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Date: October 26, 2010 **Code: AD 10-06**

To: FOA Delegates
FSAC Members

From: Kelly Cox
Senior Accounting Manager, Systemwide and CO Accounting

Subject: **Suggested Campus CPO Process Model & Other CPO Information**

As campuses strategize the changes to their business processes to implement the use of cash posting orders (CPO) instead of checks and invoices, I want to provide one campus' model that you may use as a guideline. I would also like to add other requirements you will need to include with each CPO request.

San Luis Obispo's Approach

The approach is to utilize the CPO process for every transaction in AR and AP when possible. One exception is for AP transactions that are associated with a purchase order (PO). The "Life Cycle of a PO¹" which is used by campus departments gets lost if a CPO is used and the PO is manually reduced to zero. ACH payment from the AP system would resolve this issue. However, this is a future implementation item for this campus.

Receiving Funds (previously Accounts Receivable): For those transactions that were previously generated from an invoice, the campus will continue to route the documentation through the AR office. The AR lead person will create the CPO request form with assistance from their CPO expert in General Accounting, if needed, and submit the request to the Chancellor's Office for processing. General Accounting will record the final CPO when received from the CO.

Remitting Funds (previously Accounts Payable): For those transactions that are submitted by the campus departments for AP Processing, the campus will continue to route the documentation through the AP office. The campus AP lead will watch for any campus or CO invoices. Then, the AP lead will complete the CPO request form and submit to the Chancellor's Office for processing. General Accounting will record the final CPO when received from the CO.

"We are comfortable with our controls and the business processes we are putting in place, plus we like the efficiency that this should give us." –Director of Fiscal Services, SLO

¹ Requisition request to the conversion to a purchase order (PO) to the issuance of the check.

CSU Campuses
Bakersfield
Channel Islands
Chico
Dominguez Hills
East Bay

Fresno
Fullerton
Humboldt
Long Beach
Los Angeles
Maritime Academy

Monterey Bay
Northridge
Pomona
Sacramento
San Bernardino
San Diego

San Francisco
San José
San Luis Obispo
San Marcos
Sonoma
Stanislaus

CPO Request Items

When generating a CPO request to collect funds from another campus, the Chancellor's Office will require some written acceptance from the remitting campus, including the CO, that the charge has been agreed upon by both parties. This can be in the form of an agreement, contract, MOU, or an email exchange among other forms of back-up. For registration fees to conferences or seminars, the conference host should complete the CPO request form for all campuses and all attendees. Included in the request can be a list of attendees by campus, along with conference information.

The campus Controller/Director/Manager should be copied on the CPO email request as an indication of authorization to submit the request.

CPO Request Form Link

The Chancellor's Office is constantly striving to improve the CPO process, including the CPO Request Form. Some changes may not be visible on the face of the form. For this reason, it is strongly suggested that you retrieve the most current copy of the CPO Request Form from the Chancellor's Office [website](#). If the hyperlink does not open, copy and paste: http://www.calstate.edu/acct/policies_procedures/co/index.shtml to your browser's URL line.

If you have any questions, please contact myself (kcox@calstate.edu) or Lilian Audet at (562) 951-4209 or laudet@calstate.edu.

CC: Lilian Audet, SW & CO Accounting Supervisor

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