

Summary

A Cash Posting Order (CPO) is used to charge the campus for services and/or costs that have been provided by the Chancellor's Office or other campuses. In addition, CPOs are used to transfer funds to a campus or between campuses. Effective 7/1/2007, these types of transactions within SCO Fund 0948 utilize a CPO instead of processing invoices, PFA/ADNOATs or check requests. A CPO transfers funds between SWIFT accounts which are primarily the Chancellor's Office and the Campuses only. Currently only a few Auxiliaries are included in SWIFT. The purpose of this document is to clarify the use of CPOs and the appropriate request procedure.

Definitions

Cash Posting Order (CPO): Mechanism to move Systemwide Investment Fund Trust (SWIFT) dollars between campuses and the Chancellor's Office (CO).

Systemwide Allocation Transfer (SWAT): Supplemental campus funding used for special programs from Priority Fund issued by the Systemwide Budget office; these funds are issued as a cash posting order (CPO). SWATs may only be used in the CSU Operating Fund (CSU Fund 485). The campus will always record as a SWAT IN, 506100.

Request for Cash Transfer Order (RCTO): A form from the CO Budget Office that the CO departments use to request funding to be sent to the campuses for specific campus program funding; these funds are issued as a CPO. RCTO may only be used in the Lottery Fund (CSU Funds 481) and the CSU Operating Fund (CSU Fund 485).

Allocations: CO or Systemwide (SW) supporting specific campus programs ; these transactions would be recorded as a SWAT in, 506000.

De-allocations: Return of a specific campus' program funding to the CO or SW; these transactions would be recorded as a reduction to SWAT in, 506000.

Campus Reimbursements: Reimbursement to a campus of goods or services initially purchased/paid for by the campus but for which the CO is the ultimate payor and therefore should be recorded on the CO books. This is an expense on the CO records and abatement (reduction of expense) on Campus records.

CO Reimbursements: Reimbursement to the CO for goods or services purchased on behalf of a campus which should be recorded on the campus books. This is an expense on the campus records and abatement on CO records.

Systemwide Investment Fund-Trust (SWIFT): CSU Investment pool

Rules

Allocations

CSU Operating Fund and Lottery only:

- RCTO will only be used to provide **Allocations** to a campus. Such as:
 - Awards/Grant
 - Development (Faculty & Staff development)
 - Travel Expenditures (Campus is operating the program)
 - Training (Campus is operating the program)

- Assigned time (Faculty performs additional duties beyond their regular campus appointment)
- Stipends
- Undesignated Allocation (Summer Arts, MTSI, CLA Assessment, RIAP, EAP, LMS, QI, Troops to College, etc)
- ELM Reimbursement
- Conference Sponsorships (no specific expenditures can be identified. Funding is for the conference as a whole)

Note: Department budget will be reduced. No actual transaction will be recorded within the CO department and fund.

Trust Funds other than CSU Operating Fund and Lottery:

- CPO will be used to provide **Allocations** to a campus. Such as:
 - Awards/Grant
 - Development
 - Travel Expenditures (Campus is operating the program)
 - Training (Campus is operating the program)
 - Conference Sponsorships
 - Undesignated Allocation

Note: Transfer accounts will be used within the CO department and fund.

Reimbursements

- Actual expenditure has occurred and has been recorded
- Campus Reimbursements include but are not limited to:
 - Release time (Faculty with instruction appointments that are replaced with another faculty to perform grant activities))
 - Training (campus is doing work on behalf of a CO project)
 - Travel Expenditures (campus is doing work on behalf of a CO project OR a CO department decides to pay for actual travel cost incurred)
 - Conferences fees (CO Department is providing funding for staff participation in conferences)
 - Conference Cost (a specific expenditure has been incurred for which the CO will reimburse the campus. Preferred method would be for the campus to forward bill/invoice to CO to pay vendor directly.)
 - Proctoring
 - Misc. Expenses

Note: Expenditure account will be used to record these transaction within the CO department and fund.

- CO Reimbursements include but are not limited to:
 - Abilene Fees (CSU Network Backbone)
 - ITS Expenditures (ex. Blackboard)
 - Library Expenditures (SEIR)
 - Audit Fees
 - Commercial Paper Lease Payments
 - Fire Marshall Charges
 - Meeting Registrations
 - Misc. Expenditure

Note: These transactions will be recorded as a reduction to the original expenditure getting reimbursed. Revenue accounts will only be used when true "Services" are rendered.

Process

Department request to allocate/deallocate funds to/from a campus: Entries being posted to funds 481XX, 48501, 48502, 48503, 485AS, 485IP and 485UA must go through the CO Budget Office for approval. Send an RCTO to cobudgets@calstate.edu.

These transaction will be recorded as a reduction in department budget.

Department request to collect funds: These request are considered *CO Reimbursements*. Submit a CPO request form to CO General Accounting, Accounts Receivable desk at coaccountsreceivable@calstate.edu. Documents that must accompany this request are the original invoice/check request and GL detail showing the exact amount and time period that the expenditure getting reimbursed was incurred.

These transactions will be recorded as a reduction to the original expenditure getting reimbursed. The same PS Chartfields (Fund, Department and account) as the original expense must be used.

Department request to send funds: These request are considered *Campus Reimbursements*. Submit CPO request to CO Trust/General Fund Accounting to csucocporequest@calstate.edu

Example Transactions

Example 1: SWAT (CO Budget) and Trust Allocation

A CO department decides that they want to sponsor a conference on Sustainability hosted by a campus. They have estimated the cost of the conference to be \$20,000. The department has agreed to provide \$15,000 of CSU Operating Funds, and the CPDC Department at the CO has agreed to provide \$5,000 of ‘their’ money to cover the balance.

Step 1. CO department fills out a RCTO to request the \$15,000 from the Operating Fund. Their \$15K RCTO form goes to the CO Budget Department, gets processed and then is forwarded to the CO/RMP Accounting Department who then issues a CPO.

Step 2. The CPDC Department at the CO fills out a Cash Posting Order request form to transfer funds from their Trust Fund within the CO’s Bank of CSU account to the campus’s Bank of CSU Account. Their \$5K CPO request form goes to the CO/RMP Accounting Department for processing.

Step 3. The CO/RMP Accounting Department processes the CPO request, issues and distributes the CPO to the campuses.

Two Cash Posting Orders would be processed; this would accomplish the actual redistribution of SWIFT funds. The campus would see two transactions on their Bank of CSU statement: the inflow of \$5K inflow from the CPDC Department at the CO; and \$15K inflow from the CO Department’s CSU Operating Fund.

The campus’s GL at the end of the month would look like the following:

DR Cash 101100; CR 506100 for the \$15K; CR 571542 for the \$5K

Within the CO’s books, the following complementary entries would appear:

DR 680100 for the \$15K; 671485 for the \$5K and CR Cash 101100 for the \$20K

Note that nothing would happen at the actual bank (WellsFargo/ US Bank). No investments would be liquidated/reinvested since this was simply a shifting of resources between three entities that participate in the investment pool.

Example 2: SWAT (SW Budget)

A campus decides that they need supplemental funding for Project A. They have estimated the cost of the project to be \$200,000. They have received approval for this funding from Ben Quillian and Rodney Rideau. These funds will be issued through the Systemwide Budget office as a Systemwide Allocation Transfer (SWAT).

Step 1. Campus Requests funding.

Step 2. The Systemwide Budget Office will issue an Allocation memo directing Resource Management Office (RMO) to issue a SWAT.

Step 3. RMO completes a Cash Posting Order to request that \$200,000 be deducted from the systemwide Priority Bank of CSU account and be added to the campus's Bank of CSU Account. Their \$200K CPO request form goes to the CO/RMP Accounting Department for processing.

Step 4. The CO/RMP Accounting Department processes the CPO request, issues and distributes the CPO to the campuses.

Once the Cash Posting Order has been processed; the actual redistribution of SWIFT funds is complete. The campus would see one transaction on their Bank of CSU statement: the inflow of \$200K inflow from the SW Priority.

The campus's GL at the end of the month would look like the following:

DR Cash 101100; CR 506100 for the \$200K

Within the CO's books, the following complementary entries would appear:

DR Cash 680100; CR 101100 for the \$200K

Note that nothing would happen at the actual bank (WellsFargo/ US Bank). No investments would be liquidated/reinvested since this was simply a shifting of resources between three entities that participate in the investment pool.

Example 3: CO Reimbursement

ITS purchases Blackboard software on behalf of several campuses They have incurred the total cost at the Chancellor's Office and needs to be reimbursed by each campus.

Step 1. ITS completes a Cash Posting Order to request that cost be deducted from the campuses Bank of CSU account and be added to the CO's Bank of CSU Account.

Step 2. Their CPO request form goes to CO Accounting, to be processed and then forwards the request to the CO/RMP Accounting Department.

Step 3. The CO/RMP Accounting Department processes the CPO request, issues and distributes the CPO to the campuses.

Once the Cash Posting Orders has been processed; the actual redistribution of SWIFT funds is complete. The campus would see one transaction on their Bank of CSU statement: the outflow of cash in the amount of the expenditure.

The campus's GL at the end of the month would look like the following:

DR Software 619001; CR Cash 101100

Within the CO's books, the following complementary entries would appear:

DR Cash 101100; CR 619001

Note that nothing would happen at the actual bank (WellsFargo/ US Bank). No investments would be liquidated/reinvested since this was simply a shifting of resources between three entities that participate in the investment pool.