

THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
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Date: September 11, 2006

Code: AD NOAT 06-133

To: Financial Managers
Accounting Officers
Budget Officers

From: Mr. George V. Ashkar
Senior Director, Controller
Financial Services, Accounting

Subject: FY06/07 OTHER TRUST FUND
INDIRECT COST ALLOCATION

PFA: 069052
Legal Posting FY2006-07
GAAP Posting FY2006-07
(When GAAP year = Legal year, no GAAP entry is needed)

The Chancellor's Office will record the allocation for Systemwide Indirect Costs (State Pro Rata) **Other Trust** (CSU Funds 463, 465, 467 & 496) on a quarterly basis via the Plan of Financial Adjustment listed above.

If you have any questions please contact the appropriate person below:

Allocation Methodology: Sean Boylan (562) 951-4619 or via email sboylan@calstate.edu
AD NOAT/PFA: Sylvia Olivas (562) 951-4607 or via email solivas@calstate.edu

GVA:SO:td AD NOAT 06-133

Attachment A
Attachment B
Attachment C

Methodology for the Allocation of State Pro Rata

DETERMINATION OF STATE PRO RATA COSTS

The State Pro Rata allocation system has been developed to recover statewide central administrative costs from DOF-designated State special revenue funds (GC 11270 through 11277).

Central administrative services costs are allocated to the CSU based upon functional workload factors. For example:

DOF Budget Services:	# of hours
SCO payroll services:	# of payroll warrants
Annuitant health benefit costs:	% of annuitant health benefit costs X current CSU benefit costs.

Current year cost estimates are adjusted for prior year budget-to-actual variance on a two year rolling average.

The total State Pro Rata allocation to the CSU for FY 2006-07 is \$226.8 million of which \$193.5 million (85.3%) is **health benefit costs for retired annuitants**.

ALLOCATION OF STATE PRO RATA TO CSU FUNDS

All CSU funds (including trust funds) reporting employer-paid retirement expenditures will be included for the distribution of the State Pro Rata assessment.

The CSU will provide a report of prior year actual retirement expenditures by CSU fund to the Department of Finance on or about August 20th of each year.

The total State Pro Rata assessment assigned to the CSU by DOF workload function will be allocated to CSU funds by each fund's percentage share of actual prior year employer-paid retirement expenditures.

The State Pro Rata allocation due from "billable" funds will be assessed against the California State University trust fund (State fund 0948) through quarterly fund transfer (TC-38) posted by the State Controller's Office.

DISTRIBUTION OF STATE PRO RATA TO CSU CAMPUSES

The administrative portion (15%) of State Pro Rata assessed to the Housing, Parking, Student Union, and Health Center program funds will be isolated and allocated to a larger base that includes auxiliary organizations and other participants in the SRB program.

Each campus/CSU fund's share of "billable" State Pro Rata will be combined with other CO administrative costs, if applicable, to determine the total annual indirect cost assessment by campus, program, and State/CSU fund.

The total indirect cost reimbursement due from each program, State/CSU fund will be "passed down" to campuses through quarterly trust fund expenditure transfer (ADNOAT/PFA) initiated by the Chancellor's Office.

Each campus will be responsible to post the indirect cost assessment to the appropriate program, State/CSU fund, and campus accounts.

2006/2007 Centrally Paid Indirect Costs - REVISED

<u>Quarter</u>	<u>Campus Remit necessary Funds to SCO Fund 0948</u>	<u>CO PFA Funds From Campus SCO Fund 0948</u>	<u>SCO to Post State Pro Rata to 6620 SCO Fund 0948</u>
1st Quarter	9/1/2006	9/8/2006	9/15/2006
2nd Quarter	11/1/2006	11/8/2006	11/15/2006
3rd Quarter	2/1/2007	2/8/2007	2/15/2007
4th Quarter	5/1/2007	5/8/2007	5/15/2007

Quarterly PFA Amounts

Campus	CERF Program- Fund 0573 & 0948-CSU 441	SRB Program- Fund 0580 & 0583)	Other Trust- Fund 0948 *	Special Projects- Fund 0947	Total
Bakersfield	\$ 22,846.67	\$ 50,980.50	\$ 7,755.73	\$ -	\$ 81,582.90
Channel Islands	\$ 2,866.65	\$ 38,697.75	\$ 13,282.02	\$ -	\$ 54,846.42
Chancellor's Office	\$ -	\$ 14,523.25	\$ 25,653.74	\$ -	\$ 40,176.99
Chico	\$ 16,170.13	\$ 77,022.00	\$ 24,692.19	\$ -	\$ 117,884.32
Dominguez Hills	\$ 66,676.86	\$ 55,788.00	\$ 2,644.82	\$ -	\$ 125,109.68
Fresno	\$ 10,672.94	\$ 90,495.50	\$ 26,313.04	\$ -	\$ 127,481.48
Fullerton	\$ 90,563.99	\$ 110,011.75	\$ -	\$ -	\$ 200,575.74
East Bay	\$ 35,409.03	\$ 61,591.25	\$ -	\$ -	\$ 97,000.28
Humboldt	\$ 13,196.83	\$ 65,876.75	\$ 23,506.78	\$ -	\$ 102,580.36
Long Beach	\$ 129,391.56	\$ 119,194.50	\$ 13,342.08	\$ -	\$ 261,928.14
Los Angeles	\$ 23,953.39	\$ 66,900.50	\$ -	\$ 1,475.52	\$ 92,329.41
Maritime Academy	\$ 788.86	\$ 21,441.75	\$ -	\$ -	\$ 22,230.61
Monterey Bay	\$ 8,324.85	\$ 23,555.00	\$ 7,801.73	\$ -	\$ 39,681.58
Northridge	\$ 101,469.86	\$ 108,861.75	\$ 33,888.01	\$ -	\$ 244,219.62
Pomona	\$ 20,076.37	\$ 96,585.50	\$ 15,785.65	\$ -	\$ 132,447.52
Sacramento	\$ 106,698.36	\$ 128,173.75	\$ 47,473.57	\$ -	\$ 282,345.68
San Bernardino	\$ 29,698.24	\$ 73,067.50	\$ 36,744.94	\$ -	\$ 139,510.68
San Diego	\$ 59,784.57	\$ 104,131.25	\$ -	\$ 702.03	\$ 164,617.85
San Francisco	\$ 86,454.03	\$ 183,111.75	\$ 35,425.02	\$ 227,599.92	\$ 532,590.72
San Jose	\$ 94,921.83	\$ 160,719.25	\$ 51,600.21	\$ -	\$ 307,241.29
San Luis Obispo	\$ 14,679.62	\$ 132,959.50	\$ 26,328.95	\$ 33.96	\$ 174,002.03
San Marcos	\$ 16,512.31	\$ 66,415.00	\$ 2,776.42	\$ -	\$ 85,703.73
Sonoma	\$ 39,083.43	\$ 37,973.75	\$ 29,493.80	\$ 241,023.85	\$ 347,574.83
Stanislaus	\$ 8,880.88	\$ 62,396.00	\$ 14,338.00	\$ -	\$ 85,614.88
\$ 999,121.25	\$ 1,950,473.50	\$ 438,846.70	\$ 470,835.28	\$ 3,859,276.73	

CSU FUNDS
FIRMS OBJECT CODE

463, 465, 467 & 496
612001

*** Other Trust**
Quarterly State Prorata allocation Costs
FY 2006/2007

Billable	Billable
csu fund2	Trust Other

Sum of Prorata Allocation 1/4				
agency	agency name	csu fund	csu title	Total
6620	California State University, Headquarters	496	TF-Other Trust	\$25,653.74
California State University, Headquarters Total				\$25,653.74
6650	California State University, Bakersfield	465	TF-Contracts and Grant Trust	\$426.64
		467	TF-Student Fees Trust	\$56.34
		496	TF-Other Trust	\$7,272.75
California State University, Bakersfield Total				\$7,755.73
6660	California State University, San Bernardino	463	TF-nstructionally Related Activities Trust	\$5,812.40
		467	TF-Student Fees Trust	\$3,350.55
		496	TF-Other Trust	\$27,582.00
California State University, San Bernardino Total				\$36,744.94
6670	California State University, Stanislaus	463	TF-nstructionally Related Activities Trust	\$277.37
		465	TF-Contracts and Grant Trust	\$8,720.97
		467	TF-Student Fees Trust	\$14.88
		496	TF-Other Trust	\$5,324.79
California State University, Stanislaus Total				\$14,338.00
6680	California State University, Chico	463	TF-nstructionally Related Activities Trust	\$24,673.60
		496	TF-Other Trust	\$18.59
California State University, Chico Total				\$24,692.19
6690	California State University, Dominguez Hills	465	TF-Contracts and Grant Trust	\$2,644.82
California State University, Dominguez Hills Total				\$2,644.82
6700	California State University, Fresno	463	TF-nstructionally Related Activities Trust	\$1,189.43
		465	TF-Contracts and Grant Trust	\$2,011.32
		467	TF-Student Fees Trust	\$3,333.08
		496	TF-Other Trust	\$19,779.20
California State University, Fresno Total				\$26,313.04
6730	Humboldt State University	465	TF-Contracts and Grant Trust	\$4,078.16
		496	TF-Other Trust	\$19,428.61
Humboldt State University Total				\$23,506.78
6740	California State University, Long Beach	463	TF-nstructionally Related Activities Trust	\$5,513.07
		496	TF-Other Trust	\$7,829.00
California State University, Long Beach Total				\$13,342.08
6756	California State University, Monterey Bay	463	TF-nstructionally Related Activities Trust	\$967.69
		496	TF-Other Trust	\$6,834.04
California State University, Monterey Bay Total				\$7,801.73
6760	California State University, Northridge	463	TF-nstructionally Related Activities Trust	(\$34.26)
		467	TF-Student Fees Trust	\$3,591.81
		496	TF-Other Trust	\$30,330.45
California State University, Northridge Total				\$33,888.01
6770	California State Polytechnic University, Pomona	467	TF-Student Fees Trust	\$3,653.98
		496	TF-Other Trust	\$12,131.67
California State Polytechnic University, Pomona Total				\$15,785.65
6780	California State University, Sacramento	463	TF-nstructionally Related Activities Trust	(\$559.33)
		465	TF-Contracts and Grant Trust	\$37,234.20
		467	TF-Student Fees Trust	\$2,097.15
		496	TF-Other Trust	\$8,701.55
California State University, Sacramento Total				\$47,473.57
6800	San Francisco State University	463	TF-nstructionally Related Activities Trust	\$15,747.77
		467	TF-Student Fees Trust	\$1,767.24
		496	TF-Other Trust	\$17,910.00
San Francisco State University Total				\$35,425.02
6810	San Jose State University	463	TF-nstructionally Related Activities Trust	\$3,877.44
		467	TF-Student Fees Trust	\$3,671.83
		496	TF-Other Trust	\$44,050.94
San Jose State University Total				\$51,600.21
6820	California State Polytechnic University, San Luis Obispo	409	TF-College Work Study Program	\$1,020.21
		463	TF-nstructionally Related Activities Trust	\$23,265.55
		467	TF-Student Fees Trust	\$837.73
		496	TF-Other Trust	\$1,205.46
California State Polytechnic University, San Luis Obispo Total				\$26,328.95
6830	California State University, Sonoma	463	TF-nstructionally Related Activities Trust	\$23,542.44
		467	TF-Student Fees Trust	\$706.45
		496	TF-Other Trust	\$5,244.91
California State University, Sonoma Total				\$29,493.80
6840	California State University, San Marcos	467	TF-Student Fees Trust	\$361.93
		496	TF-Other Trust	\$2,414.49
California State University, San Marcos Total				\$2,776.42
6850	California State University, Channel Islands	496	TF-Other Trust	\$13,282.02
California State University, Channel Islands Total				\$13,282.02
Grand Total				\$438,846.70