



TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

Operating Policy and Procedure

HSC OP: 50.29, **Use of Internal Purchase Funding Transfer**

PURPOSE: The purpose of this Health Sciences Center Operating Policy and Procedure (HSC OP) is to establish the policies and outline the procedures related to the transfer of funds between departments or accounts.

REVIEW: This HSC OP will be reviewed on May 1 of each even-numbered year (ENY) by the Director of Accounting Services with recommendations for revisions forwarded to the Executive Vice President for Finance and Administration by June 1.

POLICY/PROCEDURE:

1. Policy.

- a. An Internal Purchase Funding Transfer (IPFT) may only be used for non-mandatory transfers from one account to another for professional services (agreements/contracts between departments for services), continuing professional education (payments between departments for CME and CNE), and other internal purchases of goods or services.
- b. Transfers for general funding support should be processed on a budget revision via the Budget Revision System.
- c. IPFT transactions involving State funds (funds 10xxxx, 11xxxx, 12xxxx, 9Dxxxx, 9Exxxx, and 9Fxxxx), Federal funds (funds 21xxxx), Agency funds (funds 80xxxx), and certain other current restricted funds submitted on an IPFT will be processed by Accounting as an Institutional Services IV.
- d. IPFT forms are not to be used to transfer expenses between FOPs normally processed on an interdepartmental cost transfer request (see HSC OP 50.18) or to transfer revenues normally processed on a budget revision or journal voucher.

2. Procedure.

- a. **Supporting documentation.** All supporting documentation for the transfer should be retained by the department originating the transaction for a period of not less than the current fiscal year plus three prior fiscal years. The departmental copies of IPFT forms and supporting documentation should be available for review and examination by the State Auditor, Internal Auditor, other external auditors, or duly authorized individuals. Supporting documentation will be surrendered to a requesting individual only after the department has determined that this individual is authorized to review and examine such documents and then only upon written request from the authorized individual.
- b. **Data Entry.** Accounting Services will be responsible for data entry of all IPFT documents. Departments should prepare the IPFT form (Attachment A) as prescribed in Section 3 (below). Completed IPFT forms should be forwarded to Accounting Services for data entry. This form can also be accessed from the Accounting Services website at <http://www.fiscal.ttuhscc.edu/accounting/forms/>.

- d. **Rejected IPFT Transactions.** Clearing of IPFT transactions which reject as a result of the edits of the Banner system is the responsibility of the department that prepares the IPFT. Accounting Services will notify the preparer of any rejected transactions. No IPFT transaction, regardless of date of entry, will remain on the Banner suspense file as of each month end close. Accounting Services is responsible for making appropriate notification and arrangements with the receiving departments for subsequent fiscal year entry of these transactions.

3. **Preparation of IPFT Form.**

TRANSFER IN

- Fund/Orgn/Program: Banner FOP of department receiving payment.
- Total Amount: The total of all amounts in the Transfer Out section.
- Account Manager: The authorized signature for the Banner Funds. Authorized signers can be found in the TEAM App.

TRANSFER OUT

- Fund/Orgn/Program: Banner FOP of department to be charged for service.
- Amount: The specific amount to be paid to the department listed in the Transfer In section.
- Transfer Description: The period of service or reference to departmental agreement. The description is limited to 30 characters and will appear on the ledger sheets.
- Account Manager: The authorized signature for the Banner Fund. Authorized signers can be found in the TEAM App.

PREPARER

- Prepared By: Name of the individual who prepared the IPFT and who can be contacted in case of questions.
- Department: Name of department initiating the IPFT.
- Phone Number: Contact number to use in case of questions.