

## Overview – Object Code 4822 and 4827 (Cost Sharing Transfers)

### When to Use Object Code 4822 and 4827 (Cost Sharing Transfers for Grants)

- Object code 4822 (Cost Sharing Transfer - Committed) and object code 4827 (Cost Sharing Transfer - Uncommitted).
- Object code 4822 is used on both sides of the journal when mandatory or voluntarily committed costs in support of a sponsored project (5xxxxx fund) have been identified and funded.
- Object code 4827 is used on both sides of the journal when funding cost overruns on a 5xxxxx fund.
- Mandatory cost sharing is the Institution's commitment required as a condition of the solicitation, announcement, or terms and condition of the award. Voluntary cost sharing is the portion of project costs committed, expressed, or quantified in the proposal budget or justification to the sponsoring agency but not required or funded by the sponsoring agency. The expenditures and resources for both mandatory cost sharing and voluntarily committed cost sharing must be accounted for under a separate grant fund number and charged to appropriate expense and revenue object codes. The transfer of departmental resources to offset the expenses on mandatory and voluntary cost share funds are processed using a journal entry crediting object code 4822 on the grant and a corresponding debit on object code 4822 to the departmental funding source.
- When specific costs on a grant fund were not identified and committed to be funded in advance, the grant fund is credited using object code 4827 and the departmental funding source for these general cost overruns is debited using object code 4827.
- The sponsored project (5xxxxx fund) is always credited.
- The fund debited can be 0xxxxx, 4xxxxx, or 6xxxxx, provided that the expenses in the sponsored project (fund 5xxxxx) meet the debited fund's restrictions. The debited fund should never be a 5xxxxx fund.
- If the cost-sharing is being funded by UPHS instead of by a University organization, then two journals need to be done:
  - The UPHS interfund is debited using object code 15xx and the departmental 000000 fund is credited using an inter-entity transfer object code (4823 or 4824).
  - Then the departmental 000000 fund is debited using cost sharing transfer object code 4822 or 4827, and the sponsored project (5xxxxx fund) is credited using the same cost sharing transfer object code.

NOTE: Must use the "*Journal Entry - G&C Transfers for Cost Sharing*" responsibility.