Transfers between Project IDs or Funds

The following account codes should be used if actual dollars or fund balances need to be moved between project IDs or funds. These codes are programmed to print in the “Transfer” section of the revised FMS financial reports.

61100 - FA - Fund Transfers In
61101 - FA - Intrafund Transfers In
61105 - FA - Foundation Transfers In
62300 - FD - Fund Transfers Out
62301 - FD - Intrafund Transfers Out
62305 - FD - Foundation Transfers Out

The purpose of these accounts is to transfer items between funds or project IDs. The items posted to these accounts should be of a nature that they cannot be posted to another revenue or expense account. Transferring items between funds or project IDs does not change the overall fund balance of the University and should be accomplished by using the 6XXXX accounts listed above. When one of these accounts is used to make a transfer between project IDs, the offset account should also be one of the 6XXXX accounts in order for the University’s total transfers to net to zero (see NOTE below).

There are some transactions that do not fit into the categories of revenue or expenses. These transactions should be accounted for using the 6XXXX transfer accounts.

The word transfer can be used to mean several things including:
- transferring revenues between project numbers or funds,
- transferring expenditures between project numbers or funds,
- making budget transfers,
- transferring dollars between project numbers or funds.

When we talk about moving revenues or expenditures from one project ID or fund to another project ID or fund, we should use the terminology of “reclassifying” or “reimbursing” revenues or expenditures. If we are moving a budget allocation, we must clearly state “budget transfer.”

If we use the term “transfer,” we are moving dollars from one project ID or fund to another project ID or fund. These “transfers” do not represent increases/decreases in revenue or expenses and they are not transfers of budget amounts (budget transfers). As defined by NACUBO in the Financial Accounting and Reporting Manual (FARM), classified by Generally Accepted Accounting Principles (GAAP - GASB Codification Section 1800, NCGA-1), and adopted by the State of Washington (SAAM 80.20.10), “transfers” move fund balances and as such should be recorded and reported separately from operating revenues and expenditures.
NOTE: if you use a "transfer out" code on a general ledger entry, you must use a corresponding "transfer in" code so that transfer entries always balance (are "two-sided"). If this is not done, the CWU financial statements will not be reported properly.

Example:

If project id XXXX1 needs to transfer $5,000 of cash to XXXX2, the entry should look like:

<table>
<thead>
<tr>
<th>ID</th>
<th>Account</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>XXXX1</td>
<td>11100</td>
<td>(5,000)</td>
</tr>
<tr>
<td>XXXX1</td>
<td>6XXXXX</td>
<td>5,000</td>
</tr>
<tr>
<td>XXXX2</td>
<td>11100</td>
<td>5,000</td>
</tr>
<tr>
<td>XXXX2</td>
<td>6XXXXX</td>
<td>(5,000)</td>
</tr>
</tbody>
</table>