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Code: AD 10-07

To: FOA Delegates
FSAC Members

From: Kelly Cox
Sr. Accounting Manager
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Subject: **FY 2010/2011 Federal Award Funding Exchange**

The CSU has received its final installment of funds from the State Fiscal Stabilization Fund (SFSF) authorized by the American Recovery and Reinvestment Act (ARRA) which was approved by Congress last year. As a continuation of the contract requirements of the Office of Planning and Research (OPR), the CSU is to use these funds for salary costs associated with the instruction and educational support services of students. To comply with the contract, the funds can only be used to support costs within a few of the CSU's FIRMS program codes. Due to this requirement, only selected campuses will receive this year's ARRA funding. This determination was based on the campus' payroll volume and their ability to absorb the total funding within the allowable program codes for the October pay period.

This distribution of the award funding should have no financial effect on the selected CSU campus' 2010/2011 budget allocation. There will be a series of transactions to exchange the award funds with the campus' SWIFT dollars. Below are the three transactions that will occur:

1. Allocation Order (AO)
 - o *New this Year!* A new PeopleSoft fund within the **General Fund (GF)**, SCO Fund 0001 Ref Item 501, needs to be created by each campus using FNAT Key # 129811.
 - o Record the AO 10-027 to the budget ledger within this new GF fund.
2. Plan of Financial Adjustment (PFA)
 - o Use the same PeopleSoft fund, within CSU Fund 485 that is mapped to the restricted-other net asset category using FNAT Key # 128955, as you used last year. If preferred, campuses may choose to create a new fund.
 - o Record AD NOAT 10-095 to the Actuals ledger within both the **new** GF fund and the 485 restricted Trust Fund.

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

3. Cash Posting Order (CPO)

- *New this Year!* This CPO will exchange the award funds with SWIFT dollars. This transaction allows the Systemwide Budget office to receive SWIFT dollars from the selected campus in exchange for the award funding allocation.
- Record the CPO 10-0211 as a swap transaction similar to the end of the fiscal year swap transactions. This will be recorded to your non-restricted CSU Operating fund unlike the PFA and AO noted above.

The above three transactions will have zero financial effect to the selected campuses. The ARRA Allocation amounts outlined in the September 13, 2010 letter from Executive Vice Chancellors Smith and Quillian to the CSU Presidents should not be considered in this process. The final 2010/11 budget allocations can be found in the Systemwide Budget Office's Code Memo [B10-04](#) 2010/11 Budget Act Allocations.

If you have any questions, please contact Kelly Cox at (562) 951-4611 or e-mail kcox@calstate.edu .

KC: AD 10-07