post-Award Requirements).

Checklist Example

#	Checklist to Prevent Cost Transfers during Award Set-Up	Complete
1	Review NoA	
2	Add reporting due dates and award end dates to stop payroll to Outlook calendar	
3	Update and submit detailed budget per sponsor guidelines	
4	Request for Approval to Spend Funds (RAS) (as applicable)	
5	Update PI's Other Support information	
6	Request Nvision Access (for designated cost center) from Nvision Owner	
7	Schedule Payroll on Centricity	
8	Update Labor Projections on Grant Tracking	
9	Share designated cost center information for orders	
10	Provide access to designated cost center for iLabs orders	
11	Initiate Outgoing Agreement Request Form (OARF) for Subaward and/ Consultant set-up	
12	Schedule reminders to monitor subaward invoicing monthly, and follow-up with subawardee if needed and applicable	
13	Add OARF Year 2-X due dates (2 months before start of POP) to calendar for Subaward and/ Consultants	

Activity: Create a Checklist

Activity: Create a Checklist

Time: 15 minutes

- What are the most common reasons for cost transfers in your department?
- What is your institution's cost transfer policy and process?
- What institutional resources can you leverage to prevent cost transfers?
- Your checklist can be specific to the pre-award, award set-up stage, or both.
- Take a minute or two to visualize completing these tasks.

00 : 00 : 00



Change Clock Type
Digital ▼

Duration: 00 ▼ 15 ▼
00 ▼

Activity: Reflections and insights!



Helpful Resources

- https://grants.nih.gov/grants/policy/nihgps/html5/section_7/7.2_the_cost_principles.htm
- [7.5 Cost Transfers, Overruns, and Accelerated and Delayed Expenditures](#)

Acknowledgements

- Amanda He, Research Business Manager, City of Hope
- Grace Francisca, Senior Research Operations Analyst, City of Hope
- Ikuko Bentsi-Barnes, Senior Research Business Manager, City of Hope
- Jaclyn Lucas, Director, Office of Sponsored Research, City of Hope
- Margarita Veselinov, Sr. Business Director, City of Hope

Questions?

