

University of Central Florida Guidance & Directive	
Guidance & Directive No: ORC-02	Date of Adoption/Revision: September 2006
Subject	Cost Transfers
Authority	OMB Circular A-21
Applicability	Administration of Sponsored Projects

1.0 Statement and Purpose

OMB Circular A-21 (C)(4)(b) reads: "Any costs allocable to a particular sponsored agreement under the standards provided in this Circular may not be shifted to other sponsored agreements in order to meet deficiencies caused by overruns or other fund considerations, to avoid restrictions imposed by law or by terms of the sponsored agreement, or for other reasons of convenience"... "Any cost allocable to activities sponsored by industry, foreign governments or other sponsors may not be shifted to federally sponsored agreements." To comply with the cost allowability and allocability requirements of OMB A-21, it is necessary to explain and justify transfers of charges to federal awards from other federal accounts, non-federal accounts or University accounts (including transfers from the departmental cost share account to the sponsored project account). The purpose of this document is to provide guidance to all University personnel responsible for the timely and compliant processing of cost transfers on sponsored projects. The University's colleges, offices, departments and employees have the responsibility to remain in compliance with the applicable Federal Circular (OMB A-21) and/or the terms on the agreement with the sponsoring agency. Failure to comply with these guidelines may result in the disallowance of expenditures from the sponsored project account. At the discretion of the Office of Research & Commercialization (ORC), this may result in transferring the expenditures from the Contracts and Grants account to an unrestricted funding account in the department of origination.

2.0 General Information

The University requires that all costs charged to sponsored awards must be allowable, allocable, reasonable and timely. Costs should be charged to the appropriate sponsored project account when incurred. Diligent review of financial records and timely communication between principal investigators and departmental administrators should prevent the necessity for transfers; however, there are circumstances where it is necessary to transfer expenditures to or from a sponsored project subsequent to the initial recording of the charge (see "Cost Transfer Necessity" section for further guidance). Consistent with OMB A-21, the University prohibits cost transfers based on funding considerations (i.e., cannot transfer costs to use up remaining funds), but rather be based on programmatic need. Cost transfers should be initiated as soon as the error is discovered, or within 60 calendar days after the end of the month the original charge was recorded, whichever comes first. Federal regulations require that transfers to federally funded sponsored accounts be timely, properly documented and accompanied with a justification for the transfer request. To demonstrate that adequate financial controls are in place, cost transfers should be minimized. Costs may not be transferred

to other research projects or from one budget period to the next period to cover cost overruns.

3.0 Definitions

3.1 Cost Transfer - A transfer of expenditures to or from an externally funded contract or grant that has been previously recorded to another sponsored project/department account. Cost transfers may involve salary costs and related fringe benefits, or non-salary costs, such as supplies or equipment. Cost transfers are executed by means of a University Off-Line Journal entry form.

3.2 Sponsored Projects - An externally funded activity that is governed by specific terms and conditions. Sponsored projects must be separately budgeted and accounted for subject to terms of the sponsoring organization. Sponsored projects may include grants, contracts and cooperative agreements for research, training and other public service activities.

4.0 Duties and Responsibilities

4.1 Principal Investigator (PI) - determines that there is a need for a cost transfer due to an improper charge. When necessary, the PI must provide the required documentation and justification to support the cost transfer. The PI should also initiate the appropriate payroll documents (i.e. personnel action forms) for any requested salary cost transfer. The PI is responsible for monitoring the timeliness of expenditures as well as the cost transfers for their projects on a monthly basis.

4.2 Department - Enters and processes cost transfer journals compliant with the guidelines outlined in this document. The Department is responsible for retaining hard copies of all related documentation in accordance with record retention guidelines (see "Records Retention" section below).

4.3 Department Chair - Establish effective processes and controls that will help ensure compliance with this guidance and directive.

4.4 Dean - Provide general oversight and problem resolution.

4.5 Office of Research & Commercialization (ORC) – Reviews and approves all sponsored project cost transfer requests and all payroll documents associated with salary cost transfers. ORC is also responsible for the development and implementation of cost transfer policies and procedures and assistance with the development of education and training programs for all employees involved in the cost transfer process. ORC monitors cost transfers to ensure University compliance with all governing regulations and guidelines and reports questionable practices and recurring problems to the Dean, Department Chair, Vice President for Research, Provost and Vice President of Academic Affairs, and University President. ORC is responsible for assisting University employees in the interpretation and implementation of this guidance document.

- 4.6 Controller's Office** - Processes the necessary transactions to create a cost transfer (with the exception of revised salary documentation such as the personnel action form). The Controller's Office also coordinates with the appropriate departments to help ensure that there is appropriate documentation to support the cost transfer.
- 4.7 Office of Human Resources** - Processes the revised payroll documents that are submitted as a result of salaries being charged incorrectly to a sponsored project.
- 4.8 Vice President for Research** - Oversees the formulation of the University's Cost Transfer Policy.

5.0 Cost Transfer Necessity

- 5.1** Although costs should always be charged to the correct sponsored project account when incurred, cost transfers are sometimes necessary. OMB A-21 requires that any costs allocable to a sponsored project may not be transferred to another sponsored project in order to meet deficiencies caused by cost overruns or other fund considerations, to avoid restrictions imposed by law or by terms of the sponsored agreement, or for other reasons of convenience. In addition to federal guidance, sponsors may have specific guidelines on cost transfer allowability. The Office of Research & Commercialization should be consulted when clarification or guidance is requested related to the allowability of any proposed cost transfer.
- 5.2** The University allows cost transfers involving sponsored projects in the following circumstances (refer to "Timeliness" section for guidance relating to the allowability of cost transfers based on timeliness):
 - 5.2.1** Error correction - Correction of errors is required on all sponsored projects. Errors may include data entry and clerical errors, such as typographical errors or transposition of digits. Other errors may be detected upon review of monthly expenditures. It may be that a PeopleSoft record was not updated, an individual's effort was redirected, or a purchase was charged to a sponsored project other than the one that ultimately benefited from the use of the items purchased.
 - 5.2.2** Continuation Costs - If a continuation award is anticipated after the end date of the current award, costs may continue to be charged to the active account, if approved by the ORC.
 - 5.2.3** Cost transfers between tasks of the same sponsored project - Cost transfers between subactivities of the same sponsored project account are generally allowable.

- 5.2.4 Costs benefiting more than one project** - When a particular cost to a sponsored project benefits another sponsored project, that cost may be transferred to the other sponsored project account, provided that: (1) the initial cost could appropriately have been charged to the other sponsored project; (2) the transfer explanation is clear as to why the particular charge is appropriate to either of the sponsored projects (included in the approved budgets of both sponsored projects); and (3) the transfer is processed within the required timeframe.
- 5.2.5 Costs transferred in anticipation of a cost overrun** - PI's are responsible for the management of any costs incurred on their sponsored projects. Upon review of a sponsored project, it may be determined that an overrun might occur. If an overrun is anticipated, allowable costs may be transferred to another sponsored project that also benefited from the cost. Specific documentation supporting the shared benefit must be provided. In the instances that costs may not be transferred to another sponsored project, the cost must be treated in the same manner as cost sharing and funded by an appropriate cost share or departmental account.
- 5.2.6 Disallowed costs** - Upon review of sponsored project expenditures and during the life of the award or at project closeout, it may be determined that an unallowable cost was charged to a sponsored project. In this instance, the cost must be treated in the same manner as cost sharing and funded by an appropriate cost share account or the department account in which the charge originated.
- 5.2.7 Reallocation of effort to reflect actual effort** - If a reallocation of effort is identified subsequent to the actual charging of the original committed effort, the principal investigator must initiate the required personnel action forms for employees dedicating effort to that particular sponsored project. In this case, salary costs may be transferred to accurately reflect actual effort. Changes in effort commitments may require sponsor notification/pre-approval and formal modification in the award documents. Cost transfers relating to the reallocation of effort may require additional procedures (see "Time and Effort Payroll Appointments" guidance).
- 5.2.8 Indirect/facilities and administrative costs adjustment** - If a variance is identified relating to the appropriate indirect/facilities and administrative costs for a sponsored project during the final fiscal reporting process, Finance and Accounting (Finance) may adjust the cost via a transfer.
- 5.3** Generally, the University does not allow cost transfers involving sponsored projects in the following circumstances:

5.3.1 Pre-award costs - For the effective and economical conduct of a sponsored project, it is sometimes necessary for costs to be incurred before the receipt of the official award document. OMB A-110 generally allows these costs up to 90 days prior to receiving the award. Costs incurred prior to the start date of the award are considered "pre-award" costs. In such instances, PI's must request the ORC to approve the set up of a temporary project account to charge allowable pre-award costs until the official award has been received by the University. Once approved, Finance is responsible for creating the temporary account. When the official award is received, the temporary account number becomes the permanent sponsored project number by updating the funding source reducing the need for cost transfers. There may be occasional instances a temporary account may not be feasible, or the need for one is unknown. When a department later determines that allowable costs related to a sponsored project were charged to a department account, the costs may be transferred to the new sponsored project account with the approval of ORC.

5.3.2 Closeout of sponsored project accounts - PI's must be proactive in monitoring and managing their sponsored projects to only incur costs that are reimbursable. Generally, costs incurred after the end date are considered unallowable. Monthly monitoring of sponsored research activities will reduce the need to request transfers in the last month of the project. Unless otherwise specified or negotiated with the sponsoring agency, the University does not allow cost transfers in the following circumstances:

- A. **Actual cost overruns (post project end date)** - PI's may not transfer costs to another sponsored project in the occurrence of a cost overrun. The cost must be treated in the same manner as cost sharing and funded by an appropriate cost share or departmental account.
- B. **Unspent balances (post project end date)** - Remaining balances identified at the close of a sponsored project must be returned to the sponsor and may not be transferred to another sponsored project. Exceptions may include fixed price contracts and sponsored agreements allowing carry-forward of funds. In any circumstance, ORC must be consulted for guidance and clarification of the terms specific to a sponsored project.

6.0 Procedures

6.1 The two general categories of cost transfers are salary and non-salary cost transfers. Salary cost transfers involve the transfer of expenditures for payroll (including fringe benefits) or stipends from or to a sponsored project account. Non-salary cost transfers involve expenditures items other than payroll, such as supplies or equipment, from or to a sponsored project account. The University requires that the following procedures be followed when allowable and allocable cost transfers, both salary and non-salary, are performed.

- 6.2** When the necessity for a cost transfer is identified, a cost transfer journal is prepared at the department level (PI, designee or department administrator) and accompanied by the Cost Transfer Explanation and Justification Form. Specific questions from this form must be answered depending on the timeliness of the transfer (see 6.2 “Timeliness” section for further explanation of cost transfer timeliness). The completed transfer journal and form must be forwarded to ORC for review and approval. To be approved, all cost transfers must be timely, documented and explained in detail using the Cost Transfer Explanation & Justification Form, adhere to the sponsor’s standards, and have all appropriate authorizing signatures. If the cost transfer is approved by ORC, the completed cost transfer journal is sent to Finance for posting to the general ledger.
- 6.3** For salary cost transfers, the PI must separately list on the cost transfer journal the employee name, employee ID number and the bi-weekly pay periods to be transferred prior to submitting the transfer for ORC approval. If the salary transfer is approved by ORC, the PI must initiate the necessary revised payroll documents (i.e. personnel action forms) to transfer salary costs. The documentation should be retroactive to the date of the error. The payroll documents are then forwarded to the Office of Human Resources for processing and the salary costs are transferred.
- 6.4** The University is required by federal regulations to certify effort provided on sponsored projects on a semester basis. All transfers involving salary costs must be supported by effort reports. Any retroactive salary cost transfers that are at odds with, or not supported by, previously certified effort reports, present audit risk for the University. See “Effort Reporting” guidance for additional information relating to effort reporting.
- 6.5** Frequent or inadequately explained salary transfers raise potential audit concerns about the appropriateness of the transfers as well as the reliability of the department’s labor distribution system, and may result in a comprehensive review by internal and/or external auditors. It is therefore required that departments have procedures in place which help ensure accurate appointments and timely corrections relating to salary cost transfers.

7.0 Timeliness

- 7.1** A cost transfer that results in a reimbursement to a sponsored agreement must be processed as soon as the error is discovered, regardless of the date the error occurred. It is important that PIs monitor the timeliness of expenditures and cost transfers for their projects on a monthly basis. Cost transfers should be processed immediately after the error is identified, but in most cases no later than 90 calendar days after the end of the month the original charge was recorded. Cost transfers are limited to 60 calendar days following the end of a time & effort certification period unless a longer period is approved by ORC as required. All University employees must be in compliance with the following requirements relating to the timeliness of cost transfers:

7.1.1 Transfers < 90 Calendar Days

- A. PIs complete questions 1 and 2 from the Cost Transfer Explanation and Justification Form.
- B. PIs attach additional supporting documentation justifying the transfer to the Cost Transfer Explanation and Justification Form.
- C. PIs send completed transfer journal and form to ORC for review and approval.

7.1.2 Transfers > 90 Calendar Days

- A. PIs complete questions 1 through 4 from the Cost Transfer Explanation and Justification Form.
- B. Require the approval of the college, research center, school, department administrator and ORC as identified on the Cost Transfer Explanation and Justification Form.
- C. PIs attach supporting documentation justifying the lateness of the transfer (i.e. copy of e-mail correspondence between departments and central offices) to the Cost Transfer Explanation and Justification Form.
- D. Provide explanations to ORC justifying the lateness prior to the completion of the transfer. ORC will communicate with the department the necessary supporting documentation.

7.1.3 Example of Counting 90 Calendar Days:

- A. Transaction posting date: February 8, 2006
- B. Begin counting: February 28, 2006
- C. Cost transfer transaction deadline date: May 29, 2006 (90 calendar days after February 28, 2006)

7.2 In the instance a cost transfer is required to correct a previously processed cost transfer journal, the date the original transaction was posted to the general ledger must be used for counting purposes and not the date of the previous cost transfer.

7.3 Approvals for cost transfers submitted later than 90 calendar days will only be granted in extenuating circumstances. The following are examples of acceptable circumstances for cost transfers occurring after the 90-day period:

7.3.1 No-cost extensions or notice of incremental funding for reasons beyond the control of the requestor (with supporting documentation).

7.3.2 Failure of an administrative department to process and/or post a properly submitted cost transfer with the completed transfer journal, explanation/justification form and accompanying back-up documentation.

7.4 Examples of circumstances that are not acceptable reasons for approving cost transfers occurring after the 90-day period are as follows:

7.4.1 Absences of the PI or responsible Department Administrator.

7.4.2 Inexperienced staff or lack of staff.

7.5 The distribution of salary charges for University personnel should be a reasonable reflection of the employee's effort. These distributions should be reviewed on a regular basis. If changes are anticipated, a personnel action form (PAF) should be prepared and submitted immediately. See "Effort Reporting" guidance for more information.

8.0 Documentation

8.1 Cost transfers must be accompanied by supporting documentation that fully explains how the error occurred and a certification of the correctness of the new charge by a responsible organization official of the grantee. An explanation merely stating that the transfer was made 'to correct an error' or 'to transfer to correct project' is not sufficient. The PI or designee must provide appropriate documentation that explains the justification of the cost transfer. The PI is also responsible for maintaining the related records (see "Records Retention" for further explanation relating to requirements for maintaining documentation). ORC must determine whether adequate documentation has been provided by the PI and may require additional documentation or information.

8.2 The University requires the PI to provide documentation supporting the cost transfer that clearly shows:

8.2.1 The expenditure directly benefits the receiving sponsored project account;

8.2.2 The expenditure is allowable on the receiving sponsored project account;

8.2.3 The reason the expenditure was charged incorrectly to the first sponsored project account;

8.2.4 That any systematic reasons which might cause this problem to be repeated have been addressed; and

8.2.5 The reason for any delay in the timely processing of the transfer.

8.3 In the examination of expenditure transfers, auditors are likely to review and request additional documentation for transfers involving budgets in a deficit condition or those having unexpended funds at the expiration date. If such conditions exist, it is necessary to provide evidence that the transfer is not for reasons of budgetary convenience.

8.4 In the case of a salary cost transfer, the retroactive personnel action form must agree with the effort certification report. See "Effort Reporting" guidance for further information relating to effort reporting.

9.0 Records Retention

Financial records, supporting documents, statistical records, and all other records for all Federal and State sponsored projects must be retained for at least three (3) years from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report. Additional records retention requirements must conform to the award and/or

policy of the specific sponsoring agency. Where documentation cannot be provided as to the allowability, allocability and reasonableness of any project expense, including but not limited to expenses incurred late in the project period, the sponsor may disallow them. In this case, the PI, department or school will be expected to cover the expense from unrestricted sources.

Refer to 45 CFR 74.53 and 45 CFR 92.42 for further guidance on records retention requirements.

Cost Transfers Compliance Reference

1. Risk Identified:

There are no policies or procedures that address the purpose and use of general cost transfers, although salary interdepartmental transfers are briefly described in "T&E Policies and Procedures". Cost transfers are not reviewed and approved by Finance & Accounting and the transfer requests do not address the justification for the transfer.

Strategy to Mitigate Risk:

Develop policy/procedures related to cost transfers to include the appropriate review and approval, required justification and timely submission for the transfer. Cost transfers should be approved by Finance & Accounting.

Guidance Addressing Risk:

- *From Cost Transfer guidance:* "The completed transfer journal and form must be forwarded to ORC for review and approval. To be approved, all cost transfers must be timely, documented and explained in detail using the Cost Transfer Explanation & Justification Form, adhere to the sponsor's standards, and have all appropriate authorizing signatures. If the cost transfer is approved by ORC, the completed cost transfer journal is sent to Finance for posting to the general ledger."
- *From Cost Transfer guidance:* "Cost transfers should be processed immediately after the error is identified, but in most cases no later than 60 calendar days after the end of the month the original charge was recorded."

Control(s) Mitigating Risk:

- *Preventative:* Pre-approval of all cost transfers (related to sponsored projects) by ORC and the use of an explanation/justification form.
- *Preventative:* Cost transfers exceeding the 60-day requirement specified in the "Cost Transfer" guidance document must be approved by the department administrator and ORC.
- *Preventative:* PIs review project budget(s) and expenditures on a monthly basis. Any cost transfers should be identified during this monthly review process.

2. Risk Identified:

Finance reopens the project account and requests an offline journal from the PI/faculty to transfer the charges from a closed project to the department responsible for managing the project. Cost transfers are also done from closed projects to open projects whereby work has begun on a project without formal authorization to proceed. Charging closed or unfunded accounts requires additional administrative time and effort to correct the error and could result in lost reimbursements if not properly substantiated.

Strategy to Mitigate Risk:

Policies/procedures should also include the restriction of charging projects beyond the end date of the grant and should address the substantiation of transfers between projects and adequacy of documentation to support the requested transfer. Rather than allowing charges to post to a closed or unfunded project, system controls could be implemented to filter charges to a “bridge” or departmental account, which could then be displayed on an exception report requiring departmental action to remediate.

Guidance Addressing Risk:

- *From Cost Transfer guidance:* “Closeout of sponsored project accounts - PI’s must be proactive in monitoring and managing their sponsored projects to only incur costs that are reimbursable. Generally, costs incurred after the end date are considered unallowable. Monthly monitoring of sponsored research activities will reduce the need to request transfers in the last month of the project. Unless otherwise specified or negotiated with the sponsoring agency, the University does not allow cost transfers in the following circumstances:
 - Actual cost overruns (post project end date) - PI’s may not transfer costs to another sponsored project in the occurrence of a cost overrun. The cost must be treated in the same manner as cost sharing and funded by an appropriate cost share or departmental account.
 - Unspent balances (post project end date) - Remaining balances identified at the close of a sponsored project must be returned to the sponsor and may not be transferred to another sponsored project. Exceptions may include fixed price contracts and sponsored agreements allowing carry-forward of funds. In any circumstance, ORC must be consulted for guidance and clarification of the terms specific to a sponsored project.”
- *From Cost Transfer guidance:* “Costs benefiting more than one project - When a particular cost to a sponsored project benefits another sponsored project, that cost may be transferred to the other sponsored project account, provided that: (1) the initial cost could appropriately have been charged to the other sponsored project; (2) the transfer explanation is clear as to why the particular charge is appropriate to either of the sponsored projects (included in the approved budgets of both sponsored projects); and (3) the transfer is processed within the required timeframe.”
- *From Cost Transfer guidance:* “Pre-award costs - For the effective and economical conduct of a sponsored project, it is sometimes necessary for costs to be incurred before the receipt of the official award document. OMB A-110 generally allows these costs up to 60 days prior to receiving the award. Costs incurred prior to the start date of the award are considered "pre-award" costs. In such instances, PI’s must request the ORC to approve the set up of a temporary project account to charge allowable pre-award costs until the official award has been received by the University. Once approved, Finance is responsible for creating the temporary account. When the official award is received, the temporary account number becomes the permanent sponsored project number by updating the funding source reducing the need for cost transfers. There may be occasional instances a temporary account may not be feasible, or the need for one is unknown. When a department later determines that allowable costs related to a

sponsored project were charged to a department account, the costs may be transferred to the new sponsored project account with the approval of ORC.”

Control(s) Mitigating Risk:

- *Detective:* Pre-approval of all cost transfers (related to sponsored projects) by ORC and the use of an explanation/justification form.

3. Risk Identified:

There are no controls in place to ensure that subsequent salary transfers do not conflict with earlier effort certifications.

Strategy to Mitigate Risk:

Implement controls to ensure that salary transfers do not conflict with earlier effort certifications.

Guidance Addressing Risk:

- *From Cost Transfer guidance:* “The completed transfer journal and form must be forwarded to ORC for review and approval. To be approved, all cost transfers must be timely, documented and explained in detail using the Cost Transfer Explanation & Justification Form, adhere to the sponsor’s standards, and have all appropriate authorizing signatures. If the cost transfer is approved by ORC, the completed cost transfer journal is sent to Finance for posting to the general ledger.”
- *From Cost Transfer guidance:* “The University is required by federal regulations to certify effort provided on sponsored projects on a semester basis. All transfers involving salary costs must be supported by effort reports. Any retroactive salary cost transfers that are at odds with, or not supported by, previously certified effort reports, present audit risk for the University.”
- *From Effort Reporting guidance:* “The Office of Human Resources forwards a log of all personnel action forms processed for each bi-weekly pay period.”

Control(s) Mitigating Risk:

- *Preventative:* Pre-approval of all cost transfers by ORC. If ORC approves a salary cost transfer for a semester that effort certifications have already been completed for, the PI is notified that the transfer will involve re-certifying his or her effort.
- *Preventative:* PIs review project budget(s) and expenditures on a monthly basis. Any salary transfers should be identified during this monthly review process, mitigating the risk of certifying effort prior to the initiation of a salary transfer.
- *Detective:* ORC receives personnel action form (PAF) activity log by pay period from Human Resources on a bi-weekly basis and maintains a database with this information. This log allows ORC to monitor changes in all salary distribution for all sponsored projects and recognize if a retroactive PAF has been processed for a prior semester (in which effort has already been certified).

4. Risk Identified:

The impact of cost transfers on actual effort reported is not reconciled to budgeted effort per the award document. Substantial differences, especially for key personnel, may require prior agency approval.

Strategy to Mitigate Risk:

Actual effort reporting should be reconciled to the budget and major differences investigated to ascertain whether agency approval is required to substantiate the difference and to support compliance with award terms and conditions.

Guidance Addressing Risk:

- *From Effort Reporting guidance:* “Modifications to time and effort commitments may require sponsor notification/pre-approval and formal modification in the award documents. For non-federal sponsored projects, the PI must conform to the terms and conditions of the particular contractual agreement. For federal contracts and grants, the PI must conform to OMB A-110 which requires prior written approval from the awarding agency for either of the following circumstances involving changes in PI commitment: a reduction in time devoted to the project of 25% or more from the proposed and awarded level; and/or an absence from the project for more than three months.”
- *From Effort Reporting guidance:* “Department Administrators must forward copies of time sheets for employees completing bi-weekly time sheets in their department. Time and effort certifications must be completed and time sheets must be forwarded to the ORC within 60 days after the end of the semester and must accurately document the percentage distribution of actual effort expended during the semester.”
- *From Effort Reporting guidance:* “Each PI and Department Administrator is responsible for monitoring the timely submission of time and effort certifications and compliance with negotiated levels of committed effort using the ECRT system.”

Control(s) Mitigating Risk:

- *Preventative:* The University’s effort reporting system (ECRT) electronically stores effort certifications. ORC has access to all effort certifications.
- *Preventative:* The University’s effort reporting system (ECRT) alerts employees when their effort certified varies 25% or more from the committed level of effort (by account number).

Preventative: PIs review project budget(s) and expenditures on a monthly basis. Any salary transfers should be identified during this monthly review process, mitigating the risk of certifying effort prior to the initiation of a salary transfer.