

THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
401 Golden Shore, 5th Floor
Long Beach, California 90802-4210
(562) 951-4610

Date: February 13, 2004 **Code:** AD NOAT 04-23

To: Financial Managers
Accounting Officers
Budget Officers

From: Mr. George V. Ashkar
Director
Systemwide Financial Operations

Subject: 2003/2004 Centrally Paid Costs – Parking

Transaction Request 039163

In accordance with Financing and Treasury memorandums FT 03-03 dated June 20, 2003, the centrally paid costs for fiscal year 2003/04 are being charged via Plan of Financial Adjustment (PFA).

The State Controller's Office is processing three quarters of the charges on PFA 039163. The listed campuses should record the journal entry provided on Attachment A. In addition, each campus in which their general fund was charged will need to reimburse it from their parking revenue fund.

Questions may be directed to Mr. Lawrence Gutierrez at (562) 951-4624 or via e-mail at lgutierrez@calstate.edu.

Attachment

GVA:LG:tp AD NOAT 04-23

THE CALIFORNIA STATE UNIVERSITY PARKING PROGRAM
2003/04 Estimated Systemwide Transfers

	Debt Service Transfers**	Prorated ANNUAL Amounts:				ANNUAL Total	QUARTERLY PFA AMOUNT* (1/4th Annual)
		State Prorata	Chancellor's Office	State Controller Pkg Payroll Deductions			
Bakersfield	-	36,554	6,515	616	43,685	10,921.25	
Channel Islands	-	14,406	2,567	-	16,973	4,243.25	
Chico	-	30,024	5,351	513	35,888	8,972.00	
Dominguez Hills	-	66,401	11,835	323	78,559	19,639.75	
Fresno	-	116,032	20,680	1,457	138,169	34,542.25	
Fullerton	-	165,144	29,434	1,507	196,085	49,021.25	
Hayward	-	75,483	13,453	706	89,642	22,410.50	
Humboldt	-	31,989	5,701	668	38,358	9,589.50	
Long Beach	-	242,070	43,144	1,930	287,144	71,786.00	
Los Angeles	-	139,802	24,917	1,161	165,880	41,470.00	
Maritime Academy	-	5,547	989	144	6,680	1,670.00	
Monterey Bay	-	27,640	4,926	-	32,566	8,141.50	
Northridge	771,130	206,057	36,726	1,314	1,015,227	253,806.75	
Pomona	-	135,198	24,096	1,316	160,610	40,152.50	
Sacramento	465,070	177,061	31,557	1,567	675,255	168,813.75	
San Bernardino	-	86,149	15,354	1,335	102,838	25,709.50	
San Diego***	-	391,711	69,815	2,526	464,052	116,013.00	
San Francisco	-	69,357	12,362	846	82,565	20,641.25	
San Jose	-	133,657	23,822	1,014	158,493	39,623.25	
San Luis Obispo	-	113,853	20,292	1,156	135,301	33,825.25	
San Marcos	-	45,552	8,119	515	54,186	13,546.50	
Sonoma	725,943	64,151	11,434	588	802,116	200,529.00	
Stanislaus	-	35,249	6,282	442	41,973	10,493.25	
Chancellor's Office	-	0	0	39	39	9.75	
Totals	1,962,143	2,409,087	429,371	21,683	4,822,284	1,205,571.00	
Campus Journal Entry Required (FIRMS):							
Debit	680126	612001	660025	617001			
Credit	305022	305022	305022	305022			

TABLE 2
THE CALIFORNIA STATE UNIVERSITY PARKING PROGRAM
2003/04 Debt Service Transfers Summary

Campus	03/04 Series 2002-A Debt Service			03/04 Total Debt Service	15% Reserve	03/04 Debt Service Transfers
	Principal	Interest	Total			
Bakersfield	0	0	0	0	0	0
Chico	0	0	0	0	0	0
Dominguez Hills	0	0	0	0	0	0
Fresno	0	0	0	0	0	0
Fullerton	0	0	0	0	0	0
Hayward	0	0	0	0	0	0
Humboldt	0	0	0	0	0	0
Long Beach	0	0	0	0	0	0
Los Angeles	0	0	0	0	0	0
Northridge	210,000	460,548	670,548	670,548	100,582	771,130
Pomona	0	0	0	0	0	0
Sacramento	135,000	269,409	404,409	404,409	60,661	465,070
San Bernardino	0	0	0	0	0	0
San Diego	0	0	0	0	0	0
San Francisco	0	0	0	0	0	0
San Jose	0	0	0	0	0	0
San Luis Obispo	0	0	0	0	0	0
San Marcos	0	0	0	0	0	0
Sonoma	165,000	466,255	631,255	631,255	94,688	725,943
Stanislaus	0	0	0	0	0	0
Total	510,000	1,196,211	1,706,212	1,706,212	255,931	1,962,143

Net Income Coverage Calculation

Example:

If annual revenue = \$15,000,000
and annual operating expense = \$10,000,000
then, annual net income = \$5,000,000

If annual debt service payment = \$750,000
then, 15% reserve (of debt service payment) = \$112,500
and annual debt service transfer = \$862,500

Therefore, Net Income Coverage = \$5,000,000/\$750,000 = 6.67

THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
401 Golden Shore
Long Beach, California 90802-4210
(562) 951-4570

Date: June 20, 2003

Code: FT 03-03

To: Vice Presidents for Administration/Finance

From: Richard K. Leffingwell 
Senior Director
Financing and Treasury

Subject: **2003/04 Centrally Paid Parking Expenditure Charges (Final)**

We are transmitting the final centrally paid parking program expenditure charges for fiscal year 2003/04, *superseding the draft memo issued on May 9, 2003*, for incorporation into your budget planning process. Each campus will be charged for the systemwide expenditures via a Plan of Financial Adjustment (PFA) **on a quarterly basis**. The attachments contain:

- 2003/04 Estimated Systemwide Transfers (Attachment A) *processed by the Chancellor's Office.*
- 2003/04 Debt Service Transfers Summary (Attachment B).

In 2003/04 campuses will experience a significant increase in their total parking annual costs due to an increase in state prorata charges. The state prorata charges consist of administrative expenditures related to various state agencies such as the Department of Finance, the State Controller's Office, the State Treasurer's Office, the Bureau of State Audits, the Legislature and others. The CSU, as other state agencies, is charged a portion of these expenditures. Please be assured that as in the past, we will continue to voice our concerns related to the increases affecting our programs to the Department of Finance. In fact, we were able to gain a modest reduction since the draft memo was issued. Our goal continues to be to minimize expenditures for both the parking program and other CSU self-supporting programs.

As noted on the Draft 2003/04 Centrally Paid Parking Expenditure Charges memo, the Chancellor's Office charges, as part of the systemwide costs, were being finalized before this final memo could be issued. The Chancellor's Office charges have increased due to additional staffing in the accounting department, bringing the department to a level comparable to 1996/97.

In the past, PFAs for systemwide expenditures were scheduled to be processed on a monthly basis between July and April of each year. This monthly transfer method has been changed to a quarterly transfer method to improve efficiencies and lessen processing time for both campuses and the Chancellor's Office. Further, we will be asking our accounting office to transfer funds from each campus' general fund instead of the parking revenue fund. We find

this change is necessary because campuses have moved most parking funds into trust funds, which has made it difficult for accounting to process PFAs. Consequently, campuses need to record the journal entries (which will affect the general fund) and must internally reimburse themselves from parking program funds. We are also asking that you ensure that appropriate fiscal and parking personnel at your campus have this information as they will need it to develop and account for next year's operating budget. Please note that this memo is intended for planning purposes only. The Chancellor's Office Accounting department will issue an AD-NOAT memo with journal entry information to ensure accurate FIRMS submission and recording.

We are also including a summary of quarterly debt service transfers to cover principal and interest payments on November 1st, and interest payments on May 1st of each year for campuses with projects that were funded by bonds. As discussed at CABO, the quarterly amounts includes fifteen percent reserve. This reserve plan will be implemented for two years starting in 2003/04. It will not affect the calculation of the parking program's net income coverage calculations as long as campuses appropriately record the transfers for debt service and reserve as "Transfer Out", and not as an operating expense in the FIRMS database (see Attachment B for an example). We anticipate that the interest received from the reserve will be credited to campuses and will be used for future debt service payments.

Please contact Rosa Renaud or Angelique Sutanto in the office of Financing and Treasury at (562) 951-4570 if you or your staff have any questions.

RKL:RHR:as

Attachments

Distribution:	Presidents	(without attachment s)
	Business Managers	(with attachments)
	Parking Officers	(with attachments)
	Budget Officers	(with attachments)
	Accounting Officers	(with attachments)
	Chancellor's Office Staff	(without attachment s)
	Ms. Lily Wang	(with attachments)
	Mr. Lam Le	(with attachments)