

Financing & Treasury

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Date: August 10, 2006

Code: FT 06-03

To: Vice Presidents for Administration/Finance

From: Colleen Nickles *Colleen Nickles*
Senior Director
Financing and Treasury

Subject: 2006/07 Centrally Paid Parking Indirect Costs – REVISED PFA DATES

We are transmitting the 2006/07 centrally paid indirect charges applied to the parking program for incorporation into your budget planning process. Please note that the attached worksheet only identifies indirect charges such as State prorata and Chancellor's Office costs. Any direct charges specific to a parking program are processed separately as noted in Coded Memo FT 06-04. This change in communication to you is being incorporated this year to better categorize expenditures. **Please note revision:** Per discussion with the Systemwide Financial Operations (SFO) department, the Plan of Financial Adjustment (PFA) timing has been changed as shown on Attachment A.

Starting in 2006/07, the recovery of the State prorata and Chancellor's Office costs is no longer based on campus parking program revenues for the previous fiscal year. Based on a CABO Task Force's work with the Department of Finance, the CSU was able to obtain significant decreases in State prorata charges for most programs. The task force further developed a recovery methodology that more equitably distributed costs to programs by allocating: (1) 85% of the charges, representing the health benefit costs for retired annuitants, in direct proportion to each fund's percentage share of actual prior year employer paid retirement expenditures; (2) the remaining 15% of non-specific or indirect administrative costs equally to enterprise funds and auxiliary organizations supported by the Chancellor's Office administration.

In a similar manner as noted in (2) above, the Chancellor's Office indirect administrative costs will be charged equally to enterprise funds and auxiliary organizations that have debt, whether that debt is through the Systemwide Revenue Bond program or that debt is specific to the auxiliary. Over time, more auxiliary organizations may be added to the pool receiving indirect costs as these organizations finance projects and incur debt.

Please note that centrally paid indirect costs (both State prorata and Chancellor's Office) will be "passed down" to campuses through quarterly **Trust Fund** (State Fund 0948) expenditure transfers as initiated by the Chancellor's Office Systemwide Financial Operations department

CSU Campuses
Bakersfield
Channel Islands
Chico
Dominguez Hills
East Bay

Fresno
Fullerton
Humboldt
Long Beach
Los Angeles
Maritime Academy

Monterey Bay
Northridge
Pomona
Sacramento
San Bernardino
San Diego

San Francisco
San José
San Luis Obispo
San Marcos
Sonoma
Stanislaus

via a Plan of Financial Adjustment. An AD-NOAT memo will be issued at the time of the transfer. While the charges will impact the Trust Fund, we request that each campus be responsible to post the indirect cost assessment to the appropriate program, State/CSU fund, and campus accounts. **Please note revision:** The first PFA transfer will be on September 1, 2006. See Attachment A for the other PFA dates.

Please contact me or Rosa Renaud of my staff at (562) 951-4570 should you or your staff have any questions on your program. For questions regarding the accounting process, please contact George Ashkar or Kelly Cox at (562) 951-4610 and regarding the State prorata methodology changes contact Sean Boylan at (562) 951-4619. Thank you for your assistance in the process.

CN:rhr

Attachment

Distribution:	Presidents	(without attachment)
	Chancellor's Office Staff	(without attachment)
	Business Managers	(with attachment)
	Parking Officers	(with attachment)
	Budget Officers	(with attachment)
	Accounting Officers	(with attachment)
	Mr. Richard West	(with attachment)
	Mr. Dennis Hordyk	(with attachment)
	Mr. George Ashkar	(with attachment)
	Mr. Sean Boylan	(with attachment)
	Ms. Kelly Cox	(with attachment)
	Mr. Lam Le	(with attachment)
	Ms. Sylvia Olivas	(with attachment)
	Ms. Kathy Skara	(with attachment)
	Ms. Lily Wang	(with attachment)

THE CALIFORNIA STATE UNIVERSITY PARKING PROGRAM
2006/07 Centrally Paid Indirect Costs
(REVISED)

	Chancellor's Office	State Prorata (Health Benefit Portion)	State Prorata (Admin. Portion)	ANNUAL PFA AMOUNT	QUARTERLY PFA AMOUNT*
Bakersfield	20,950	2,846	7,639	31,435	7,858.75
Channel Islands	20,950	25,237	7,639	53,826	13,456.50
Chico	20,950	6,362	7,639	34,951	8,737.75
Dominguez Hills	20,950	60,211	7,639	88,800	22,200.00
East Bay	20,950	72,672	7,639	101,261	25,315.25
Fresno	20,950	65,427	7,639	94,016	23,504.00
Fullerton	20,950	259,755	7,639	288,344	72,086.00
Humboldt	20,950	16,583	7,639	45,172	11,293.00
Long Beach	20,950	134,270	7,639	162,859	40,714.75
Los Angeles	20,950	71,179	7,639	99,768	24,942.00
Maritime Academy	20,950	-	7,639	28,589	7,147.25
Monterey Bay	20,950	4,460	7,639	33,049	8,262.25
Northridge	20,950	104,321	7,639	132,910	33,227.50
Pomona	20,950	93,395	7,639	121,984	30,496.00
Sacramento	20,950	62,888	7,639	91,477	22,869.25
San Bernardino	20,950	66,903	7,639	95,492	23,873.00
San Diego	20,950	11,968	7,639	40,557	10,139.25
San Francisco	20,950	52,776	7,639	81,365	20,341.25
San Jose	20,950	75,537	7,639	104,126	26,031.50
San Luis Obispo	20,950	60,086	7,639	88,675	22,168.75
San Marcos	20,950	62,835	7,639	91,424	22,856.00
Sonoma	20,950	10,739	7,639	39,328	9,832.00
Stanislaus	20,950	18,444	7,639	47,033	11,758.25
Chancellor's Office	20,950	915	7,639	29,504	7,376.00
Total	502,800	1,339,809	183,336	2,025,945	506,486.25
Campus Journal Entry Required (FIRMS):					
Sub-Code Debit:	660025	612001	612001		
Acct. Control Credit:	305022	305022	305022		

Revised:

*Transfers to occur **September 1, November 1, February 1 and May 1**. Refer to coded memo FT 06-03 for centrally paid direct parking program costs, which has different PFA dates.