

STATE CLAIMS

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STATE CLAIMS

I. INTRODUCTION

This chapter outlines the procedures for claiming Current Funds reimbursement of State General Fund Support and Special State Appropriations expenditures from the State of California. In general, such expenditures are paid by the University and subsequently reimbursed by the State, upon submission of a claim for reimbursement. All claims are submitted directly to the State by individual campus accounting offices, except the General Funds payroll claim, which is consolidated for all campuses and submitted by the Office of the President, General Accounting (General Accounting). The procedures for claims relating to the reimbursement of plant expenditures are outlined in Accounting Manual chapter P-415-71, Plant Accounting: State Capital Projects.

* The annual Approved State Budget contains a list of approved amounts allocated to the University for General State Support (199XX funds) and Special State Appropriations (180XX funds). The Office of the President--Budget Office assigns fund numbers for each budget item or subitem on the list and allocates applicable portions of these items to the campuses. *Campuses are responsible for spending and claiming only the amounts allocated to them by Office of the President--Budget Office. Although the systemwide total allocated by the State cannot be overclaimed, if an individual campus submits claim requests for more than its allocation, the amount overclaimed must be paid from amounts allocated to other campuses.*

The State allows the University to claim expenditures for three years, i.e., one year to encumber the funds, and two years to clear encumbrances. However, for General State Support (199XX funds), reimbursement cannot be claimed for expenditures if a purchase order was issued in a prior year, or for any expenditures claimed against prior year liens or blanket purchase orders.

II. PROCEDURES

A. STATE GENERAL FUND SUPPORT

Claims for reimbursement of fund 19900 payroll expenses are submitted to the State by General Accounting. Claims for non-payroll 19900 fund and all other 199XX fund expenditures are submitted to the State by individual campuses.

1. Payroll Advance

In accordance with Section 8100 of the State Administrative Manual (SAM), each year in approximately the last week of July, the University requests State Department of Finance approval for an 8% advance to be applied against the total State support appropriation, which will be used as a revolving fund.

Upon receipt of the advance, General Accounting calculates the portion of the advance to be allocated to each campus and credits campus Financial Control accounts. The campuses respond to the Financial Control entry by debiting Financial Control and crediting Income, as follows:

* Dr: Financial Control X-119500
Cr: General Fund Support Revenue X-219900-19900-0

This advance is used to fund the July payroll. However, direct claim reimbursement for the July payroll actually occurs the following month when a payroll claim is submitted to the State on or about the 20th of August. Each month, the prior month's payroll is claimed from the State. Finally, in May or June, a final payroll claim is prepared to support the funds claimed by the advance. Although a claim is not formally submitted, for audit purposes the supporting documentation is compiled and filed in General Accounting.

** If the State Budget is not passed by the last week of July, the University, in lieu of the advance described above, will request payment using the actual June payroll totals as an estimate of the funding needs for the July payroll.

II. PROCEDURES (Cont'd.)

A. STATE GENERAL FUND SUPPORT (Cont'd.)

2. Payroll General Fund Support Claims

A consolidated payroll claim for all campus 19900 payroll funds is submitted monthly to the State by General Accounting.

The procedure for claiming the payroll is as follows:

*

a. Submission of Monthly Summary of State Fund Charges Reports to General Accounting

A Monthly Summary of State Fund Charges form is submitted monthly to General Accounting by each campus to report the gross monthly payroll and staff benefit charges eligible for reimbursement from State General Support funds. The gross payroll for all payroll checkwrites made during the month should be included, i.e., payroll through the monthly-arrears, paid approximately the 7th of the month, or the last bi-weekly checkwrite of the month.

The following claim detail forms must be attached to the Monthly Summary:

- 1) Listing PPP4205, Summary of Earnings by Account Groupings, which provides the detail for each payroll checkwrite, and
- 2) Listing PPP5302, Distribution of Payroll Expense, which provides the detail for employee benefits.

The completed Monthly Summary of State Fund Charges form, to which the total pages of Listings PPP4205 and PPP5302 are attached, must be received in General Accounting by the 14th of each month. The total on the Monthly Summary should reflect all the charges for the previous month's earnings, i.e., gross payroll plus benefits.

b. Consolidated Payroll Claim

General Accounting prepares a State Claim for Reimbursement (Form [UFIN 161](#)) monthly consolidated payroll claim, to which the summary pages of the Listings submitted by each campus are attached, for the reimbursement of payroll expenditures.

To account for the claim, General Accounting prepares the following journal:

*	Dr: A/R State Approp	M-111000-19900
*	Cr: Financial Control	M-119515
**	Dr: Financial Control	E-119516-900X0
**	Cr: Financial Control	E-1195X0-900X0

* When Notice of Claim Payment is received by General Accounting, the systemwide Accounts Receivable account is credited through the Treasurer's Report. The campuses respond to the Financial Control entry by debiting Financial Control and crediting income, as follows:

Dr: Financial Control	X-119500
Cr: General Fund Support Revenue	X-219900-19900-0

3. Other State General Fund Support Claims

Periodically during the month, campuses may submit claim requests on a Form [UFIN 161](#), with the appropriate documentation supporting the claims, directly to the State for reimbursement of 199XX fund expenditures (see Section II.C.).

The following allowable 199XX fund items may be submitted to the State for reimbursement:

- 1) Vendor payments (excluding previous years' liens),
- 2) Travel expenses,
- 3) Recharges to general funded accounts for Clinical Teaching Support,

II. PROCEDURES (Cont'd.)

A. STATE GENERAL FUND SUPPORT (Cont'd.)

3. Other State General Fund Support Claims (Cont'd.)

- 4) Recharges to general funded accounts from *all* other non-general funded activities, and
- 5) Check Requests (Form 5) for direct non-payroll charges.

In addition, some payroll expenditures are included in Fund 19901-99 expenditures and must be claimed by campuses.

The original and the white copy of the claim, with the appropriate documentation attached, are submitted to the State. The pink copy is mailed to General Accounting, which logs the claim and files the copy. (See Section II.C.1. for instructions for completing the form.)

After a claim is submitted to the State, the campus credits Revenue and debits Accounts Receivable, as follows:

Dr: A/R State Approp	X-111XXX-19900
Cr: General Fund Support Revenue	X-219900-19900-0

*

When Notice of Claim Payment is received by General Accounting, it is verified, entered on the log, and a credit to the campus Financial Control account is entered on the Treasurer's Report. The campus responds with a credit to Accounts Receivable, as follows:

Dr: Financial Control	X-119500
Cr: A/R State Approp	X-111XXX-19900

B. SPECIAL STATE APPROPRIATIONS (180XX FUNDS)

Claims for Special State Appropriations are normally submitted to the State monthly by the campuses. Monthly General Ledger fund activity listings serve as substantiation for the reimbursement of these claims. *Both payroll and non-payroll expenditures are claimed under these appropriations.*

The majority of expenditures are reimbursed by the State in the first year of the appropriation; campuses have two subsequent years to claim recorded first year-

end liens or encumbrances. *Campuses must not claim amounts in excess of a specific allocation.*

C. STATE CLAIM FOR REIMBURSEMENT

Form [UFIN 161](#), the claim form, is designed to accommodate State requirements, as reflected in the State's Uniform Codes Manual. The form also provides University claim and fund number information for identification by General Accounting of claims paid by the State.

1. Completing a Claim Form

The information required by the State in each part of Form [UFIN 161](#) is detailed below (see Exhibit A for a sample of a completed claim form):

Part (1) - Payable From

Enter the State Fund Code, Fund Name, date, Agency Number, and Agency Name as provided in the Department of Finance Uniform Codes Manual. The University has been assigned Agency Number 6440. The University Fund Number also must be entered in this section. The claim must be dated in this section.

**

Part (2) - Appropriation

This section identifies the legal spending authority. Only the Year of Statutes, Reference/Item, Chapter, Statutes, and Purpose (the name of the program or the appropriation) sections must be completed.

Part (3) - Coding Grid

This section contains information required by the State. Enter the Category Number, Amount, and Schedule Number (see Section II.C.3. below); the remaining sections will be completed by the State. (Exhibit C provides a list of State appropriations that require a category number).

Part (4) - Certification

Enter the campus name, the names and telephone extension of the preparer, the auditor, and the

- II. PROCEDURES (Cont'd.)
C. STATE CLAIM FOR REIMBURSEMENT (Cont'd.)
1. Completing a Claim Form (Cont'd.)

authorized signer. (Section II.C.2. below provides information relating to the Authorized Signature.)

Part (5) - Remarks

Indicate the name of the payee, the amount of the claim, and any other pertinent information required by the State or General Accounting. For example, when a claim is submitted for Clinical Teaching expenses, Clinical Teaching Support should be entered in this section. Also, indicate in this section if a claim is being resubmitted.

Supporting Documentation

Appropriate documentation to support the claim, such as general ledger transaction listings, fund detail or summary reports, etc., should be attached to the claim when necessary. If the supporting documents do not show a *grand total*, an adding machine tape should be attached to each list of transactions submitted for reimbursement.

**

The State allows the University to submit claims with a one-page summary for back-up documentation, as long as the total being claimed on the face sheet of the claim agrees with the total on the last page of the documentation. All of the detailed documentation for the claim schedule must be maintained for a period of five years.

When the supporting documentation attached to the claim schedule is a copy, a duplicate, or has been corrected, the following certification, signed by an authorized signer, should be noted on the page or pages of the supporting documentation that shows the amounts being claimed:

This bill has been checked against our records and found to be the original one presented for payment and has not been paid. We have recorded this payment so as to prevent a later duplicate payment.

Assembly

* All documents in a claim schedule submitted to the State must be bound together at the top by a tape or cord, passed through holes punched in the documents, and tied in a bow knot at the back of the claim schedule.

A checklist that should be reviewed prior to submission of a claim to the State is provided in Section II.C.4. below.

2. Signature Authority

Claims will not be processed by the State unless a valid Claim Schedule Signature Authorization card (Form AUD15) is on file with the State, for the person whose signature appears in the Authorized Signature block of Form [UFIN 161](#) (see Exhibit A). A sample Authorization card is included as Exhibit B. A sufficient number of such cards must be kept on file with the State in order to cover employee vacations or other absences, since claims that are not signed by an authorized signer will be rejected. Any position level can be authorized to sign a claim; however, the Authorization card *must* be signed by a Vice Chancellor, or higher level, granting such authority. If an individual's signature varies, the card must show all possible variances of the signature.

3. Schedule Number Format

The Schedule Number format for all claims submitted to the State is limited to eight numeric characters plus dashes (-), which must be used to separate the schedule numbers.

The first digit represents the campus location, followed by a dash.

The second, third, and fourth digits indicate the last three numbers of the University fund number, followed by a dash.

The fifth digit indicates the last digit of the Year of Statute (Yr of Stat box on Form [UFIN 161](#)) followed by a dash. For example: Chapter 139, Statutes of 1994-95, the Yr of Stat is 1994 so the

II. PROCEDURES (Cont'd.)

C. STATE CLAIM FOR REIMBURSEMENT (Cont'd.)

last digit of the Yr of Stat is 4 (see sample form in Exhibit A).

The last two digits (sixth and seventh) represent the sequential control number for the life of the appropriation, which is generally three years. Thus, all the claim schedules will be numbered in consecutive order until the appropriation is fully claimed or expires (01 through 99). For example, the claim schedule number 1-070-4-23 (see sample form in Exhibit A) is read as the twenty-third claim against the 1994-95 appropriation, prepared by the Berkeley campus against fund number 18070.

4. Claim Submission Checklist

Before submitting a claim to the State, the form should be reviewed to ensure that the following items have been completed correctly. (These items are a compilation of the reasons for which the State most frequently returns claims for resubmission.)

- 1) Has the correct State Fund number been entered?
- 2) Is the correct Fund Name indicated? Is it complete?
- 3) Is the request dated?
- 4) Has the proper Agency Number been entered? (The Agency Number for the University is 6440.)
- 5) Has the current four-digit Year of Statute been entered?
- 6) Are the current Reference/Item, Chapter, and Statutes indicated?
- 7) Has the appropriate Purpose been entered? Is it complete?
- 8) Has the correct category code been entered?

- 9) Is the Schedule Number in sequence? Is the Schedule Number a duplicate?
- 10) Has the claim been signed (Authorized Signature)? Is a current signature authorization on file with the State for that individual?
- 11) Does the Remarks section include the required information and any additional remarks, as appropriate?
- 12) Has the required supporting documentation been attached?
- 13) Has an adding machine tape been attached to the first sheet of the claim, if appropriate, to verify the total amount claimed?
- 14) Has the claim been assembled correctly?

D. REMITTANCES

State Controller's Remittance Advice Forms (State Form CA21), entitled Report to State Controller of Remittance to State Treasurer (TC-30) (Exhibit D), which are numerically controlled by the State Controller, are issued in blocks to the Vice President-Financial Management. General Accounting will make the final determination of when remittances must be made to the State. If the funds must be sent back to the State, General Accounting will complete and sign the Remittance Advice Form.

E. RECONCILIATIONS

1. State General Fund Support

Claims logged by General Accounting are reconciled to the State Controller's Agency Reconciliation Report monthly by General Accounting. Claims paid by the State, adjusted for outstanding or in-transit claims, are reconciled to actual claims logged and submitted. In addition, claims logged and submitted are reconciled to the amount recorded in each campus' General Fund Support Revenue account (X-219900-199XX). The 199XX expenditures are compared to the campus Revenue account to monitor the claims and ensure that they are made on a timely basis.

II. PROCEDURES (Cont'd.)

C. STATE CLAIM FOR REIMBURSEMENT (Cont'd.)

2. Special State Appropriations

The logged campus claims submitted to date for each Special State Appropriation are totaled and reconciled to the State Controller's Agency Reconciliation Report monthly by General Accounting.

3. Year-end Adjustment

Each year in March, General Accounting estimates when all of the State Support will be claimed and a cut-off date is established to stop the claiming process. Campuses are advised to stop direct claiming from the State as of the cut-off date. At fiscal year-end, the Office of the President-- Budget Office reconciles the campuses' Estimated State Support Revenue in General Ledger account X-219900-199XX with the approved budgeted State Support. When it is determined that all of the State Support has been claimed, General Accounting adjusts the revenue recorded at each campus to match the reconciled Estimated Income of the campus.

*

III. RESPONSIBILITIES

A. CAMPUS ACCOUNTING OFFICE

It is the responsibility of each campus accounting office to submit State General Fund Support claims (other than payroll) and Special State Appropriation claims to the State, and to retain paid expenditure invoices in a voucher file for auditing purposes.

B. GENERAL ACCOUNTING

It is the responsibility of General Accounting to consolidate campus payroll claims and submit a monthly 1990 fund payroll claim to the State, to credit the appropriate campus Financial Control accounts for all such claim payments, and to monitor all State General Fund Support claims and Special State Appropriations claims submitted to and paid by the State.

* C. BUDGET OFFICE

It is the responsibility of the Office of the President--Budget Office to provide campus budget and accounting offices with a list of assigned fund numbers annually, for identification of current fiscal year budgeted State General Fund and Special State Support Appropriations items.

IV. REFERENCES

State Administrative Manual, Sections 8100, and 8422.1-8422.2.

State of California, Department of Finance, Uniform Codes Manual.

Accounting Manual chapter [P-415-71](#), Plant Accounting: State Capital Projects.

Accounting Manual chapter first published 3/31/95. Revised 6/30/95, 12/30/96, and 12/31/04; analyst: Federico Gomez.

*EXHIBIT A State Claim for Reimbursement

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA												STATE CLAIM FOR REIMBURSEMENT				
UFIN 161 (R7/89)																
(1)	PAYABLE	FUND 0004	SUB FUND NAME 000 Breast Cancer Fund									DATE Oct-10-96				
	FROM	AGENCY 6440	UNIVERSITY OF CALIFORNIA						UNIVERSITY FUND NO. 18070							
(2)	APPROPRIATION	YR. OF STAT. 1994	METH.	REFERENCE/ITEM 001	SEQ. NO.	FFY	CHAPTER 139	STATUTES 1994-1995								
		PURPOSE S/A Breast Cancer Research														
(3)	FED. CATALOG NUMBER	SCO	PROJ	CAT EGORY	PGM.	ELE.	COMP.	TASK	GENERAL LEDGER	RECEIPT OBJEC	AMOUNT	DESCRIPTION	SCHEDULE NUMBER			
											<u>\$200,000.00</u>		1-070-4-23			
												AUDIT CODE		SCH. TYPE		
												PRINT WARRANT DATE				
												ISSUE WARR. DATE REQUESTED				
(4)	CERTIFICATION											DATE ISSUED (ACTUAL)		Controller's Warrant Numbers		
	<small>I HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE WITHIN CLAIM IS IN ALL RESPECTS TRUE, CORRECT, AND IN ACCORDANCE WITH LAW; THAT SERVICES MENTIONED HEREIN WERE ACTUALLY RENDERED AND SUPPLIES DELIVERED IN ACCORDANCE WITH THE CONTRACT AND LAW; THAT ANY PERSON FOR WHOM COMPENSATION OR REIMBURSEMENT FOR EXPENSES INCURRED IS CLAIMED HEREIN HAS TAKEN, SUBSCRIBED, AND FILED THE OATHS, INCLUDING THE OATH SET FORTH IN SECTION 3103 OF THE GOVERNMENT CODE, REQUIRED BY LAW; THAT I HAVE NOT VIOLATED ANY OF THE PROVISIONS OF SECTIONS 1090 96 OF THE GOVERNMENT CODE.</small>															
		CAMPUS Berkeley	PREPARE BY D. Alvater			EXT.	AUDITED BY J. Li			AUTHORIZED SIGNATURE Susan Connolly						
(5)	REMARKS:															
	1 - The Regents of the University of California											<u>\$200,000.00</u>				
Attached is a listing of vouchers supporting the above claims. These vouchers are on file in the Accounting Office. Vouchers have been checked and approved as to detail and price, in accordance with established policies and procedures. The payments which they represent have been regularly authorized by requisition or otherwise. Written certification from duly authorized officials that the goods have been received, and the services rendered is on file. It is hereby certified that payments for services are in accordance with the rules of the President's Office.												SIGN.		CALC.		
												PURCH.		CONTR.		
												CORRECTIONS ENTERED				
												F/A BAL. OK		WARR. OK		
												REPORTABLE PAYMENTS PER S.A.M. 8422 180				
DISTRIBUTION:												NUMBER		AMOUNT		
White - State Controller-(2 copies)												-		-		
Pink-University Controller												-		-		
Yellow-Campus Accounting Office												-		-		
RETENTION:												TOTAL SUBJECT TO USE TAX		-		
University Controller-5 yrs. after honored												-		-		
Accounting Office-5 yrs. after honored												-		-		
Other Copies-0-5 years												-		-		
----- ACCOUNTING OFFICER																

EXHIBIT B Claim Schedule Signature Authorization
(Form AUD 15)

CLAIM SCHEDULE SIGNATURE AUTHORIZATION
(BOARD OF CONTROL RULE 624)

SEND ONE ONLY TO
STATE CONTROLLER
DIVISION OF AUDITS
FORM AUD 15 (8-73)

Check One:

All Claim Schedules

Only Those Listed:

Cancel Claim Schedule Authorizations of the Following Persons:

The person whose signature is affixed below is authorized to sign or approve Claim Schedules filed by this agency with the State Controller for payment pursuant to law.

<small>SIGNED (DIRECTOR, CHAIRMAN, ETC.)</small>	<small>TITLE</small>	<small>EFFECTIVE DATE</small>
<small>NAME OF AUTHORIZED PERSON</small>	<small>TITLE OF AUTHORIZED PERSON</small>	
<small>DEPARTMENT OR AGENCY</small>	<small>SIGNATURE OF AUTHORIZED PERSON</small>	<small>LEAVE BLANK</small>

85 34923

*EXHIBIT C STATE APPROPRIATIONS THAT REQUIRE A CATEGORY NUMBER

<u>Category Number</u>	<u>Description</u>
11	Main Support General Fund Appropriation (Funds 19900 through 19959)
12	Charles R. Drew Postgraduate Medical School - Los Angeles
13	Aids Research Program
14	Student Financial Aid
15	Deferred Maintenance Loan Repayment
16	UCSD Supercomputer
17	Subject Matter Project

Note: The categories numbers described above are the most current categories for Fiscal Year 2003-04. Please note that from time to time the State will change the category numbers. General Accounting sends to campuses an updated list of category numbers at the beginning of each fiscal year.

