

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

www.calstate.edu

Date: October 29, 2010

Code: ADNOAT 10-097

To: Financial Managers
Accounting Officers
Budget Officers

From: Kelly Cox
Sr. Accounting Manager
Systemwide and CO Accounting

Subject: *ARRA Reimbursement*

Transfer Request: 109034

Legal Posting: FY 2010-11

GAAP Posting: FY 2010-11

(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 if additional expenditures are needed use Academic Support (only 0402, 0405,

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

- & 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.

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.

KC:JC;td

ADNOAT 10-097
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# 109034
ADNOAT 10-097
Attachment

CAMPUS	AGENCY #	PFA 109034 ARRA 2010
Systemwide	6610	0.00
Chancellor's Office	6620	0.00
Bakersfield	6650	0.00
San Bernardino	6660	0.00
Stanislaus	6670	552,869.00
Chico	6680	0.00
Dominguez Hills	6690	0.00
Fresno	6700	0.00
Fullerton	6710	0.00
East Bay	6720	0.00
Humboldt	6730	0.00
Long Beach	6740	0.00
Los Angeles	6750	0.00
Maritime Academy	6752	0.00
Monterey Bay	6756	0.00
Northridge	6760	0.00
Pomona	6770	0.00
Sacramento	6780	0.00
San Diego	6790	0.00
San Francisco	6800	0.00
San Jose	6810	0.00
San Luis Obispo	6820	0.00

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Sonoma	6830	0.00
San Marcos	6840	0.00
Channel Islands	6850	0.00
TOTAL	-	\$552,869.00

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