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## Introduction

The Chapter 15 Reconciliation requirements Business Process Guide provides an overview of the requirements need to comply with Chapter 15 standards.

## Related Documentation/Information

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In addition to this business process guide, users can review the following documents related to this process:

- Financial Services Training Library <https://csyou.calstate.edu/Divisions-Orgs/bus-fin/Financial-Services/Training/> Search criteria: “chapter 15” or “capital”
- CDPC Fiscal Cash Management Site: <https://csyou.calstate.edu/Divisions-Orgs/bus-fin/cpdc/CPDC-Executive/Pages/Capital-Projects-Cash-Management.aspx>
- Accounting and Reporting Legal Manual <https://csyou.calstate.edu/Divisions-Orgs/bus-fin/Financial-Services/sfsr/Pages/Legal-Accounting-Manual.aspx>
  - 15: [Capital Projects - Funding for University Facilities](#) (revised 2/8/19)
  - 17: [Capital Projects - Systemwide Revenue Bond \(SRB\)](#) (revised 2/8/19)
  - 28: [Capital Projects - Capital Outlay](#) (revised 3/28/18)
  - 22: [Capital Projects - Capital Lease Obligation and Debt](#)

## Definitions

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The following (optional) icons may be used to draw attention to information in this guide:



New in CFS 9.2:



Stop:



Warning:



Important:



Note:

## Business Process Workflow Diagram

*The following flowchart provides an overview of the steps contained in this guide. Numbers in the flowchart correspond to the major sections presented in this document.*

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*TDB*

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## 1.0 Capital Project Fiscal Reconciliation by Project

This guide will focus on the accounting and reporting requirements necessary to be in compliance with University Facilities reporting. As directed in chapter 15 of the accounting and reporting legal manual, campuses are to reconcile on a quarterly basis to ensure that expenditures are recorded in the appropriate funding source and CPDC project attribute.

In addition, in order to meet various reporting deadline, campuses must insure compliance prior to the close of the second quarter (12/31) and must be included in the campus Q2 FIRMS submission.

### 1.1 Set up the report Finance Data Warehouse – Step 1.1

Navigation: > Financial Reporting > [Financial Summary As of Period](#)

The screenshot shows the 'Financial Reporting' section of the CSU Business Intelligence / Data Warehouse. The 'Financial Summary As of Period' report is selected. The 'Report Filters' section includes the following fields:

- Business Unit: --Select Value--
- Fiscal Year: 2017
- Accounting Period (rs of): 12
- Account Type: 50 - Revenues;60
- Account Category: --Select Value--
- Budget Ledger: Budgets
- Fund CF Status: --Select Value--
- Fund: --Select Value--
- Dept: --Select Value--
- Account: --Select Value--
- Project: --Select Value--
- Program: --Select Value--
- Class: --Select Value--
- NOT Fund: NOT --Select Value--
- NOT Dept: NOT --Select Value--
- NOT Account: NOT --Select Value--
- NOT Project: NOT --Select Value--
- NOT Program: NOT --Select Value--
- NOT Class: NOT --Select Value--
- NOT Acct Cat: NOT --Select Value--

An 'Advanced Filters' button is highlighted with a red arrow. At the bottom, there are 'Apply Filters' and 'Reset Filters' buttons.

#### Report Filters:

**Business unit:** Select the campus business unit.

**Fiscal Year and Period:** Period 6 = December and current year (CY) = the first year in the fiscal year. June 30th = 201912

**Account Type:** 50 and 60 only. Chapter 15 reporting includes recording transfers in with the project code. *Account Type is helpful to limit to only expenses (60) and revenue (50). However, Chapter 15 requires transfers in (50) and out (60) should also carry the project value. Project codes are only used in the project funds.*

**Budget Ledger:** select the ledger for the campus.

Advanced Filters:

Project CF att Type: CDPC\_PROJ

Select the project to be reconciled from the menu. CPDC Project number are created after approval from the BOT. If no project is listed, contact CPDC Fiscal.

**Select Column Selectors**

1. Column 1: Campus business unit (optional)
2. Column 2: Project CF Attribute Value (aka CPDC Project number).
3. Column 3: Project Fdescr (aka Campus Project number).
4. Column 4: CSU Fund Fdescr (type of funding)
5. Column 5: FIRMS Proj Cd Fdescr (funding year in the 0576 and 0001-017)
6. Column 6: Account Type (optional)
7. Column X: Acct Cat Fdescr: (optional)

				Inception to Date Actuals		Inception to Date Actuals Total
Campus Fdescr	Project CF Attr Fdescr	CSU Fund Fdescr	FIRMS Proj Cd Fdescr	2016	2017	
20 - CSU, Chico	CH-01459 - Meriam Library Waterproofing	017 - GF - Academic Capital Outlay	01521 - 2016-17 Deferred Maintenance	22,647.16	1,303,079.22	1,325,726.38
		230 - DCF-Academic Deferred Maintenance and Capital Renewal Fund	01480 - CSU 2015-16 Capital Outlay Program	989,371.36	514,628.64	1,504,000.00
			01543 - 2016-17 Academic Capital Outlay	0.00	350,000.00	350,000.00
		485 - TF-CSU Operating Fund	00000 - Non Capital Outlay Project	0.00	105,000.00	105,000.00
		486 - TF-Academic Maintenance &	00000 - Non Capital Outlay Project		150,000.00	150,000.00
<b>20 - CSU, Chico Total</b>				<b>1,012,018.52</b>	<b>2,422,707.86</b>	<b>3,434,726.38</b>
<b>Grand Total</b>				<b>1,012,018.52</b>	<b>2,422,707.86</b>	<b>3,434,726.38</b>

Project CF Att Val Fdescr	Project Fdescr	Fund Fdescr	Acct Cat Fdescr	Current Budget	Actuals	Encumbrances	Balance Available	% Used Fis. Year
CH-01459 - Meriam Library Waterproofing	MLIB48 - MLIB Waterproofing	GP016 - CSU Op Fund Projects 16-17	506 - Transfers In From Other Funds/Appropriations		0.00	0.00	0.00	
			607 - Capital Outlay Projects		0.00	0.00	0.00	
			660 - Misc. Operating Expenses		101,137.00	0.00	(101,137.00)	
			680 - Operating Transfers Out		3,863.00	0.00	(3,863.00)	
		K1701 - State Cap Outl Def Maint 16-17	607 - Capital Outlay Projects	2,100,000.00	1,334,049.75	0.01	765,950.24	64%
		R1026 - 15-16 Capital Outlay CP	607 - Capital Outlay Projects		0.00	0.00	0.00	
		R1694 - 15-16 AcCpOut SRB2017A TaxExmt	607 - Capital Outlay Projects	1,504,000.00	1,504,000.00	0.00	(0.00)	100%
		R1695 - 16-17 SRB2017A TaxEx-AcCapOutl	607 - Capital Outlay Projects	350,000.00	350,000.00	(0.00)	0.00	100%
		T8617 - Academic NRM - 2017-2018	506 - Transfers In From Other Funds/Appropriations		(150,000.00)	0.00	150,000.00	
		T9121 - VPBF Funded Projects	607 - Capital Outlay Projects		141,676.63	8,323.36	(149,999.99)	
	617 - Services from Other Funds/Agencies Group		0.00	0.00	0.00			
<b>MLIB48 - MLIB Waterproofing Total</b>				<b>3,954,000.00</b>	<b>3,284,726.38</b>	<b>8,323.37</b>	<b>660,950.25</b>	<b>83%</b>
<b>CH-01459 - Meriam Library Waterproofing Total</b>				<b>3,954,000.00</b>	<b>3,284,726.38</b>	<b>8,323.37</b>	<b>660,950.25</b>	<b>83%</b>
<b>Grand Total</b>				<b>3,954,000.00</b>	<b>3,284,726.38</b>	<b>8,323.37</b>	<b>660,950.25</b>	<b>83%</b>

## 1.2 Funding (CPO/AO) Step 1.2

Make sure all of the allocation and de-allocations have been recorded to both the budget and actuals ledger.

### Commercial Paper: Define and why

Campus	CPDC_Proj Attribute	CPDC_Proj_Type Attribute	2015-16 Priority Projects (Revised)	Phase	Project Estimate (Revised)	Campus Subtotal
BK	BA-00898	NRMR	Digital Control Replacement, Ph. 1	PWC	\$ 677,000	\$ 677,000
CH	CH-01303	NRMR	Boiler Replacement, Ph. 2	C	\$ 4,000,000	\$ 5,504,000
CH	CH-01459	NRMR	Meriam Library Waterproofing	PWC	\$ 1,504,000	

Bond anticipation Notes (BAN) are sold and bonds are issued. Deallocation of BANs and allocation of bond funds.

Campus	CPDC_PROJ Attribute	CPDC_PROJ_TYPE Attribute	2015-2016 Priority Projects	Phase	Project Estimate	Campus Subtotal
BK	BK-00898	NRMR	Digital Control Replacement, Ph. 1	PWC	\$ 677,000	\$ 800,000
BK	BK-01457	NRMR	Natural Gas Line Replacement	PWC	\$ -	
BK <sup>6</sup>	BK-01364	NRMR	Electrical Distribution Equipment Upgrade, Ph. 1	C	\$ 123,000	
CH	CH-01303	NRMR	Boiler Replacement, Ph. 2	C	\$ 4,000,000	\$ 5,504,000
CH	CH-01459	NRMR	Meriam Library Waterproofing	PWC	\$ 1,504,000	

### General Fund deferred maintenance



**CSU Deferred Maintenance Projects**  
Control Section 6.10 of the Budget Act of 2016: Deferred Maintenance

CPDC_PROJ_TYPE	Campus	Projects	Project Estimate	CPDC_PROJ
NRMR	Bakersfield	Fire Alarm System Renewal	\$ 600,000	BK-01483
	<b>Bakersfield Total</b>		<b>\$ 600,000</b>	
NRMR	Channel Islands	Back up Generators and Switch Replacement	\$ 150,000	CI-01484
NRMR	Channel Islands	Potable Water Piping and Gas Shut Off Valves Renewal	\$ 100,000	CI-01485
	<b>Channel Islands Total</b>		<b>\$ 250,000</b>	
NRMR	Chico	Meriam Library Waterproofing	\$ 2,100,000	CH-01459
	<b>Chico Total</b>		<b>\$ 2,100,000</b>	

Navigation: path > path > path > path

### 1.3 Five (5) year Capital Improvement Program (CIP) Steps 1.3

To facilitate this reconciliation, campuses should utilize the campus' Previous Five-Year Capital Improvement Program (CIP) document found in the annual Five-year Capital Outlay program to determine the current approved and funded projects, as well as Resources on the CPDC Executive CSYou page for projects amended to the capital outlay program that have yet to be documented in the Five-Year CIP and CPDC allocation schedules for the type of funding.

Using the Pervious 5 year Report, make sure you have accounting records for each project listed.

**Previous Five-Year Capital Improvement Program 2013/14 through 2017/18**  
(Dollars in 000's)

CHICO

Project	Funds	2013/14	2014/15	2015/16	2016/17	2017/18+
Taylor II Replacement Building (Arts & Humanities)	S		E 2,740			
Boiler Replacement, Ph. 1 and 2	SRB-AP		PWC 5,004	C 4,000		
Boiler-Chiller Plant Modification	Campus-I			PWC 10,897		
Generator for Fire Egress System	DM			PWC 1,023		
Meriam Library Waterproofing	SRB-AP DM			PWC 1,504	C 1,350 PWC 2,100	
Siskiyou II Science Replacement (Seismic)	SRB-AP Campus-I				PC 73,651 WE 6,338	C 13,969 C 575
HVAC Upgrades, Lassen/Shasta Halls	SH					PWC 160
Shasta Hall Interior Paint	SH					PWC 80
Room Ventilators Abatement, Lassen/Shasta	SH					PWC 140
Shasta Hall Chiller Re-piping	SH					PWC 60
Whitney Hall Hydronic System, Ph. 2	SH					PWC 380
Whitney Hall Carpet Replacement, Ph. 2	SH					PWC 100
North Campus Roof Repairs	SH					PWC 50
Konkow Hall Painting	SH					PWC 80
University Village South A/C Unit Repl., Ph. 1	SH					PWC 200
University Village South ADA Upgrades, Ph. 1	SH					PWC 250
<b>Totals</b>	<b>\$124,651</b>	<b>\$0</b>	<b>\$7,744</b>	<b>\$17,424</b>	<b>\$83,439</b>	<b>\$16,044</b>

+ Project/cost increases in bold are pending a future bond sale and are part of the BOT approved November 2016 multi-year funding.

A = Acquisition P = Preliminary Plans W = Working Drawings C = Construction E = Equipment

- Make sure all projects on the previous 5 year report reconcile to the ledger. Any projects on one but not the other should be researched.



Business Unit = **CHICO - California State Univ, Chico**, Fiscal Year = **2017**,

Project CF Att Val	CSU Fund	Fund Fdescr	Current Budget	Actuals	Encumbrances	BBA	%
CH-01091 - Siskiyou II Science Replacement (Seismic)	230 - DCF - Academic	R1695 - 16-17 SRB2017A TaxEx-	1,000,000.00	1,000,000.00	0.00	0.00	100%
		R2698 - 16-17 SRB2017B Taxable-SISKU	10,896,829.00	1,856,716.86	1,578,203.01	7,461,909.13	32%
	<b>230 - DCF-Academic Deferred Maintenance and</b>		<b>11,896,829.00</b>	<b>2,856,716.86</b>	<b>1,578,203.01</b>	<b>7,461,909.13</b>	<b>37%</b>
	487 - TF -	T8715 - Academic CIMP - 2015-2016		4,742.75	0.00	(4,742.75)	
	<b>487 - TF-Academic Capital Improvements Total</b>			<b>4,742.75</b>	<b>0.00</b>	<b>(4,742.75)</b>	
<b>CH-01091 - Siskiyou II Science Replacement (Seismic) Total</b>			<b>11,896,829.00</b>	<b>2,861,459.61</b>	<b>1,578,203.01</b>	<b>7,457,166.38</b>	<b>37%</b>
CH-01303 - Boiler Replacement Ph. 1 and 2	230 - DCF - Academic	R1026 - 15-16 Capital Outlay CP		0.00	0.00	0.00	
		R1629 - Boiler Repl Ph1 - SRB 2015A	5,004,000.00	5,004,000.00	0.00	0.00	100%
	Deferred	R1694 - 15-16 AcCpOut SRB2017A	4,000,000.00	3,193,331.08	3,664.17	803,004.75	80%
		<b>230 - DCF-Academic Deferred Maintenance and</b>		<b>9,004,000.00</b>	<b>8,197,331.08</b>	<b>3,664.17</b>	<b>803,004.75</b>
<b>CH-01303 - Boiler Replacement Ph. 1 and 2 Total</b>			<b>9,004,000.00</b>	<b>8,197,331.08</b>	<b>3,664.17</b>	<b>803,004.75</b>	<b>91%</b>
CH-01368 - Generator for fire egress system	017 - GF -	K1700 - State Cap Outl Def Maint 15-16	1,023,000.00	1,006,324.50	16,675.50	(0.00)	100%
		<b>017 - GF - Academic Capital Outlay Fund Total</b>		<b>1,023,000.00</b>	<b>1,006,324.50</b>	<b>16,675.50</b>	<b>(0.00)</b>
<b>CH-01368 - Generator for fire egress system Total</b>			<b>1,023,000.00</b>	<b>1,006,324.50</b>	<b>16,675.50</b>	<b>(0.00)</b>	<b>100%</b>
CH-01427 - Boiler-Chiller Plant Modification	487 - TF - Academic Capital	T8702 - BCP Equipment		6,555,332.88	0.00	(6,555,332.88)	
		T8715 - Academic CIMP - 2015-2016		1,900,000.00	0.00	(1,900,000.00)	
	<b>487 - TF-Academic Capital Improvements Total</b>			<b>8,455,332.88</b>	<b>0.00</b>	<b>(8,455,332.88)</b>	
	491 - TF -	T9121 - VPBF Funded Projects		13,908.78	4,380.00	(18,288.78)	
<b>491 - TF-Special Projects Fund-Special Projects Total</b>			<b>13,908.78</b>	<b>4,380.00</b>	<b>(18,288.78)</b>		
<b>CH-01427 - Boiler-Chiller Plant Modification Total</b>				<b>8,469,241.66</b>	<b>4,380.00</b>	<b>(8,473,621.66)</b>	
CH-01459 - Meriam Library Waterproofing	017 - GF -	K1701 - State Cap Outl Def Maint 16-17	2,100,000.00	1,334,049.75	0.01	765,950.24	64%
		<b>017 - GF - Academic Capital Outlay Fund Total</b>		<b>2,100,000.00</b>	<b>1,334,049.75</b>	<b>0.01</b>	<b>765,950.24</b>
	230 - DCF - Academic	R1026 - 15-16 Capital Outlay CP			0.00	0.00	
		R1694 - 15-16 AcCpOut SRB2017A	1,504,000.00	1,504,000.00	0.00	(0.00)	100%
	Deferred	R1695 - 16-17 SRB2017A TaxEx-	350,000.00	350,000.00	(0.00)	0.00	100%
		<b>230 - DCF-Academic Deferred Maintenance and</b>		<b>1,854,000.00</b>	<b>1,854,000.00</b>	<b>(0.00)</b>	<b>0.00</b>
	485 - TF -	GP016 - CSU Op Fund Projects 16-17		105,000.00	0.00	(105,000.00)	
	<b>485 - TF-CSU Operating Fund Total</b>			<b>105,000.00</b>	<b>0.00</b>	<b>(105,000.00)</b>	
486 - TF -	T8617 - Academic NRMR - 2017-2018		141,676.63	8,323.36	(149,999.99)		
<b>486 - TF-Academic Maintenance &amp; Repair Total</b>			<b>141,676.63</b>	<b>8,323.36</b>	<b>(149,999.99)</b>		
<b>CH-01459 - Meriam Library Waterproofing Total</b>			<b>3,954,000.00</b>	<b>3,434,726.38</b>	<b>8,323.37</b>	<b>510,950.25</b>	<b>87%</b>

The following elements should be validated.

- 1. Spending Authority has been granted in the funding source and it is recorded in the appropriate SCO and CSU fund.** "Spending Authority" is defined as either an allocation order, systemwide transfer, or campus transfer.

This requirement includes recording the transaction to both the budget and actuals ledger. Allocation Orders are only recorded to the budget ledger as required by the state but in contrast, systemwide transfers are cash transactions and are recorded as transfers in the actuals ledger but also must be recorded as a budget entry in the appropriate fund and Project Fdescr.

Visit the CPDC Cash Management CSyou Page of all funding transactions to date. [LINK]

- 2. Campus and systemwide PayGo funding should be recorded as a "transfer in" of cash from one fund to another. It is required that the transfer in (not transfer out) carry the project attribute.**

This requirement also includes both the budget and actuals ledger. Note: Make sure 18/19 capital transfers recorded in FOC 572000 and CSU Fund 485 have been further transferred to the appropriate NRMR or CIMP CSU fund. Beginning 19/20, capital transfers will go directly to the NRMR and CIMP CSU funds. As mentioned above, transfers are cash transactions and are recorded to the actuals ledger but also must be recorded as a budget entry in the appropriate fund and project fdescr.

- 3. Facility management expenses (607032 - Capital-Construction Management) are to be only charged to the project fund (not the cost recovery fund) and should carry the project attribute for that project.**

CPDC and the campus charges a capital management fee to the project for administrative services. In order to eliminate this interagency transaction, use of 607032 - Capital-Construction Management is required and also must include the project Fdescr in the project fund (aka CSU fund 230, 486 or 487).

**Check:** Validate there are NO project fdescr values recorded to operating funds, example CSU fund 485.

- 4. Ensure that expenses recorded to CIMP or NRMR CSU funds that are **not** part of Major Capital Outlay project (those that carry a CPDC Project Attribute) are appropriately reportable as minor projects (currently under \$709,000).**

The campuses should review all expenditures not associate with a CDPC Proj Value to validate they meet the definition of a minor capital outlay project. Currently a minor capital is defined as project costing less than or equal to \$709,000, inclusive of all project cost not just for construction.

- 5. Expenditures to not exceed spending authority or that additional funding has been recorded to augment a project.**

Make sure the budget balance available within each approved funding sources is not less than 0. Negative BBA in an expenditure account may indicate over spending.

- 6. Ensure that all expenditures are recorded based on their natural classification and that “Transfer out” FIRMS object codes are only used as a reduction of spending authority in SCO fund 0948. Reductions in spending authority in SCO fund 0576 are as a result of a de-allocation and are not recorded in the actuals ledger.**

**Natural classification** is an accounting classification based on type of expense, rather than the program in which it benefits. In other words, make sure you use the appropriate FIRMS Object Code as defined by Appendix 19 of the Accounting and Reporting Legal Manual.

## **APPENDIX A: Name of Appendix**

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Can include, as appropriate:

- Test Scenarios
- Data Flow Diagrams
- Run Control Strategy
- Run Control Variable
- Additional Comments

## REVISION CONTROL

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<b>Document Title:</b>	Business Process Guide: Chapter 15 Reconciliation requirements
<b>Author:</b>	CPDC Fiscal
<b>File Reference:</b>	Chapter 15 Reconciliation requirements

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