



*Business Matters At Sac State*

## ***CMS FUND CHANGES BEGINNING JULY 1, 2006***

Date: July 5, 2006     *\*Update - Legislation Passed with the 2006/2007 Budget on June 30th\**

To: Deans, Associate Deans, Department Chairs, Directors, Managers and Campus Business Partners

From: Suzanne Green, Associate Vice President for Finance

### **BACKGROUND INFORMATION**

Included in the State of California 2006-2007 budget there is legislation ~~pending which, if passed,~~ that will affect business processes within the entire California State University (CSU) system. Specifically the FUNDS used for daily operations will change.

### **Pending Legislative Changes**

- The CSU will have authority to maintain student fee revenue in the State University Trust Fund effective July 1, 2006.
- With this change, the CSU will operate within the State University Trust Fund
  - Monthly transfers will be processed by the State Controller
- ~~Legislation will likely pass; so, we are "running until tackled"~~ *\*Update - Legislation Passed with the 2006/2007 Budget\**

### **WHAT DOES THIS MEAN TO SAC STATE? –**

#### ***Essential Information for Department Business Partners***

**If** ~~the legislation passes....~~ *\*Update – Legislation passed with the 2006/2007 Budget\**

- Campuses will operate within a new State University Trust Fund
- This fund will act like General Fund and Departments will continue to be allocated a budget
- The New Funds for 2006-2007 will be:
  - MDS01 - General Support
    - Same operating rules as GXXDS funds in the past
    - Do Not Use G06DS!
  - MDR01 - Reimbursed Activity Expenses
    - Same operating rules as GXXDR funds in the past
    - Do Not Use G06DR!
      - MDS01 and MDR01 are the funds you will use FOREVER!!
      - Maybe..... *\*Update – Legislation passed with the 2006/2007 Budget\**
    - Remember—we're "running until tackled"
    - ~~We will know as soon as the 2006-2007 Budget Act is approved~~
    - ***No matter what happens, for this year (2006-2007):***

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- Fund Values will be
    - MDS01 – NOT G06DS
    - MDR01 – NOT G06DR
- Next Steps
  - To spend funds that “would” have been budgeted within fund G06DS – Departments must use MDS01.
  - nVision – use “Department Expense Info” buttons
  - ~~During July~~—when we know if the legislation passed we’ll notify the campus
  - ~~If it does pass~~, MDS01/MDR01 will remain our main campus funds from year to year – they will NOT change each year *\*Update – Legislation passed with the 2006/2007 Budget\**
- How will the Fund value not changing affect you?
  - All activity will be processed within MDS01 and MDR01
  - In the second year all prior year activity will continue within MDS01 and MDR01
  - Open PO’s at June 30, 2007 will be paid during 2007-2008 in MDS01 or MDR01
- Mandatory Student Course Fees
  - Separate Trust Fund for each Student Course Fee
  - You will be notified of new Fund value (MS####)
  - You will use these new Funds FOREVER!
  - Update forms for Student Payments
  - Departments will spend from this New Fund
  - These are Cash Funds; no Budget allocated
  - nVision – use “Trust Fin Info” buttons

~~If the legislation does NOT pass~~ *\*Update – Legislation passed with the 2006/2007 Budget\**

- ~~General Fund and Reimbursed Activity~~
  - ~~We will use MDS01 and MDR01 during 2006-2007 and then revert to using G07DS and G07DR for 2007-2008.~~
- ~~Mandatory Student Course Fees~~
  - ~~Student Course Fees will use Fund M06RF~~
  - ~~Update forms for Student Payments~~
  - ~~Budget allocated to MDS01 based on Revenue Estimate~~
  - ~~Departments will spend from MDS01~~
  - ~~nVision—use “Department Expense Info” buttons~~
  - ~~We will use M06RF and MDS01 during 2006-2007 and then revert to using H07RF and G07DS for 2007-2008~~

**For questions, please contact: Stacy Hayano at 8-3909 or Justine Heartt at 8-7440**

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