Date: April 18, 2003  
To: Vice Presidents for Administration/Finance  
From: Richard K. Leffingwell  
Senior Director  
Financing and Treasury  
Subject: 2003/04 Centrally Paid Costs – Facilities Revenue Fund – Health Facilities (581-282)

We are transmitting the Health Center Facilities Fund centrally paid costs for fiscal year 2003/04, for incorporation into your budget planning process. The attached worksheet summarizes these costs by campus. The systemwide cost recovery for fiscal year 2003/04 is based on each campus percentage share of the total CSU headcount enrollment for the 2001/02 college year.

The systemwide costs relate to state prorata charges and Chancellor’s Office services. In 2003/04 campuses will experience an increase in their total health facilities annual costs due to an increase in state prorata charges. The state prorata charges consist of administrative expenditures related to various state agencies such as the Department of Finance, the State Controller’s Office, the State Treasurer’s Office, the Bureau of State Audits, the Legislature and others. The CSU, as other state agencies, is charged a portion of these expenditures. Please be assured that as in the past, we will continue to voice our concerns to the Department of Finance related to the increases affecting our programs. Our goal continues to be to minimize expenditures for both the health center program and other CSU self-supporting programs.

Please ensure that appropriate fiscal personnel at your campus have this information. We will be asking our accounting office to prepare a single Plan for Financial Adjustments (PFA) to transfer the entire funds at the end of August 2003 from each campus general fund to the Chancellor’s Office. Consequently, campuses should record the journal entries (which will affect the general fund) listed on the attached worksheet and internally reimburse themselves from health center facilities program funds. Please note that this method is different from prior years where transfers were made from the revenue fund to the Chancellor’s Office. Given changes in campus activities to have funds in a trust fund instead of the systemwide revenue fund, it has made it difficult for accounting staff to process PFAs.

Please contact Rosa Renaud or Angelique Sutanto in the Office of Financing and Treasury at (562) 951-4570 if you or a member of your staff has any questions and/or need copies of any related documents.

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Attachment