Funding Transfers:

Throughout the project’s period of performance, ORA will initiate transfers of funds from the cost sharing source to the 04/24 fund. The amount of the transfer will be sufficient to cover the expenses that have been posted to the 04/24 fund at that point. For June 30 year-end close procedures, all fund 04 and 24 accounts must be funded to cover expenses that have been posted throughout the fiscal year. For projects that have a termination date of, or prior to June 30 of the current fiscal year, ORA may transfer the entire cost share commitment up front. In the event that not all funds are spent, the balance is returned upon completion of the project.

The entry to transfer unrestricted cost sharing funds out of the funding departmental account to the project’s 04 fund is to debit account 70400 in the departmental account. The entry to transfer restricted funds to a 24 fund is to debit 72400 in the source account. Check with Business Services to adjust your departmental budget for position management purposes (position management requires the 7xx00 account line to have a budget). You’ll need to reduce some other budget line(s), such as salary/fringe, that are being cost shared for the increase to the 7xx00 line). Keep in mind, although the overall departmental budget is being decreased, an employee’s salary which is being used for cost sharing purposes, will no longer be paid from the departmental account. The effect on the departmental account will be a wash and results in no change in the departmental account balance.

When it is time to process cost sharing funding transfers to cover expenses that have been charged to funds 04 or 24, ORA relies on information provided on the PARS system. At the time of submission, cost sharing information concerning the dollar amount and which chart field is providing it, was listed in PARS. We recognize that these plans are developed early on in the submission stage. If the source of cost sharing subsequently changes, please notify ORA of the alternate funding source. This is especially important at the time the budgets are entered so that we don’t set up an 04 fund if the plan changed to utilize restricted funds that would require a fund 24 instead of an 04. Please contact Bob Lavigne at ORA if the source of funding is changing.