Correcting Document Guidelines for Preparing - FV50, CD-01, & PAR involving Sponsored Projects

NOTE: These guidelines are meant to serve as a supplement to the Correcting Document Guide.

Anytime a correction is initiated an assumption is formed that the original transaction was not handled properly. If expenses are being transferred to a sponsored project, there will be considerable scrutiny of the reasons for the transfer and the justification for moving those charges.

If a project has an overdraft, there is a presumption that any proposed correction is to alleviate the overrun and may not be transferred to another sponsored project merely for the sake of resolving a deficit or an allowability issue.

Criteria for corrections involving sponsored projects must:

1. Conform to University and sponsor policies (is it allowable, allocable, and reasonable?)
2. Be Timely
   a. Cost transfers should be prepared and submitted as soon as the need for a transfer is identified but no later than 90 days from the end of the calendar month in which the transaction appears. A shorter period may be necessary near the project end date.
   b. Cost transfers exceeding this time frame will require additional documentation as to why the transfer request was not made in a timely manner.
3. Cost transfers must contain a justification that clearly shows:
   a. Allowability and allocability to the new sponsored project.
   b. Reason for the correction.
   c. Reason for the delay in the timely processing of the transfer if the transfer date exceeds the time frame listed above (2, a).
   d. System generated errors that created a need for the correction have been corrected to prevent future errors.
   e. It was reviewed by a person who has first-hand knowledge on the use of the service or item being corrected.
4. Utilize the Correcting Document Template

A good justification will allow anyone reviewing the correction to understand how the expense benefits the receiving sponsored project. It should answer the questions listed in 1-4 above. It should be easily understood by anyone without prior knowledge of the issue.

Tips:

- If an S&E charge is involved and allowable to the project but exceeds available funds and is being moved to an unrestricted source, use S&E GL’s #527010 (Research), 527020 (Instruction/Department), or 527030 (Extension & Public Service) for voluntary cost sharing.
- PI certification is necessary for specific situation outlined in the Correcting Document Guide.
- Explanation should include the document number, transaction date(s), amount, pay period, etc. of original transaction.
- Print or type the name below or next to the signature line of the PI or person that is signing the certification and the pre-auditor if not listed on the correcting document template.

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