



# THE CALIFORNIA STATE UNIVERSITY

BAKERSFIELD • CHANNEL ISLANDS • CHICO • DOMINGUEZ HILLS • FRESNO • FULLERTON • HAYWARD • HUMBOLDT  
LONG BEACH • LOS ANGELES • MARITIME ACADEMY • MONTEREY BAY • NORTHRIDGE • POMONA • SACRAMENTO  
SAN BERNARDINO • SAN DIEGO • SAN FRANCISCO • SAN JOSE • SAN LUIS OBISPO • SAN MARCOS • SONOMA • STANISLAUS

---

## SYSTEMWIDE FINANCIAL OPERATIONS

### FINANCIAL SERVICES

Date: September 20, 2004

Code: AD 04-03a

To: GAAP Coordinators  
Accounting Directors

**DUE DATE: Oct. 1, 2004**

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

Subject: **Revised SCO GAAP Adjustments Reporting Template**

As a follow-up on the reporting of the SCO GAAP adjustments, enclosed is a revised template for reporting the GAAP adjustments required by the State Controller's Office (SCO) for the fiscal year ending June 30, 2004 (Refer to Coded Memo 04-03 and the memo from George V. Ashkar dated 8/19/04). The template includes the SCO GAAP adjustments that are common to CSU campuses. Campuses should also enter any additional adjustments that are applicable to each individual campus for amounts greater than \$50,000. The Chancellor's Office will combine the data from all campuses and submit it to the SCO.

Please report only the NEW current year GAAP adjustments to the legal basis ending balances using the "gross change" method. This would be the ending balance of an accrued asset or liability if it consists entirely of a GAAP adjustment. Do not net the current year GAAP accruals with reversal of the prior year GAAP accruals, nor include reversal of the prior year GAAP accruals in the SCO template. **Please create a separate Excel worksheet within the Excel template for each state fund that is applicable.**

As you probably noticed, the list of GAAP adjustments that need to be reported in the SCO template is much shorter than the list of the GAAP adjustments in our GAAP manual since a lot of the GAAP adjustments applicable to our GAAP financial statements are not applicable to the SCO GAAP financial statements, and also some information is available at the C.O. and therefore need not be collected from the campuses.

To make sure campuses do not report unnecessary information, the following adjustments have been intentionally excluded from the SCO template:

- a. Backing out of encumbrances from accrued expenses/liabilities
- b. A/R for state appropriations
- c. State appropriations revenue
- d. Reclassification of fund balance clearing
- e. Accrued SMIF interest income
- f. Accrued compensated absences
- g. Capital assets
  
- h. Depreciation expense
- i. Capital leases
- j. Long-term debt obligations related to capital assets
- k. Risk Pool liabilities

**Please note:**

- a. Create a separate worksheet template for each applicable state fund within the Excel workbook.
- b. Report only the NEW current year GAAP adjustments to the legal basis ending balances using the "gross change" method
- c. There is no need to distinguish between current and non-current assets and liabilities, or between operating and non-operating revenues and expenses
- d. For accruals, report only those accruals that were not reported as accruals on legal basis.
- e. For scholarship discounts & allowances, since the revenues and expenses may not be in the same state fund, transfers-in and transfers-out may need to be entered at the state fund level to make the entries balance in each column.
- f. For any transfer entries, indicate the source and destination fund number in the explanation.
- g. For Faculty Early Retirement service credits due to PERS, report the total calculated amount for each campus, which should be available from the campus HR or Budget Office.
- h. If there are any campus specific adjustments, report only those that are greater than \$50,000.

GAAP Adjusting Entries	Record prepaid expense, and inventory balance.	Record CY academic year faculty salary and benefits accrual.	Faculty Early Retirement annuity due to PERS	Defer revenues collected in CY that relate to services to be provided in subsequent year.	Record scholarship discounts and allowances.	Eliminate duplicate revenue recognition between campus and Student Union aux org.	Eliminate double counting of EOP and SUG in Trust.	Campus specific adjustments, if any
Agency:	State University-Fiscal Management							
Fiscal Year 2003-04								

Acct no.	ACCOUNT TITLE	Fund #### ENTRY 1	Fund #### ENTRY 2	Fund #### ENTRY 3	Fund #### ENTRY 4	Fund #### ENTRY 5	Fund #### ENTRY 6	Fund #### ENTRY 7	Fund #### ENTRY 8	GRAND TOTAL
011	CASH & POOLED INVESTMENTS									0
012	INVESTMENTS									0
013	AMT. ON DEPOSIT WITH U.S. TREASURY									0
022	ACCOUNTS RECEIVABLE									0
024	DUE FROM OTHER FUNDS									0
025	DUE FROM OTHER GOVERNMENTS									0
028	PREPAID EXPENSES	DR								0
032	OTHER ASSETS									0
436	INTERFUND RECEIVABLE									0
437	LOANS RECEIVABLE									0
610	ACCOUNTS PAYABLE		CR							0
620	DUE TO OTHER FUNDS									0
630	DUE TO OTHER GOVERNMENTS									0
635	INTERFUND PAYABLE									0
637	LOANS PAYABLE									0
643	BENEFITS PAYABLE (Unemployment progs only)									0
644	DEPOSITS									0
646	COMPENSATED ABSENCES PAYABLE									0
650	ADVANCE COLLECTIONS				CR					0
670	BOND INTEREST PAYABLE									0
642	TAX OVERPAYMENTS									0
678	OTHER LIABILITIES			CR						0
910	RESERVED FOR ENCUMBRANCES									0
915	RESERVED FOR INTERFUND RECEIVABLE									0
920	RESERVED FOR LOANS RECEIVABLE									0
935	RESERVED FOR OTHER SPECIFIC PURPOSES									0
936	RESERVED FOR CONTINUING APPROP.									0
	OFFSET FOR RESERVES									0
950	UNDESIGNATED/Beg. Fd. Bal.									0
710	TAXES									0
770	INSURANCE PREMIUMS									0
715	INTERGOVERNMENTAL									0
720	LICENSES AND PERMITS									0
725	NATURAL RESOURCES									0
730	CHARGES FOR SERVICES				DR	DR				0
732	FEES				DR	DR	DR			0
735	PENALTIES									0
740	INTEREST									0
775	MISCELLANEOUS							DR		0
805	GENERAL GOVERNMENT									0
810	EDUCATION	CR	DR	DR		CR	CR	CR		0
815	HEALTH AND WELFARE									0
820	RESOURCES									0
825	STATE AND CONSUMER SERVICES									0
830	BUSINESS AND TRANSPORTATION									0
835	CORRECTIONAL PROGRAMS									0
840	PROPERTY TAX RELIEF									0
842	CAPITAL OUTLAY									0
845	PRINCIPAL RETIREMENT									0
850	INTEREST AND FISCAL CHARGES									0
790	OPERATING TRANSFERS IN									0
890	OPERATING TRANSFERS OUT									0
	GRAND TOTAL	0	0	0	0	0	0	0	0	0

DESCRIPTION OF ENTRY	Record prepaid expense, and inventory balance.	Record CY academic year faculty salary and benefits accrual.	Faculty Early Retirement annuity due to PERS	Defer revenues collected in CY that relate to services to be provided in subsequent year.	Record scholarship discounts and allowances.	Eliminate duplicate revenue recognition between campus and Student Union aux org.	Eliminate double counting of EOP and SUG in Trust.	Campus specific adjustments, if any
----------------------	--	--	--	---	--	---	--	-------------------------------------

Page Two

Please send the completed template to Lily Wang at [lwang@calstate.edu](mailto:lwang@calstate.edu) no later than October 1. If you have any questions, please contact Sedong John at (562) 951-4577 or Lily Wang at (562) 951-4628.

Attachment

GVA:LW:alr

c: Associate Vice Presidents  
Controllers