
BUSINESS POLICY

TO: All Members of the University Community

2011:07

DATE: February 2011

Interfund Transfers (Supersedes 2008:09)

Section 1 – General Purpose

This policy covers the transfer of funds between fund groups. This includes:

- Current Funds
 - General Funds (10XXX),
 - Designated Funds (11XXX),
 - Auxiliary Funds (3XXXX),
 - Expendable Restricted Funds (2XXXX),
- Non-current Funds
 - Student Loan Funds (4XXXX), and the
 - Plant Funds (9XXXX).

Interfund transfers are defined as the movement of funds from one fund group FOAP to another fund group FOAP in order to increase funds in one and decrease funds in the other.

Section 2 – Policy Statement

The University requires appropriate management approval for all interfund transfers (transfers crossing fund groups). All transfers will be recorded in accordance with generally accepted accounting principles.

Section 3 – Approvals

- A. Interfund transfers less than \$20,000 will be requested in writing, describing the reason for the transfer, the amount and the accounts affected. The request is to be approved by the Director, or above, of the FOAP transferring the funds (funds moving from) before forwarding to the Accounting Office for recording in the financial system.
- B. Interfund transfers of \$20,000 or greater will require additional approval by the respective Divisional Vice President, before forwarding to the Accounting Office for recording in the financial system.

Section 4 – Procedures

- A. Transfers that move funds between current funds, as identified in Section I, will be recorded as a debit in account code 8200 (source of funds) and a credit in account code 8100 (the FOAP receiving the funds). Management entries initiated by Finance or Accounting may be processed using an alternate method.
- B. Transfers that move funds to/from current funds and Student Loan Funds and Plant Funds will be recorded as a debit to account code 96XX on the balance sheet of the account that is giving up the funds and a credit to account code 92XX on the balance sheet of the account that is receiving the funds (Specific Account Code information can be found on the “GL Account Code” tab on the “Banner FOAP Structure” located on the Accounting Homepage).
- C. Transfers between Ferris Foundation and Ferris State University require the same management approvals as transfers within the University. Account code 8206 is used when transferring from the University to the Foundation and account code 8106 is used when transferring from the Foundation to the University. Transfers require the actual movement of funds (check or bank wire transfer) between the two organizations and cannot be completed by journal voucher. Please contact the Foundation Accounting Office x2156 for assistance.

Questions may be directed to the Finance Office.

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Contact: Finance Office