

THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
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Date: February 27, 2007

Code: AD NOAT 07-031

To: Financial Managers
 Accounting Officers
 Budget Officers

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

Subject: Centrally Paid Indirect Health Costs Adjustment FY 2006/07

Legal Posting FY2006-07
GAAP Posting FY2006-07
 (When GAAP year = Legal year, no GAAP entry is needed)

In accordance with Financing and Treasury memorandum FT 06-01 dated August 10, 2006, the centrally paid indirect costs for fiscal year 2006/07 will be charged quarterly via Plan of Financial Adjustment (PFA).

The State Controller's Office is processing PFA 069211 in order to adjust 1st & 2nd Quarter Centrally Paid Indirect Health Costs to their correct campus.

Please Note: PFAs 069050 & 069129 did not agree with their subsequent AD NOATs regarding the Fullerton and Fresno campuses. AN 06-132 & AN 06-188 did provide the correct journal entry requirement to the correct campuses. It was the PFAs that were incorrect. Below – is what should be on record for the 1st & 2nd Quarter.

Campus	Chancellor's Office Services	State Prorata Costs (Health Benefit)	State Prorata Costs (Admin. Portion)	Annual PFA Amount	Quarterly PFA Amount
Fresno	20,950	182,199	7,639	210,788	52,697.00
Fullerton	20,950	-	7,639	28,589	7,147.25
Campus Journal Entry Required (FIRMS):					
Debit					660025
Credit					305022

Please make the necessary changes in to ensure both campuses are in agreement and have booked the correct amount.

If you have any questions, please contact Brian Lee at (562) 951-4399 or via e-mail at blee@calstate.edu.

GVA:BL:lm AD NOAT 07-031