

Transfer Account Instructions

Note: A Transfer Matrix (showing which accounts to use once approval/correctness has been determined) is available at the end of this document.

A transfer account is used for various types of transactions including:

- Moving funding for a project/ defined activity,
- Moving prior year expenses from one chartfield combination to another,
- Covering an overdraft, or
- Moving a balance to close a project/chartfield.

The guidelines for appropriate use of a transfer account can vary depending on the fund codes involved in the transfer. This document provides guidelines to assist units in determining when use of a transfer account is appropriate within a fund and when a transfer is allowable between funds.

A transfer matrix is available on the Financial Operations (FinOps) website to assist units in determining which transfer accounts to use for the debit and credit of their Journal Entries (JE) once a transfer via JE has been determined to be appropriate. This document conveys the same information as the [transfer matrix](#) in a written form. (The transfer matrix is located at the end of this document.) Units should not deviate from this guidance without prior approval from FinOps, which will be granted on a case by case basis.

The following fund codes are used within the General Ledger:

- General Fund: 10000
- Sponsored Funds: 20000 (Federal) 25000 (Non-Federal)
- Gift Fund: 30000
- Designated Fund: 40000
- Auxiliary Funds: 5XXXX
- Plant Funds: 8XXXX
- Endowment Funds: 7XXXX, EXXXX, PXXXX, QXXXX, UXXXX, TXXXX

When processing journals using transfer accounts, it is important to make sure the proper Class Code is used to ensure that the transfer represents the correct function or use of the funds.

Journals that transfer funding (a bucket of money for a specific purpose) between chartfields should utilize the Class Group that reflects the future intended purpose for the funds, and this Class Group should be the same on both sides of the transfer entry. For example: When the Dean's Office allocates funding for departmental research from the Dean's discretionary chartfields to a Faculty's research incentive project grant, the Dean's discretionary chartfields would most likely have class 46000 associated with them. However, the journal used to transfer the funding would use Class 21000 on both sides of the entry, to reflect that the intended purpose for the funding is for departmental research. Below is an example of this type of JE:

Account	Fund	DeptID	Program	Class	P/G	Amount	Jrn Ref	Jrnl Line Description
624350	40000	170000	DISCR	21000	U020567	1,000.00		Tsf funding for dept research
624210	40000	173500	RESIN	21000	U021547	(1,000.00)		Tsf funding for dept research

Journals that transfer activity (i.e. expenses incurred in a prior year) between chartfields should also have the same Class Group on both sides of the transfer entry, and this Class Group should be the same as that associated with the expenses when they were originally incurred. For example: If the expenses were originally classified as research and a journal needs to be prepared to move an amount equivalent to those expenses from a prior year to another set of chartfields, the class code should remain a research class on both sides of the transfer entry to ensure that the original function associated with this activity does not change. Below is an example of this type of JE:

Account	Fund	DeptID	Program	Class	P/G	Amount	Jrn Ref	Jrnl Line Description
624350	40000	170000	DISCR	21000	U020567	1,000.00		Tsf FY16 exp to new P/G
624210	40000	173500	RESIN	21000	U021547	(1,000.00)		Tsf FY16 exp to new P/G

Occasionally, a class is allowable in one fund, but not another or would be more appropriate at another class. When transferring between funds in this situation, it is most vital that the first digit (Class Group) is maintained in the transfer. An example of this would be an Organized Research Grant in Sponsored Programs (class 22000) with expense overages being moved to a discretionary chartfield in the Gift fund, which would use class 21000 on the Gift fund side which would maintain the class group, while signifying that the overages are Departmental Research and not Organized Research.

Departments may transfer prior fiscal year activity that is less than \$10,000 via a JE (using revenue or expense accounts) up to 120 days beyond the end of the respective fiscal year (i.e. from July 1st through October 31st) as long as it meets the following criteria:

- Adjusting JE must use the same fund, account, department, and class group
- Expense transfers between funds can only occur in the following circumstances:
 - Between unrestricted funds
 - Between a restricted fund and an unrestricted fund to resolve a deficit balance

Transfers involving the General Fund

Transfers involving the General Fund are limited due to the specific nature of the dollars that support General Fund activities. Generally transfers in or out of the fund are unallowable. However, there can be transfer activity within the General Fund between departments. Below is a listing of allowable transfers involving the General Fund.

- Transfers between General Fund (Fund 10000) chartfields - use the following accounts when processing the journal entry.

Account Number	Account Name
450100	Trsf Approp Faculty Salaries
450200	Trsf Approp Staff Salaries
450400	Trsf Approp Fringe Benefits
450600	Trsf Approp Supplies & Other
450700	Trsf Approp Equipment

450750	GF Appropriation Defer/Rec
450800	General Fund Roll-up Adjust
451100	Trsf Approp Adjustment
451110	Trsf Approp Fin Aid UG
451200	Trsf Approp Fin Aid Grad
451300	Trsf Approp Plant Imp

- Transfers to cover overdrafts – only for closing a chartfield combination or P/G on either side of the transfer. Always use account 624790 (Trf to Cover Overdraft) on both sides of the transfer journal entry (JE).
 - If overdraft is in the General Fund (Fund 10000)
 - Can transfer the overdraft to Funds 10000, 30000 (if it meets applicable donor restrictions), 40000 and 5XXXX (except 52000)
 - The General Fund (Fund 10000) can generally accept overdrafts from
 - Funds 10000, 20000, 25000, 30000, 40000
 - For overdrafts in fund 52000, contact Financial Analysis for help in determining the best practice in the individual situation
- Transfers from other funds to fund cost share on a Sponsored Project is an allowable transfer into Fund 10000.
 - Use account code 422000 (Non-General Fund Cost Sharing) on both sides of the JE
- Other transfers involving Sponsored Funds (Funds 20000 & 25000); contact your Sponsored Programs Coordinator for assistance.
 - Fixed price balance transfers should use account 624790 (Trf to Cover Overdraft) on both sides of the JE
 - Covering an overdraft on a Sponsored Project – Use account 624790 (Trf to Cover Overdraft) on both sides of the JE
- Funding transfers (except to cover overdrafts) between Funds 10000 and 30000, 40000, or 5XXXX are generally not allowed.
 - A unit can move appropriate expense activity that has posted to the general ledger in the current fiscal year between the two chartfield combinations as long as it does not cause a credit balance on a particular account code on the credit side of the transaction (cannot transfer more expenses than have been incurred)
 - If activity is from a prior year it cannot be moved in or out of the General Fund (Fund 10000)
 - For Gift Fund (Fund 30000), the activity must meet the Donor's intent
 - A unit can request approval from the Office of Budget and Planning (OBP) to transfer funds out of the General Fund (Fund 10000) to another Fund. If approved, use account 624400 on both sides of the transaction and attach the approval as support to the journal. If approval is not attached, the transaction will be reversed by Financial Operations.
 - A unit can move funds from a General Fund (Fund 10000) chartfield to a Fund 30000, 40000 or 5XXXX Project/Grant (P/G) by keeping the funds in General Fund (Fund 10000) on the receiving unit's P/G. The receiving unit should spend the funds using this new chartfield combination.

- Transfers from the General Fund (Fund 10000) to the Plant Funds (8XXXX Funds) are allowable under the following scenarios.
 - To provide funding for a construction project in fund 80000 or 81000
 - To provide funding for the repair or replacement of equipment in the Departmental Equipment Fund (82000)
 - Once funds are transferred to Fund 82000 they cannot be transferred back to the General Fund (Fund 10000) without prior approval from Financial Operations
- Transfers to the Agency Fund are generally unallowable unless the General Fund is paying for a service provided by the agency or reimbursing the agency for an expense that should have originally been recorded to the General Fund.

Transfers Involving Sponsored Funds

Transfers involving Sponsored Funds should be discussed with the Sponsored Programs Coordinator for the project before processing. Generally, the Sponsored Programs Office will process the transfers involving Sponsored Projects.

- Fixed price balance transfers - these can be transferred to Funds 10000, 40000 and 5XXXX only.

Fund	Account for Debit	Fund	Account for Credit
20000	624790	10000	624790
20000	624430	40000	624910
20000	624830	5XXXX	624910

Fund	Account for Debit	Fund	Account for Credit
25000	624790	10000	624790
25000	624430	40000	624805
25000	624830	5XXXX	624805

- Covering an overdraft on a Sponsored Project
 - Use account 624790 (Trf to Cover Overdraft) on both sides of the transaction
 - Class codes for overdraft transfers involving a Sponsored Project

Sponsored (20000/25000) Fund Class	10000/30000/40000/5XXXX Fund Class
16XXX	11000
22XXX	21000**
31XXX	31100
312XX	31100**

** use 22000 or 312XX on non-sponsored fund side if Shortcode being used maps to class 22000 or 312XX

- Funding General Fund cost sharing on a Sponsored Project
 - Allowable transfer accounts when funding cost share from General Fund (Fund 10000)

Fund	Account for Debit	Fund	Account for Credit
Sponsored Project in General Fund	450100	10000	450100
Sponsored Project in General Fund	450200	10000	450200
Sponsored Project in General Fund	450400	10000	450400
Sponsored Project in General Fund	450600	10000	450600
Sponsored Project in General Fund	450700	10000	450700
Sponsored Project in General Fund	451100	10000	451100
Sponsored Project in General Fund	451110	10000	451110
Sponsored Project in General Fund	451200	10000	451200
Sponsored Project in General Fund	451300	10000	451300

- Funding cost share from a non-general fund source

Fund	Account for Debit	Fund	Account for Credit
Sponsored Project in General Fund	422000	30000, 40000, or 5XXXX (except 52000)	422000

- All other transfers are generally unallowable in Sponsored Funds (Funds 20000 & 25000). Please review the Sponsored Programs Cost transfer guidelines at <http://www.finance.umich.edu/programs/chartfields/funds/current/restricted/nonfederal/transfersguidelines>

Transfers involving the Gift Fund

Transfers involving gift funds are restricted by the Donor's specified intent for their gift. Contact Financial Operations if there are questions with regard to donor restrictions. Provided a transfer meets the Donor's intent, use the following guidelines to process the transfers.

- Transfers within the Gift Fund (Fund 30000)
 - Use account 624350 (Intrafund Transfers Out) on the debit side and account 624210 (Intrafund Transfers In) on the credit side
- Transfers to cover overdrafts – only for closing a chartfield combination or P/G on either side of the transfer. Always use account 624790 (Trf to cover overdraft) on both sides of the JE.
 - If overdraft is in Gift Fund (Fund 30000)
 - Can transfer the overdraft to 10000, 30000 (if it meets donor restrictions), 40000 and 5XXXX (except 52000)
 - Gift fund can accept overdrafts from
 - 10000, 20000, 25000, 30000, 40000, 5XXXX
- Transfers to other funds, excluding overdrafts
 - Can move expense activity that has posted to the general ledger in the current fiscal

year between the two chartfield combinations as long as it does not cause a credit balance on a particular account code on the credit side of the transaction (cannot transfer more expenses than have been incurred). Use the incurred expense accounts to complete these transactions.

- If activity is from a prior year, use the proper transfer accounts from the transfer matrix
- See transfer matrix for proper account codes to use on these transfers
- Transfers to the General Fund (Fund 10000) are not allowed
 - A unit can move funds to a Fund 10000 P/G by keeping the fund on the receiving Project/Grant 30000. The receiving unit should spend the funds received using this new chartfield combination.

Transfers involving the Designated Fund and Auxiliary Funds (excluding 52000)

Transfers involving these Unrestricted Funds are less restrictive. Many possible combinations of transfer accounts exist. Refer to the transfer matrix to determine the proper account codes to use. Some important items to consider are:

- Transfers to cover overdrafts – only for closing a chartfield combination or P/G on either side of the transfer. Always use 624790 (Trf to cover overdraft) on both sides of the JE.
 - If overdraft is in 40000 or 5XXXX
 - Can transfer the overdraft to 10000, 30000 (if it meets donor restrictions), 40000 and 5XXXX
 - Can accept overdrafts from
 - 10000, 20000, 25000, 30000, 40000, 5XXXX
 - Overdrafts relating to fund 52000 (which is used for recharge activity)
 - Can transfer overdraft to 10000 (if approved by Financial Analysis), 30000 (if it meets donor restrictions), 40000 and 5XXXX
 - Fund 52000 cannot accept overdrafts from any other chartfield combination in any other fund
- Transfers of activity
 - If the activity is from a prior fiscal year, use the proper transfer accounts from the matrix to move prior year activity between funds when allowable
 - If the activity is from the current year, a unit can move the expense activity that has posted to the general ledger between the two chartfield combinations as long as it does not cause a credit balance on a particular account code on the credit side of the transaction (cannot transfer more expenses than have been incurred)

Transfers involving the Plant Funds

Transfers involving the Plant Funds are intended to provide funding for capital projects depending on which Plant Fund is involved. The Plant Funds are considered non-operating funds, meaning expenses are for capital related purposes such as repairs, maintenance or space renovations.

For all Plant Funds:

- See transfer matrix for the proper account codes to be used for the transfer
- The class code for these transfers should be 73000 on both sides of the JE

For specific Plant Funds:

- Transfers to Construction Funds (Funds 80000, 80500)
 - Transfers to these funds are providing funding for a construction/renovation project
 - See capitalization guidelines on the Financial Operations website relating to construction projects
<http://www.finance.umich.edu/finops/accounting/construction>
- Transfers to Information Technology (IT) Construction Funds (Funds 81000, 81500)
 - Transfers to these funds are providing funding for IT infrastructure and software development or purchase
 - See capitalization guidelines on the Financial Operations website relating to IT projects <http://www.finance.umich.edu/finops/accounting/construction>
- Transfers to Departmental Equipment Funds (Funds 82000, 82500)
 - Transfers to these funds are providing funding for current or future equipment purchases/replacements, minor renovations and other non-operating expenditures such as repairs and maintenance of physical plant and equipment
 - Funds cannot be returned once committed without prior approval from Financial Operations
- Transfers to Maintenance Equipment and Reserve Fund (Fund 83000)
 - Transfers to this fund are from Auxiliary units with approved recharge rates through Financial Analysis
 - Transfers are generally equivalent to depreciation on equipment used in an approved recharge rate or a calculated amount for deferred maintenance of physical plant

Transfers involving the Endowment Funds

Transfers involving the Endowment Funds should only be processed by FinOps or other approved central units. Schools and Colleges should not process any Endowment Journal Entries. Contact FinOps for assistance if you feel a JE is required.

Transfer Matrix

Last
Updated:
11/16/2016

This chart is meant to provide the proper account codes to use on transfers after either being approved by the appropriate area or deemed appropriate per the Transfer Account Instruction document found on Financial Operations' website

Notes: Debt related transfers should be discussed with the Non-Current Funds Supervisor (647-3778).

Student Loan related transfers should be discussed with the Student Loans Supervisor (763-6607)

Credit Side

Debit Side		10000	20000	25000	30000	40000	5XXXX	Endowment Funds	80XXX, 81000	82XXX	83000	90000
	10000	Use accounts in the General Fund Transfers account group (450100 - 451200)	624790 Debit (10000) 624790 Credit (20000)	624790 Debit (10000) 624790 Credit (25000)	If approved by OBP use 624400 on both sides and attach the approval as support	If approved by OBP use 624400 on both sides and attach the approval as support	If approved by OBP use 624400 on both sides and attach the approval as support	If approved by OBP use 624400 on both sides and attach the approval as support	624570 Debit (10000) 420800 Credit (80XXX, 81XXX) Class 73000 on both sides	624590 Debit (10000) 420800 Credit (82000) Class 73000 on both sides	N/A	Contact the SSC @ 615-2000, Option 3, then Option 4
	20000	624790 Debit (20000) 624790 Credit (10000)	624350 Debit (20000) 624210 Credit (20000)	624815 Debit (20000) 624910 Credit (25000)	624510 Debit (20000) 624910 Credit (30000)	624430 Debit (20000) 624910 Credit (40000)	624830 Debit (20000) 624910 Credit (5XXXX)	624450 Debit (20000) 624910 Credit (Endow Fund)	N/A	N/A	N/A	N/A
	25000	624790 Debit (fund 25000) 624790 Credit (fund 10000)	624550 Debit (25000) 624805 Credit (20000)	624350 Debit (25000) 624210 Credit (25000)	624510 Debit (25000) 624805 Credit (30000)	624430 Debit (25000) 624805 Credit (40000)	624830 Debit (25000) 624805 Credit (5XXXX)	624450 Debit (25000) 624805 Credit (Endow Fund)	N/A	N/A	N/A	N/A
	30000	If approved by OBP use 624400 on both sides and attach the approval as support	624550 Debit (30000) 624490 Credit (20000)	624815 Debit (30000) 624490 Credit (25000)	624350 Debit (30000) 624210 Credit (30000)	624430 Debit (30000) 624490 Credit (40000)	624830 Debit (30000) 624490 Credit (5XXXX)	624450 Debit (30000) 624490 Credit (Endow Fund)	624570 Debit (30000) 421400 Credit (80XXX, 81XXX) Class 73000 both sides	624590 Debit (30000) 421400 Credit (82000) Class 73000 both sides	Contact Financial Operations	Contact the SSC @ 615-2000, Option 3, then Option 4
	40000	If approved by OBP use 624400 on both sides and attach the approval as support	624550 Debit (40000) 624410 Credit (20000)	624815 Debit (40000) 624410 Credit (25000)	624510 Debit (40000) 624410 Credit (30000)	624350 Debit (40000) 624210 Credit (40000)	624830 Debit (40000) 624410 Credit (5XXXX)	624450 Debit (40000) 624410 Credit (Endow Fund)	624570 Debit (40000) 421500 Credit (80XXX, 81XXX) Class 73000 both sides	624590 Debit (40000) 421500 Credit (82XXX) Class 73000 both sides	N/A	Contact the SSC @ 615-2000, Option 3, then Option 4
	5XXXX	If approved by OBP use 624400 on both sides and attach the approval as support	624550 Debit (5XXXX) 624810 Credit (20000)	624815 Debit (5XXXX) 624810 Credit (25000)	624510 Debit (5XXXX) 624810 Credit (30000)	624430 Debit (5XXXX) 624810 Credit (40000)	624350 Debit (5XXXX) 624210 Credit (5XXXX), when same fund or 624830 Debit (5XXXX) 624810 Credit (5XXXX), when different funds	624450 Debit (5XXXX) 624810 Credit (Endow Fund)	624570 Debit (5XXXX) 421100 Credit (80XXX, 81XXX) Class 73000 both sides For Med School to Fund 82500 624575 Debit (5XXXX) 6241005 Credit (82500) Use Class 31100 both sides	624590 Debit (5XXXX) 421100 Credit (82000) Class 73000 both sides For Med School to Fund 82500 624575 Debit (5XXXX) 421005 Credit (82500) Use Class 31100 both sides	624850 Debit (5XXXX) 421100 Credit (83000) Class 73000 both sides	Contact the SSC @ 615-2000, Option 3, then Option 4
	Endowment Funds	If approved by OBP use 624400 on both sides and attach the approval as support	624550 Debit (Endow Fund) 624470 Credit (20000)	624815 Debit (Endow Fund) 624470 Credit (25000)	624510 Debit (Endow Fund) 624470 Credit (30000)	624430 Debit (Endow Fund) 624470 Credit (40000)	624830 Debit (Endow Fund) 624470 Credit (5XXXX)	624350 Debit (Endow Fund) 624210 Credit (Endow Fund) Remember to move Shares if applicable	N/A, but can tsf to Operating Fund, then from Operating Fund to 80XXX, 81XXX	N/A, but can tsf to Operating Fund, then from Operating Fund to 82XXX	N/A, but can tsf to Operating Fund, then from Operating Fund to 83000	Contact the SSC @ 615-2000, Option 3, then Option 4
	80XXX, 81XXX	420800 Debit (80XXX, 81XXX) 624570 Credit (10000) Use Class 73000 both sides	624550 Debit (80XXX, 81XXX) 624570 Credit (20000) Use Class 73000 both sides	N/A	N/A	421500 Debit (80XXX, 81XXX) 624570 Credit (40000) Use Class 73000 both sides	421100 Debit (80XXX, 81XXX) 624570 Credit (5XXXX) Class 73000 both sides For Med School to Fund 80500 421005 Debit (80500, 81500) 624575 Credit (5XXXX) Use Class 31100 both sides	N/A, but can tsf from Plant Fund to Operating Fund then from Operating Fund to Endow Fund	420100 Debit (8XXXX) 420100 Credit (8XXXX) Class 73000 both sides	420100 Debit (8XXXX) 420100 Credit (8XXXX) Class 73000 both sides	420100 Debit (8XXXX) 420100 Credit (8XXXX) Class 73000 both sides	Contact the SSC @ 615-2000, Option 3, then Option 4
	82XXX	420800 Debit (82XXX) 624590 Credit (10000) Use Class 73000 both sides	624550 Debit (82XXXX) 624590 Credit (25000) Use Class 73000 both sides	N/A	N/A	421500 Debit (82XXX) 624590 Credit (40000) Use Class 73000 both sides	421100 Debit (82000) 624590 Credit (5XXXX) Class 73000 both sides For Med School to Fund 82500 421005 Debit (82500) 624575 Credit (5XXXX) Use Class 31100 both sides	N/A, but can tsf from Plant Fund to Operating Fund then from Operating Fund to Endow Fund	420100 Debit (8XXXX) 420100 Credit (8XXXX) Class 73000 both sides	420100 Debit (8XXXX) 420100 Credit (8XXXX) Class 73000 both sides	420100 Debit (8XXXX) 420100 Credit (8XXXX) Class 73000 both sides	N/A
	83000	N/A	N/A	N/A	Contact Financial Operations	N/A	421100 Debit (83000) 624850 Credit (5XXXX) Use Class 73000 both sides	N/A, but can tsf from Plant Fund to Operating Fund then from Operating Fund to Endow Fund	420100 Debit (8XXXX) 420100 Credit (8XXXX) Class 73000 both sides	420100 Debit (8XXXX) 420100 Credit (8XXXX) Class 73000 both sides	420100 Debit (8XXXX) 420100 Credit (8XXXX) Class 73000 both sides	N/A
	90000	Contact the SSC @ 615-2000, Option 3, then Option 4	N/A	N/A	Exp Acct Debit (90000) 405225 Credit (30000)	Contact the SSC @ 615-2000, Option 3, then Option 4	Contact the SSC @ 615-2000, Option 3, then Option 4	Exp Acct Debit (90000) 405225 Credit (Endow Funds)	Contact the SSC @ 615-2000, Option 3, then Option 4	N/A	N/A	624350 Debit and 624210 Credit