

Completing Fund Transfers Between Gift Funds

Do you ever process fund transfers from one gift fund to another? If so, see below for some quick tips when processing these types of transactions:

- Fund transfers are defined as transactions that are moving a set amount of funding from one C-FOP to another, usually to provide funding or support. These differ from expense or revenue reclassifications, which reclassify previously posted transactions.
- Fund transfers from a gift fund (i.e., fund type 4M within FZMFUND) must be processed using the appropriate funds transfer account code (typically 417001) and the appropriate rule code/journal type (typically 104).
- Fund transfers cannot be processed via expense or revenue account codes.
- The funds transfer should debit (+ Plus) the gift fund which the money is coming out of and credit (- Minus) the gift fund which the money is going into.
- Fund transfers from a gift fund typically need to be made to another gift fund with the same 4M fund type. For example, a funds transfer from one gift fund with a 4M fund type to another gift fund with a 4M fund type would typically be allowable, assuming the funds transfer does not violate any donor intent restrictions. However, a funds transfer from a gift fund with a 4M fund type to an endowment income fund with a 4J fund type would not be allowable.
- All transfers out of a gift fund must be in line with the applicable donor intent restrictions assigned to the gift fund as outlined in the related donor agreements (see [UIF Online](#)). For example, if a gift fund is restricted for graduate student fellowships, then a funds transfer to another gift fund restricted for university research would not be allowable.
- Allowability of gift fund transfers is primarily based on fund type compatibility and donor intent restriction compatibility between the applicable gift funds. However, the default [Banner program codes and NACUBO](#) functions assigned to the applicable gift funds are not necessarily a deciding factor. For example, it would be allowable to process a funds transfer from an unrestricted 4M gift fund which has a 191000 default program code to another 4M gift fund restricted for research which has a 191100 default program code.
- Finally, while UAFR does perform reviews of some gift fund transfers either before and/or after they post, we do not review all gift fund transfers. Thus, it is important to pay special attention when posting these types of transactions to ensure they are processed correctly.

In order to transfer funds from one gift fund to another gift fund, you must the follow these steps:

Step	Task
1.	<p>Ensure the fund types of the gift funds involved in the fund transfer are compatible.</p> <p>NOTE: If the fund type of the funding source is 4M, then the fund type of the fund receiving the transfer typically also needs to be 4M. Keep in mind that it is unallowable to transfer funds between a 4M fund type and a 4J fund type.</p>

Step	Task
2.	<p>Ensure the donor intent restrictions assigned to the funds involved in the funds transfer are compatible. Most donor intent restrictions can be located on UIF Online.</p> <p>NOTE: While it would be allowable to transfer funds from an unrestricted gift fund to a gift fund restricted for research, it would be unallowable to transfer gift funds restricted for graduate student fellowships to a gift fund restricted for research.</p>
3.	Log in to Banner.
4.	Launch your preferred journal voucher page (such as FGAJVCD , FGAJVCQ , or FGAJVCM) to begin processing your funds transfer via a journal voucher.
5.	<p>Click the Go button.</p> <p>NOTE: The Transaction Date field defaults to the system date. You may enter another acceptable date.</p>
6.	Press TAB to move to the Document Total field.
7.	Enter the amount of the transfer transaction multiplied by two or the absolute value of the transfer.
8.	Click Related, Document Text [FOATEXT] from the menu to access FOATEXT .
9.	<p>Type a complete detailed description of the transfer transaction, including your name, email address, unit, 10-digit phone number, and any other relevant information which may be helpful in creating a proper audit trail.</p> <p>NOTE: The FOATEXT should tell the complete story and explain the purpose for why the transfer is being processed. Click the Insert button or press the down arrow to add additional lines of text.</p>
10.	Click Save .
11.	Click Close to return to the Journal Voucher Document Header section.
12.	Click Next Section to access the Journal Voucher Detail section.
13.	Press TAB to move to the Journal Type field and type in 104, as this is the rule code needed for these types of fund transfers.
14.	Press TAB to move to the Chart field.
15.	Type in the Chart code.
16.	Press TAB to move to the Fund field.
17.	Type in the Gift Fund code.
18.	Press TAB to move to the Orgn or Organization field.
19.	<p>Type in the Organization code.</p> <p>NOTE: The Organization code may have auto-populated from the gift fund defaults.</p>
20.	Press TAB to move to the Acct or Account field.
21.	<p>Type in the appropriate Account code.</p> <p>NOTE: Use account code 417001 (<i>Non-Mand Funds Transf-Same Fund Type</i>).</p>

Step	Task
22.	Type the Program code in the Prog or Program field. NOTE: The Program code may have auto-populated from the default organization and program codes assigned to the applicable gift fund. However, if you need to update one of these codes due to the details surrounding the transaction you are completing, then do so during this step.
23.	Activity and Location codes are optional, and Banner does not require these codes. However, if they are applicable to your transaction, enter them at this point.
24.	Press TAB to move to the Amount field.
25.	Type the debit or credit amount of the transaction associated with this record.
26.	Press TAB to move to the Debit/Credit field.
27.	Use the dropdown menu to select + Plus to debit or - Minus to credit the record. NOTE: Debit (+ Plus) the fund where the money is coming out of and credit (- Minus) the fund where the money is going into. Do not use the Debit or Credit options. The (+ Plus) Debit side of the entry is listed on the first sequence of the transfer transaction. The (- Minus) Credit side of the entry is listed on the second sequence of the transfer transaction.
28.	Press TAB to move to the Description field.
29.	Type a brief description of the journal voucher transaction. NOTE: The Description field should provide a clear and detailed description of the transfer transaction taking place. The Description field in Banner is limited to 35 characters.
30.	Press the down arrow or select Insert to move to another record.
31.	Complete steps 13 through 30 to input the Credit (- Minus) side of the entry.
32.	Click Next Section .
33.	Click Complete to save and submit for posting. OR Click In Process to save and complete later.
34.	Click Close to return to the main menu.
35.	Confirm that the journal voucher posted in Banner by going to Banner page FGIDOCR and typing in the journal voucher number into the Document field and pressing Go . The transaction detail should display itself.

Final Summary – Approval Queue

Gift fund transfers of a certain dollar threshold require additional level of approval from University Accounting and Financial Reporting (UAFR) before posting to Banner. Once these journal vouchers are completed by the unit, they will go to an approval queue for additional approval. Journal vouchers routed to an approval queue will be suspended and will assume an incomplete status until approved. UAFR will review and approve or deny the transaction in a reasonable amount of time.



Contact

For further details, visit our related [Gift Fund FAQ](#) on this topic, or reach out to our subject matter experts in the [Gift Funds](#) section of UAFR's [Who to Ask](#) list.

See the full website address below for more details:

<https://www.obfs.uillinois.edu/accounting-financial-reporting/who-to-ask/types-questions#gift-funds-4m>.