

Financial Services
401 Golden Shore, 5th Floor
Long Beach, CA 90802-4210

www.calstate.edu

Date: October 27, 2010

Code: AD NOAT 10-095

To: Financial Managers
Accounting Officers
Budget Officers

From: Kelly Cox
Senior Accounting Manager
Systemwide and CO Accounting

Subject: ARRA Reimbursement

**Transfer Request: 109030
Legal Posting FY2010-11
GAAP Posting FY2010-11**

(When GAAP year = Legal year, no GAAP entry is needed)

The CSU has received additional American Recovery & Reinvestment Act (ARRA) funding for fiscal year 10/11. The additional ARRA funding is reimbursement for mitigating reductions to the CSU campuses for expenditures pursuant to Title XIV –ARRA. This transaction is to provide funding to 17 CSU campuses per the attached schedule.

To comply with all the reporting and regulatory requirements, please comply with the below accounting instructions:

- 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, Campus may choose to create a fund.
- o ***New this Year!*** A new PeopleSoft fund for General Fund (GF), SCO Fund 0001 Ref Item **501** using FNAT Key # 129811, will need to be created by each campus.
- o Record PFA 109030 to the Actuals ledger within both the new GF 501 fund and the restricted 485 Trust Fund.
- o Prepare a manual journal entry to move salary and benefit expenditures into the restricted fund within CSU fund 485.
 - o Similar to last year, only departments within the allowable FIRMS program codes are allowable. Therefore, first use expenditures in Instruction (0100-0105, NOT 0106), then Student Services (only 0502, 0503, & 0507) and finally

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

if additional expenditures are needed use Academic Support (only 0402, 0405, & 0408). As a tool to determine the program code by department ID you may use the CDIP FIRMS Rule-4 Detail Table (*CSU_CDIP_RUL4_D*) in PeopleSoft query manager.

- Prepare the supporting HR Labor Distribution Query that lists department ID, employee ID and payment amounts along with our payroll journal. To arrive at the correct program code distribution, an additional XXCSU business unit JE may be utilized.
- Your manual journal entry may be limited to the 6 major object codes in CSU 485. However, if needed, more benefits accounts can be used. Once you have determined your population, use a reasonable allocation percentage to determine the amounts per account to be transferred to the restricted fund in CSU fund 485. As a starting point, these are the suggested major object codes:
 - 601100 – Academic salaries
 - 601201 – Management & supervisory
 - 601300 – Support staff salaries
 - 603001 – OASDI
 - 603004 – Health & welfare
 - 603005 – Retirement
- DO NOT include any employees that have reimbursed time salary and benefits.
- DO NOT include any employees funded by cost match that have been committed from the CSU Operating Fund in compliance with an externally sponsored agreement. Please coordinate with your Sponsored Program Director.
- After the allocation, the total salary and benefit expenses in the restricted CSU fund 485 in should be equal to the amount of this ADNOAT. In other words, the debit of total salary and benefit expenses should equal to the credit of ARRA grants expenditure offset (690006) in the restricted CSU fund 485.

Be cognizant of the impact this may have your campus/auxiliary federally negotiated F&A (Facilities & Administrative) cost rate for sponsored projects. This is only a concern if FY2010/11 is your “base year”¹ for developing your F&A rate. Inclusion of administrative salaries and benefits will ultimately **reduce** your F&A rate, as those costs would not be allowable in the administrative cost pool for the rate.

Further details can be found in [AD 10-07](#). If you have any questions regarding this ADNOAT or general ARRA question, please contact me at (562) 951-4611 or kcox@calstate.edu. For questions, regarding F&A cost rate calculation and impact of the ARRA funding, please contact Sue DeRosa at (562) 951-4213 or sderosa@calstate.edu.

GVA: KC: td

AD NOAT 10-095
Attachment

¹ If you will be using the financial data from fiscal year 2009/ 10 to develop your next F&A rate for negotiation with the Federal government, then this is your “base year.”

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Systemwide Financial Operations Plan of Financial Adjustment/Transfer Request

PFA/TR# 109030
ADNOAT 10-095
Attachment

CAMPUS	AGENCY #	PFA 109030 ARRA 2010
Systemwide	6610	-
Chancellor's Office	6620	-
Bakersfield	6650	-
San Bernardino	6660	4,469,000
Stanislaus	6670	-
Chico	6680	5,168,000
Dominguez Hills	6690	3,016,000
Fresno	6700	6,514,000
Fullerton	6710	8,704,000
East Bay	6720	3,640,000
Humboldt	6730	2,734,000
Long Beach	6740	10,422,000
Los Angeles	6750	5,617,000
Maritime Academy	6752	-
Monterey Bay	6756	-
Northridge	6760	-
Pomona	6770	5,929,000
Sacramento	6780	7,799,000
San Diego	6790	11,262,000
San Francisco	6800	9,036,000
San Jose	6810	8,971,000
San Luis Obispo	6820	7,671,000

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Pomona
Sacramento
San Bernardino
San Diego

San Francisco
San José
San Luis Obispo
San Marcos
Sonoma
Stanislaus

Sonoma	6830	2,573,000
San Marcos	6840	2,475,000
Channel Islands	6850	-
TOTAL	-	106,000,000

CO/Campus entries required - using FIRMS object code:

SCO Fund 0001 Ref Item 501 with FNAT # 129811	305022	CR
	690006	DR

SCO Fund 0948-485 with FNAT Key # 128955	305022	DR
	690006	CR