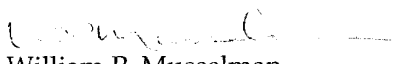


THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
401 Golden Shore, 5th Floor
Long Beach, California 90802-4210
(562) 951-4610

Date: May 22, 2000 **Code:** AD NOAT 00-19

TO: Financial Managers
Accounting Officers
Budget Officers

From: 
William P. Musselman
Acting Director of Accounting
Business and Finance

Subject: 1998/99 Housing Program Interest Earnings and Loan Repayment Distribution – TR989152

In accordance with the Financing and Risk Management memorandum FRM 00-03 dated March 9, 2000 included as Attachment A, the 1998/99 Housing Program Interest Earnings and Loan Repayment distribution is being transferred to the campuses.

We have requested the State Controller's Office make the transfers indicated on Attachment B with Transaction Request 999152. The journal entry described on the attachment should be recorded by the listed campuses.

Questions may be directed Ms. Susan Koch at (562) 951-4611 or via e-mail at skoch@calstate.edu.

WPM:SK:au AD NOAT 00-19

Attachment

c: Ms. Susan Koch
Mr. Benjamin Figueroa

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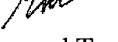
c: Ms. Susan Koch
Mr. Benjamin Figueroa

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

Date: March 9, 2000

Code: FT 00-03

To: Vice Presidents for Finance and Administration
Vice Presidents for Student Affairs

From: Richard K. Leffingwell 
Senior Director, Financing and Treasury
Business and Finance

Subject: Distribution of 1998/99 Housing Program Interest Earnings and Loan Repayments

This memorandum provides information on a \$1.89 million distribution to campus housing programs from 1998-99 loan repayments and interest earnings (see summary). The funds are being distributed consistent with the method approved by the chancellor and executive vice chancellor and chief financial officer as recommended by the Housing Proposal Review Committee (See FRM 97-01). The distribution of loan repayments is based on the individual percentage share of total housing design spaces as of the 1994 decentralization, while the distribution of interest earnings is based on the individual percentage of centrally paid costs.

These funds are not earmarked to address any particular housing need. However, they present an opportunity to annually shore up program reserves and/or address any repairs and renovations previously deferred by the housing program. These funds are restricted by our bond indenture for the sole purpose of DRF housing operations.

It is important that campuses expense funds for renovations from the maintenance and repair fund. This is needed to avoid overstating operating expenditures and negatively affecting the system debt coverage factor. This measure of total net operating revenues to total debt is a common indicator of the fiscal health of the program and its ability to encumber additional debt.

We will be requesting our accounting office to transfer these funds to campus Dormitory Revenue Fund - Housing accounts. Please contact Mr. Benjamin Figueroa in Financing and Treasury at (562) 951-4570 or bfigueroa@qm.calstate.edu if you or a member of your staff have any questions on this distribution.

RKL:ms

Attachment

Distribution: Presidents (with attachment)
Housing Officers (with attachment)
Accounting Officers (with attachment)
Chancellor's Office Staff (without attachment)

