

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

Date: July 21, 2006 **Code: AD 06-05**

To: Vice Presidents for Administration

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

Subject: **Guidelines for Preparing PFAs for Monthly Payroll Costs**

The following is to provide guidelines for preparing PFAs to transfer money from various funds to 0948 Trust Fund to cover the monthly payroll costs under the new fee revenue management program:

1. An estimated PFA will be submitted to the SCO two business days before the final payroll cutoff. This will usually be the 26th of the month, but may vary slightly depending on the actual cutoff date. The estimate should be a sufficient amount to absorb the payroll costs and is recommended to be 110% of the prior month payroll amount. Until electronic submission of PFAs is implemented, you can fax the estimated payroll PFAs to the SCO at (916) 323-1690. The SCO wants the PFA in legal size for better legibility if you fax it to them. If you mail it, it can be either legal size or letter size. You can fax the PFA only for the estimated payroll. All other PFAs should be mailed.
2. A settlement PFA will be submitted to the SCO a few days after the actual payroll costs are posted to Fund 0948 (i.e. by the end of the first work week of the following month) in order to reconcile the estimated PFA amount with the actual payroll amount and adjust for the difference.
3. The PFA should be coded as a debit to a D account in the paying funds and a credit to an R account (299110) in Fund 0948 (see the attached sample (PFAs). Please note that the revenue code 299110 has been set up specifically for payroll PFAs by the SCO.
4. Until a new PFA is developed and approved by the SCO, the existing PFA, CSU-1, may be used.
5. Payroll PFAs may not be mixed with other PFAs. Each should be submitted separately.
6. Each campus must make sure there will be enough money in 0948 to absorb the payroll costs.

Please contact Ms. Sherry Pickering at (562) 951-4647 or spickering@calstate.edu, or Mr. Sedong John at (562) 951-4577 or sjohn@calstate.edu if you have any questions.

GVA:SJ:td AD 06-05

Distribution: Financial Managers
Accounting Officers
Budget Officers
Chancellor's Office
Ms. Sandy Rogerson, State Controller's Office