

ACCOUNTING AND FINANCIAL REPORTING FOR
OTHER POSTEMPLOYMENT BENEFITS

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ACCOUNTING AND FINANCIAL REPORTING FOR
OTHER POSTEMPLOYMENT BENEFITS

I. INTRODUCTION

In June 2004, the Governmental Accounting Standards Board (GASB) published Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The statement outlined changes to the information that the University is required to record in its financial statements and report in its footnotes regarding post employment benefits other than pensions. Other Postemployment Benefits (OPEB) include postemployment healthcare, as well as other forms of postemployment benefits when provided separately from a pension plan. OPEB generally includes medical, dental, and vision insurance and other healthcare benefits.

The GASB has taken the position that pension benefits and OPEB are a part of the compensation that employees earn each year, even though these benefits are not received until after employment has ended. The University shares in the cost of OPEB and the cost of these future benefits is a part of the cost of providing services today. Among other matters, the Statement requires the University to record as an operating expense the actuarially-determined, accrued annual cost of providing OPEB to its employees. It will also require the University to record and report the accrued liability of its OPEB program. To comply with these requirements, the University must identify the annual OPEB costs and the outstanding obligations for the University as a whole and develop a financial reporting approach for each separate reporting segment and affiliated entity that participate in the University's OPEB programs.

II. DEFINITIONS

Annual OPEB cost: An accrual-basis measure of the periodic cost of an employer's participation in a defined benefit OPEB plan. It is equal to:

- (a) the annual required contribution (ARC) of the employer, excluding any employee portion,
- (b) plus one year's interest on the beginning net OPEB obligation at the rate of return that was assumed when determining the ARC for the current year, and

- (c) minus an ARC adjustment, calculated by dividing the beginning net OPEB obligation by an amortization factor designed to offset, approximately, the actuary's amortization of the net experience losses from past contribution deficiencies in relation to the ARC. This adjustment is intended to offset the amount of interest (and principal, if any) already included in the ARC for amortization of past contribution deficiencies or excess contributions of the employer.

Annual required contributions of the employer (ARC): The employer's periodic required contributions to a defined benefit OPEB plan, calculated in accordance with the parameters. Employee contributions, if any, are excluded. The amount includes:

- (a) the normal cost for the year; and
- (b) a component for amortization of the total unfunded actuarial accrued liabilities (or funding excess) of the plan over a period of time not to exceed thirty years.

Normal Cost: That portion of the Actuarial Present Value of OPEB benefits and expenses which is allocated to a valuation year by the Actuarial Cost Method used. Normal cost does not include any payment in respect of an Unfunded Actuarial Accrued Liability (amortization payments).

OPEB liability: The amount recognized by the employer for contributions to an OPEB plan less than annual OPEB cost.

Net OPEB obligation: The cumulative difference since the effective date of the Statement between annual OPEB cost and the employer's contributions to the plan, including the OPEB liability (asset) at transition, if any, and excluding:

- (a) short-term differences and
- (b) unpaid contributions that have been converted to OPEB-related debt

The net OPEB obligation should not include amounts attributable to employees.

II. DEFINITIONS (continued)

Sole and agent employers: Employers with single-employer or agent multiple-employer (agent) plans. A single-employer plan covers the current and former employees, including beneficiaries, of only one employer. An agent multiple-employer plan (agent plan) is an aggregation of single-employer plans, with pooled administrative and investment functions. Separate accounts are maintained for each employer so that the employer's contributions provide benefits only for the employees of that employer. A separate actuarial valuation is performed for each individual employer's plan to determine the employer's periodic contribution rate and other information for the individual plan, based on the benefit formula selected by the employer and the individual plan's proportionate share of the pooled assets. The results of the individual valuations are aggregated at the administrative level.

Cost-sharing multiple-employer plans: A single plan with pooling (cost-sharing) arrangements for the participating employers. All risks, rewards, and costs, including benefit costs, are shared and are not attributed individually to the employers. A single actuarial valuation covers all plan members, and the same contribution rate(s) applies to each employer.

III. GENERAL APPROACH

The table on the following page provides an overview of the University's approach at the Plan level, the UC consolidated financial statement level and the separately audited financial statement level.

| | Agent Plan "Employers" | | | Cost Sharing Plan "Employers" | | | | | |
|--|---|-----------------------------|--|--|-----------------------------|-------------------|-------------------|-------------------|----------------------------------|
| | DOE Laboratories | | | UC Carve Outs | | | | | |
| | LANL | LLNL | LBNL | CAMPUSES | ASUCLA | MED CTRS | UC PRESS | CEB | HASTINGS |
| Plan Financial Statement Level | | | | | | | | | |
| Shared risks, rewards and costs? | No | No | No | Yes | Yes | Yes | Yes | Yes | Yes |
| Separate actuarial valuations? | N/A-No continuing liability | N/A-No continuing liability | Yes-Separate contribution rate | No-Common assessment rate | | | | | Yes-Due to separate legal entity |
| Actual/common assessment rate? | N/A-No continuing liability | N/A-No continuing liability | Contributions are actual cost, not assessment rate | Common contractual assessment rate applied to all. | | | | | |
| Separate fiduciary plan? | N/A-No continuing liability | N/A-No continuing liability | No separate trust, only a fund within UC | Yes-A trust with pooled investments. Separate audit required. | | | | | |
| UC employees? | No | No | Yes | Yes | Yes | Yes | Yes | Yes | No |
| UC Financial Statement Level | | | | | | | | | |
| Included in UC statements? | No because they are former UC employees | | Yes, UC employees via DOE contract | Yes, UC employees | Yes, blended component unit | Yes, UC employees | Yes, UC employees | Yes, UC employees | No, not UC employees |
| Include annual required contribution (ARC) net OPEB obligation (NOO) in UC statements? | No | No | Yes-Record ARC as DOE Lab expense | Yes-UC ARC as UC expense; NOO includes LBNL. | | | | | |
| Record a receivable from the DOE to offset the ARC? | N/A-No continuing liability | N/A-No continuing liability | Yes-Record ARC as DOE Lab revenue | Not applicable | | | | | |
| Separate Financial Statements (MCs, CEB, etc.) | | | | | | | | | |
| Record ARC and net OPEB liability? | N/A | N/A | Yes-FASB for DOE and GASB for UC | No-Only record "contractual" assessment as an expense. Do not "push down" ARC and liability. | | | | | |

III. GENERAL APPROACH (continued)

For the consolidated financial statements of the University of California:

The University is considered to be a sole and agent employer; therefore, the University of California's consolidated financial statements must record the Annual OPEB cost and the net OPEB obligation.

The elements of the ARC reported as an operating expense, "retiree health benefits," in the statement of revenues, expenses and changes in net assets and the related net OPEB liability include the entire University, including campuses, medical centers, UC Press, CEB, ASUCLA, but does not include the national laboratories. While national laboratories with direct contracts with the DOE are included in the University's reporting entity because the employees at the laboratories are University employees under the terms of the University's contracts with the DOE, the DOE is financially responsible for the retiree health costs of this employee population and reimburses the University for the cost. As a result, the ARC related to DOE laboratories is reported as a "DOE Laboratory Expense" and is included in the University's net OPEB liability. The ARC and net OPEB liability exclude Hastings College of the Law because their employees are not University of California employees.

For the University's separately audited "carve out" entities:

The University considers the separate "carve out" financial statements to be based upon the premise that they fall within the spirit of "cost sharing employers" who participate in "cost sharing multiple-employer plans;" therefore, the annual expense on their statements of revenues, expenses and changes in net assets will be based upon the common contractually required assessment rate and there will not be any net OPEB liability or asset on the statement of net assets. The ARC and net OPEB liability will not be "pushed down" to the separately audited financial statements. Separate actuarial valuations will not be necessary for these "carve out" entities.

The common contractually required assessment rate (funding level) will be established annually by UC management, with consideration given to the actuarially determined ARC and the availability of funds.

For the National Laboratories:

The DOE contracts require the University to prepare separate actuarial valuations for each laboratory so they may comply with the FAFASB accounting standards that state they must apply the provisions of FAS Statement No. 106 in their separate financial statements and financial reporting to the DOE. If the University participates in a joint venture where the employees are not University employees, the University does not have any OPEB liability and does not have a requirement to prepare any actuarial valuation related to OPEB liabilities.

Note however that the DOE contracts require postemployment actuarial valuations using FASB standards, not GASB standards. The OPEB actuarial calculations for the University will need to be done using GASB standards, if different from the FASB standards. Therefore, the University's actuaries will prepare two separate actuarial valuations for each laboratory, one under FASB and one under GASB standards.

For the Hastings College of the Law:

Hastings College of the Law is an affiliate of the University but is not included in the University's reporting entity. They are not UC employees. Therefore the postemployment ARC and net OPEB liability associated with this group will be excluded from the University's financial statements and actuarial calculations. However, a separate actuarial valuation will be performed for Hastings College of the Law in order for them to comply with the GASB's OPEB disclosure in their financial statements.

For the University's OPEB Plan:

In order to implement the financial reporting approach as outlined above, the OPEB Plan must be a separate trust, or equivalent arrangement. Therefore, the University has established the University of California Retiree Health Benefit Trust (UCRHBT) as a separate legal entity, effective July 1, 2007.

IV. ACCOUNTING FOR OTHER POSTEMPLOYMENT BENEFITS IN THE
UNIVERSITY'S FINANCIAL STATEMENTS

A. INFORMATION FLOW

Exhibit 1, *UC OPEB—The Big Picture: Flow of Data and Funds*, shows the flow of information and transactions between all of the entities involved in the UC OPEB process. Campuses, medical centers, UCRP (for non-DOE Laboratory retirees) and Hastings will transfer employer and employee contributions to the UCRHBT through the UC Collection Fund. The UCRHBT will invest these funds and provide premium payments to the UC Payment Fund, which will pay the vendors. The DOE laboratories will not transfer employer or employee contributions to the UCRHBT; these payments will continue to be received by Human Resources and Benefits (HR/B) Financial Services, as will contributions from UCRP for DOE Laboratory retirees. HR/B Financial Services will provide premium payments to the vendors. At fiscal year-end, UCOP will determine the entries that are required to correctly account for UC OPEB activity and UC OPEB liability at the systemwide level, based on information provided by the participating entities and the actuaries.

Exhibit 2, Exhibit 3 and Exhibit 4 give further details regarding the information flow for the campuses and medical centers, UCRP and the DOE laboratories.

B. ACCOUNTING CODES

Accounting codes that have been established to provide information for financial reporting of UC OPEB activity can be found in Accounting Manual Chapter A-115-2, *Accounting Codes: General Ledger*.

C. ACCOUNTING ENTRIES

Appendix A includes the accounting entries that must be made to correctly record UC OPEB expenses and liabilities. The entries can be summarized as follows:

1. Campus/Medical Center Employer Contributions to the UCRHBT

Entries A1 through A7 reflect the monthly and annual entries necessary to record the assessment of the employer's contribution expense through the payroll system. The "common, contractually-required UC OPEB assessment rate" will be established annually by UC management, with consideration given to the actuarially-determined ARC and the availability of funds, and will be the only expense recorded at the campus and medical center for UC OPEB. Campuses must transfer the funds collected from the assessment to the UC Collection Fund. The transfers will occur by electronic file transfer by pay period. The electronic transfers will be made using the "UCRS Control for Treasurer's STIP" process. Periodic transfers will be made from the UC Collection Fund into the UCRHBT.

2. Campus/Medical Center Employee Contributions (if any) to the UCRHBT

Entries B1 through B7 reflect the monthly and annual entries necessary to record the deduction and transfer of the employee contribution if required. The charge will appear as salary and wages expense in the campus general ledger, and will be recorded as a deduction from the employee's paycheck. Campuses must transfer the funds to the UC Collection Fund. The transfers will occur by electronic file transfer by pay period. The electronic transfers will be made using the "UCRS Control for Treasurer's STIP" process. Periodic transfers will be made from the UC Collection Fund into the UCRHBT

IV. ACCOUNTING FOR OTHER POSTEMPLOYMENT BENEFITS IN THE
UNIVERSITY'S FINANCIAL STATEMENTS (continued)

3. University of California Retirement Plan Retiree
Contributions to the UCRHBT and HR/B Financial
Services

Entries C1 through C10 reflect the monthly entries necessary to record the deduction from retiree payments for their share of the UC OPEB cost and the transfer of these funds to the UC Collection Fund (for UC and Hastings retirees) and to HR/B Financial Services (for DOE Laboratory retirees). Periodic transfers will be made from the UC Collection Fund into the UCRHBT. For the deductions for retirees of a DOE Laboratory, the funds will not be transferred to the UC Collection Fund, but will be recorded by HR/B Financial Services

4. Hastings College of the Law Contributions to the UC
OPEB Trust

Entries D1 through D2 reflect the payment received from Hastings. Hastings is a "cost sharing employer" and will contribute common "contractual" assessments to the UCRHBT. Because Hastings employees are not University employees, UC will not record the Hastings net OPEB obligation on its statement of net assets or Hastings annual OPEB cost on its statement of revenues, expenses and changes in net assets.

5. DOE Laboratories Employer Contributions to HR/B
Financial Services

Entries E1 through E4 reflect the payments from the DOE laboratories under direct contracts with DOE to HR/B Financial Services for their employer share of the actual UC OPEB cost. The DOE laboratories are considered agent employers. However, UC will record their net UC OPEB obligation on its statement of net assets and their annual UC OPEB cost on its statement of revenues, expenses and changes in net assets, although as an expense in the DOE laboratories line item, not the retiree health benefits expense line used for UC employees not at the DOE laboratories.

6. DOE Laboratories Employee Contributions (if any) to HR/B Financial Services

Entries F1 through F4 reflect the monthly recording of employee deductions at the DOE laboratories, if required, and payment of those amounts to HR/B Financial Services.

7. Year-End Systemwide UC OPEB Entries-UC

Entries G1 through G4 reflect the year-end entries required at UCOP to record the annual UC OPEB cost, the UC OPEB liability and the net UC OPEB obligation for the campuses and medical centers. The annual UC OPEB cost, UC OPEB liability, and net UC OPEB obligation will not be "pushed down" to the separately audited financial statements. Using information from the actuary and the employer contributions made to the UCRHBT during the year, UCOP will record the annual UC OPEB cost consisting of the ARC incremental accrual, interest on the beginning of the year net UC OPEB obligation, and the adjustment to the ARC. An entry will also be recorded to reflect the implicit subsidy for retiree health; the implicit subsidy amount reduces the UC OPEB obligation and reduces the health insurance costs for active employees.

8. Year-End Systemwide Consolidating Entries-DOE Laboratories

Entries H1 through H3 record at UC's fiscal year-end the DOE laboratories' activity and liabilities and a receivable from DOE to cover the liabilities. These entries apply only to the DOE laboratories for which there is a direct contract between UC and DOE. DOE laboratories submit a reporting package at fiscal year-end to UCOP; the information contained in the reporting package is used to record the consolidation of DOE revenue and expenses into the UC general ledger and to record certain liabilities of the DOE laboratories, including any payment due to UC OPEB. Included in the total expenses will be the amount of the UC OPEB expense related to the ARC, which will be recorded in a separate object code from the remaining laboratories' expense, although both will be reported in the DOE laboratories expense line in the statement of revenues, expenses and changes in net assets. Note that the ARC will be calculated and recorded from GASB-based actuarial information.

IV. ACCOUNTING FOR OTHER POSTEMPLOYMENT BENEFITS IN THE
UNIVERSITY'S FINANCIAL STATEMENTS (continued)

9. Year-End Systemwide UC OPEB Entries—DOE Laboratories

Entries I1 through I5 reflect the year-end entries required at UCOP to record the annual UC OPEB cost, the UC OPEB liability and the net UC OPEB obligation for the DOE laboratories. Using information from the actuary and the employer contributions received during the year, UCOP will record the annual UC OPEB cost consisting of the ARC incremental accrual, interest on the beginning of the year net UC OPEB obligation, and the adjustment to the ARC. In addition, UC will record a receivable from DOE and DOE revenue for any portion of the annual UC OPEB cost and the net UC OPEB obligation related to the DOE laboratories under direct contract with the University. The UC OPEB liability and receivable from the DOE laboratories will be reduced by the implicit subsidy. These entries apply only to the DOE laboratories for which there is a direct contract between UC and DOE.

The ARC incremental accrual recorded assumes that the UC OPEB assessment rate provides for funding on a pay-as-you-go basis that is less than the ARC. The portion of the ARC expense associated with the DOE laboratories employers' share that the DOE has funded will be recorded in the DOE laboratories revenue and expense line. The ARC incremental accrual entry represents the difference between the ARC and the expense related to the ARC recorded in the statement of revenues, expenses and changes in net assets as a result of billings to the DOE laboratories.

10. Additional UCRHBT, UC Collection Fund and UC Payment Fund Entries

Entries J1 through J16 reflect monthly premium expenses of the UC OPEB Trust, paid through the UC Payment Fund, purchases and sales of investments, administrative expense entries, entries related to STIP income earned or paid by the UC Payment Fund and UC Collection Fund, and entries related to rebates from insurance plans. Investments must be adjusted to fair market value monthly.

11. Benefits Administration Assessment

Entries K1 through K3 reflect entries for the Benefits Administration assessment. Although not directly related to the UC OPEB entries, a new object code was established to separate the Benefits Administration assessment from the UC OPEB assessment. Through June 30, 2005, both assessments are combined into one charge using object code 8990. The use of a liability account to record the assessments will be discontinued and the credit entry at UCOP will reflect a reduction of the object code 8995 (Benefits Administration Assessment). At year end, this object code should net to zero. Any deficit or surplus of expenses over assessment will be funded by or be transferred to a separate fund source to be determined by HR/B.

V. REFERENCES

GASB Statement

GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension*.
June 2004

Memoranda

GASB Statement No. 45 Issues Resolution Memorandum No. 45.1, *Financial Reporting Approach for the Financial Statements of the Consolidated University, the Separately Audited "Carve Out" Segments, the National Laboratories (only LBNL subsequent to September 30, 2007) and The Hastings College of the Law*

GASB Statement No. 45 Issues Resolution Memorandum No. 45.2, *Required Changes to Support the Accounting for the University of California OPEB Plan in the University's Financial Statements*

GASB Statement No. 45 Issues Resolution Memorandum No. 45.4, *Determining the Appropriate Investment Return Assumption (Discount Rate)*

Issued 6/30/10; analyst—Barbara Lester

EXHIBIT 1: UCRHBT—The Big Picture: Flow of Data and Funds

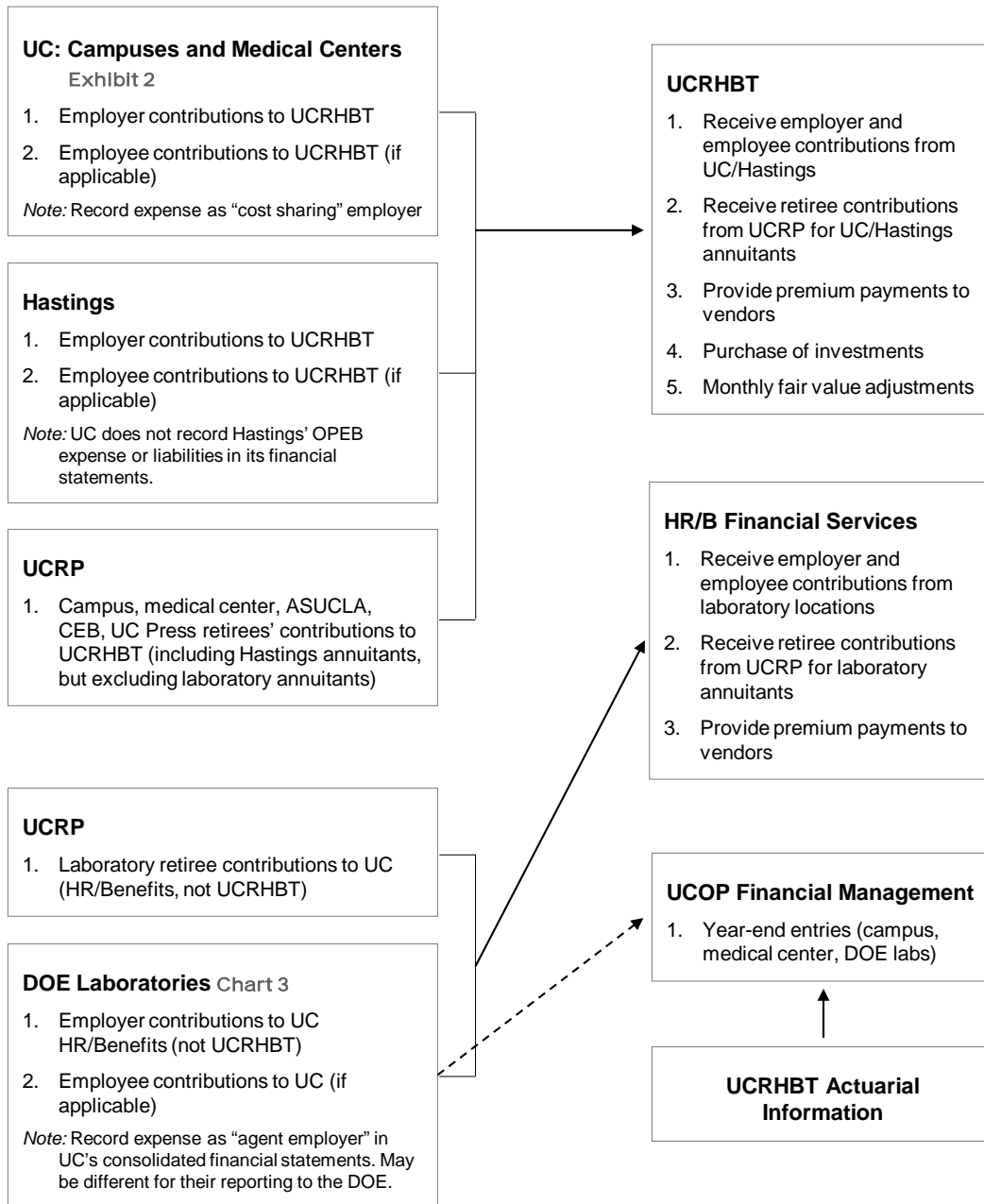


EXHIBIT 2: UC-Campuses and Medical Centers

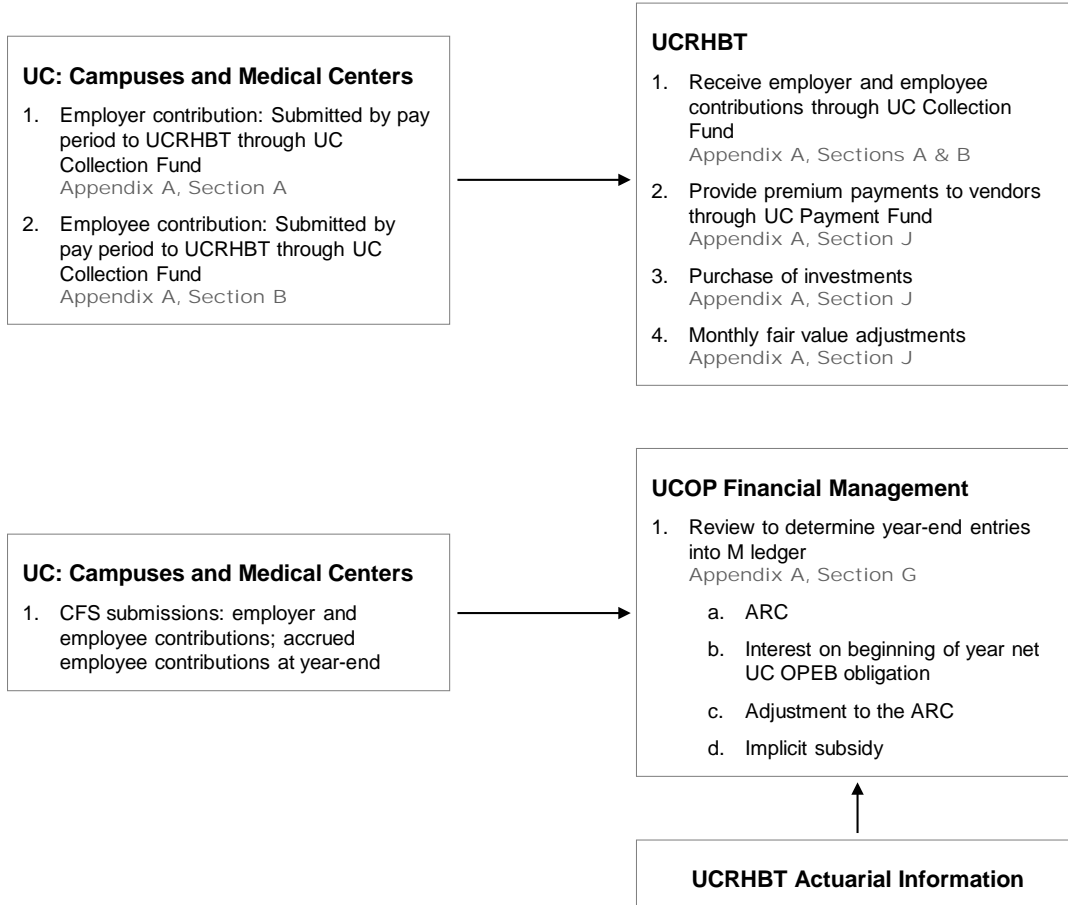


EXHIBIT 3: UCRP

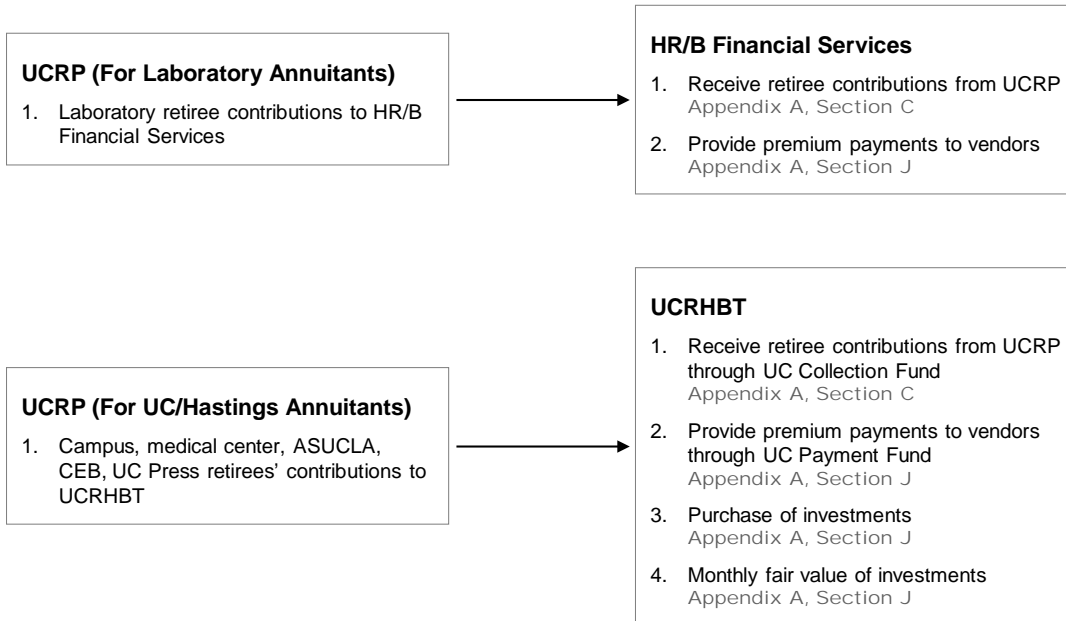
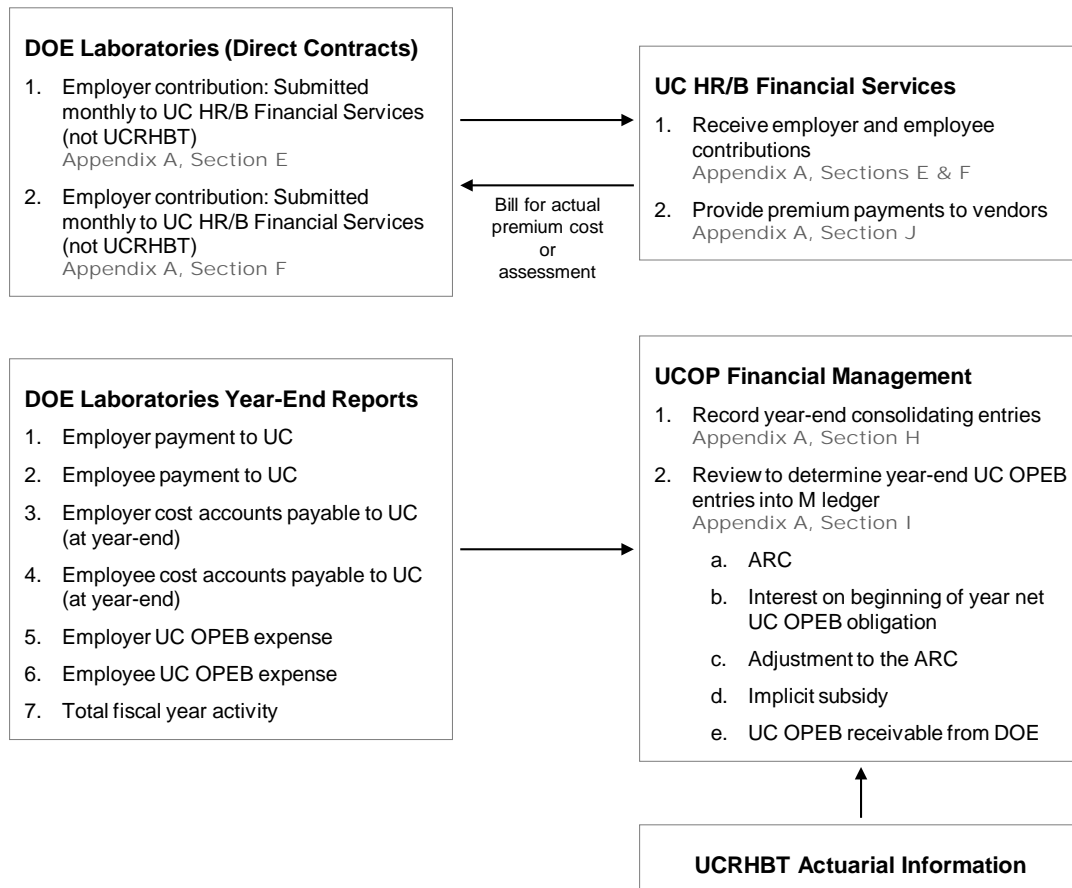


EXHIBIT 4: DOE (Direct Contracts)

Note: No OPEB obligations for terminated contracts or where UC participates in a joint venture.



APPENDIX A: Accounting Entries

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|--|---|----------------|---|-------------------------------|-----------|-----------|-----------|
| A | CAMPUS / MEDICAL CENTER EMPLOYER CONTRIBUTIONS TO THE UC RETIREE HEALTH BENEFIT TRUST (UCRHBT) | | | | | | |
| A1 | Record employer UC retiree health benefit assessment to liability via payroll-UC | | | Campus Acctg | MO | | |
| | DR | OC 8231 | C OE-Employer UC Retiree Health Benefit Contribution-UC | | | 1,250,000 | |
| | CR | AGC 164231 | C CL-Employer Liability to UCRHBT-UC | | | | 1,250,000 |
| Campuses must ensure that any assessments charged to Agency funds are reclassified at year-end to accounts with AGCs 300010 through 300140. Object code 8231 should match AGC 164231. | | | | | | | |
| A2 | Record transfer of employer UC retiree health benefit assessment to UC Collection Fund | | | Campus Acctg | MO | | |
| | DR | AGC 164241 | C CL-Employer Contribution to UCRHBT-UC | | | 1,250,000 | |
| | CR | AGC 168200 | C Financial Control | | | | 1,250,000 |
| Annually, after fiscal close, balances in accounts in AGC 164241 must be closed into accounts in AGC 164231. AGC 164241 should reflect contributions to the UC Collection Fund for the current year only. All UC contributions are recorded through the Collection Fund in the Endowment and Investment Accounting (EIA) general ledger. | | | | | | | |
| A3 | Record employer contribution in EIA Collection Fund as a payable to the UCRHBT and receivable from UC | | | Campus Acctg HRB Fncl Svcs | MO | | |
| | DR | AGC 168200 | E Financial Control | | | 1,250,000 | |
| | CR | AGC 164241 | E CL-Employer Contribution to UCRHBT-UC | | | | 1,250,000 |
| | DR | AGC 700601 | T A-A/R-Contributions-UC | | | 1,250,000 | |
| | CR | AGC 705121 | T AD-Employer Contributions-UC | | | | 1,250,000 |
| A4 | Collection Fund records payments to UCRHBT and UCRHBT records receipt | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 164242 | E CL-Employer Contribution to UCRHBT-UC Collection Fund | | | 1,250,000 | |
| | CR | AGC 160100 | E Cash | | | | 1,250,000 |
| | DR | AGC 700211 | T A-Investments-Cash | | | 1,250,000 | |
| | CR | AGC 700601 | T A-A/R-Contributions-UC | | | | 1,250,000 |

This entry will be made electronically using the process developed for the transfer of STIP balances of UCRP / 403(b) / DCP funds. The entries to cash accounts in the E general ledger are automatically generated by the system to balance the funds. Annually, after fiscal close, balances in accounts in AGC 164242 must be closed into accounts in AGC 164241. AGC 164242 should reflect contributions to the UCRHBT for current year only.

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|---|---|----------------|----------------------------|---|-----------|---------|---------|
| A | CAMPUS / MEDICAL CENTER EMPLOYER CONTRIBUTIONS TO THE UC RETIREE HEALTH BENEFIT TRUST (UCRHBT) | | | | | | |
| A5 | Record campus employer June UC retiree health benefits expense as a current liability and transfer to UCOP | | | Campus Acctg | YE | | |
| | DR | OC 8231 | C | CL-Employer UC Retiree Health Benefit Contribution-UC | | 125,000 | |
| | CR | AGC 164231 | C | CL-Employer Liability to UCRHBT-UC | | | 125,000 |
| | DR | AGC 164241 | C | CL-Employer Contribution to UCRHBT-UC | | 125,000 | |
| | CR | AGC 168200 | C | Financial Control | | | 125,000 |
| A6 | Record transfer of June UC retiree health benefit assessment to UC Collection Fund and establishment of payable | | | Corp Acctg HRB Fncl Svcs | YE | | |
| | DR | AGC 168200 | E | Financial Control | | 125,000 | |
| | CR | AGC 164241 | E | CL-Employer Contribution to UCRHBT-UC | | | 125,000 |
| <p>If pay date is in June, this entry will be recorded using the electronic file described in A4, above. If pay date is in July, this entry will be recorded on a reversing journal; in July of the new fiscal year, the entry will reverse and the electronic file, with effective date in July, will be processed. The reversal and the electronic file entries should zero out in the new fiscal year.</p> | | | | | | | |
| A7 | Record UCRHBT receivable for June UC retiree health benefit assessment | | | HRB Fncl Svcs | YE | | |
| | DR | AGC 700601 | T | A-A/R-Contributions-UC | | 125,000 | |
| | CR | AGC 705121 | T | AD-Employer Contributions-UC | | | 125,000 |

APPENDIX A: Accounting Entries

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|---|---|----------------|--|-------------------------------|-----------|--------|--------|
| B CAMPUS / MEDICAL CENTER EMPLOYEE CONTRIBUTIONS (IF ANY) TO THE UCRHBT | | | | | | | |
| B1 | Record employee UC retiree health benefit assessment to liability via Payroll-UC | | | Campus Acctg | MO | | |
| | DR | OC 1XXX | C OE-Salaries and Wages | | | 60,000 | |
| | CR | AGC 164251 | C CL-Employee Liability to UCRHBT-UC | | | | 60,000 |
| B2 | Record transfer of UC retiree health benefit employee assessment to UC Collection Fund | | | Campus Acctg | MO | | |
| | DR | AGC 164261 | C CL-Employee Contribution to UCRHBT-UC | | | 60,000 | |
| | CR | AGC 168200 | C Financial Control | | | | 60,000 |
| Annually, after fiscal close, balances in accounts in AGC 164261 must be closed into accounts in AGC 164251. AGC 164261 should reflect contributions to the UC Collection Fund for the current year only. All UC contributions recorded through Collection Fund in the EIA general ledger. | | | | | | | |
| B3 | Record employee contribution in EIA Collection Fund and record a payable to the UCRHBT and receivable from UC | | | Campus Acctg HRB Fncl Svcs | MO | | |
| | DR | AGC 168200 | E Financial Control | | | 60,000 | |
| | CR | AGC 164261 | E CL-Employee Contribution to UCRHBT-UC | | | | 60,000 |
| | DR | AGC 700601 | T A-A/R Contributions-UC | | | 60,000 | |
| | CR | AGC 705131 | T AD-Employee Contributions-UC | | | | 60,000 |
| B4 | Collection Fund records payment to UCRHBT and UCRHBT records receipt | | | Campus Acctg HRB Fncl Svcs | MO | | |
| | DR | AGC 164262 | E CL-Employee Contribution to UCRHBT-UC Collection Fund | | | 60,000 | |
| | CR | AGC 160100 | E Cash | | | | 60,000 |
| | DR | AGC 700211 | T A-Investments-Cash | | | 60,000 | |
| | CR | AGC 700601 | T A-A/R Contributions-UC | | | | 60,000 |
| This entry will be made electronically using the process developed for the transfer of STIP balances of UCRP / 403(b) / DCP funds. The entries to cash accounts in the E general ledger are automatically generated by the system to balance the funds. Annually, after fiscal close, balances in accounts in AGC 164262 must be closed into accounts in AGC 164261. AGC 164262 should reflect contributions to UCRHBT for the current year only. | | | | | | | |
| B5 | Record campus employee June UC retiree health benefit expense as a current liability and transfer to UCOP | | | Campus Acctg | YE | | |
| | DR | OC 1XXX | C OE-Salaries and Wages | | | 6,000 | |
| | CR | AGC 164251 | C CL-Employee Liability to UCRHBT-UC | | | | 6,000 |
| | DR | AGC 164261 | C CL-Employee Contribution to UCRHBT-UC | | | 6,000 | |
| | CR | AGC 168200 | C Financial Control | | | | 6,000 |

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|--|---|----------------|---------------------------------------|-----------------------------|-----------|-------|--------|
| B | CAMPUS / MEDICAL CENTER EMPLOYEE CONTRIBUTIONS (IF ANY) TO THE UCRHBT | | | | | | |
| B6 | Record transfer of June UC retiree health benefit assessment to UC Collection Fund and establishment of payable | | | Corp Acctg HRB Fncl Svcs | MO | | |
| DR | AGC 168200 | E | Financial Control | | | 6,000 | |
| CR | AGC 164261 | E | CL-Employee Contribution to UCRHBT-UC | | | | 6,000 |
| <p>If pay date is in June, this entry will be recorded using the electronic file described in B4. If pay date is in July, this entry will be recorded on a reversing journal; in July of the new year, the entry will reverse and the electronic file, with effective date in July, will be processed. The reversal and the electronic file entries should zero out in the new year.</p> | | | | | | | |
| B7 | UCRHBT records accounts receivable for June employee contribution from campus | | | HRB Fncl Svcs | YE | | |
| DR | AGC 700601 | T | A-A/R Contributions-UC | | | 6,000 | |
| CR | AGC 705131 | T | AD-Employee Contributions-UC | | | | 6,000 |

APPENDIX A: Accounting Entries

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|-----------|---|----------------|---|----------------|-----------|---------|---------|
| C | UNIVERSITY OF CALIFORNIA RETIREMENT PLAN RETIREE CONTRIBUTIONS TO THE UCRHBT AND HR/B FINANCIAL SERVICES | | | | | | |
| C1 | Record the portion of retiree payments (UC/Hastings) related to the UC retiree health benefit contribution as a liability | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 517110 | U DE-Benefits Payments-Retirement | | | 200,000 | |
| | CR | AGC 514400 | U L-Retiree OPEB Liability | | | | 200,000 |
| C2 | Record the payment of retiree OPEB contribution (UC/Hastings) to the Collection Fund and record liability to UCRHBT | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 514400 | U L-Retiree OPEB Liability | | | 200,000 | |
| | CR | AGC 510211 | U A-Investments-STIP (UCRP has no cash accounts) | | | | 200,000 |
| | DR | AGC 160100 | E Cash | | | 200,000 | |
| | CR | AGC 164247 | E CL-UCRP Liability to UCRHBT-UC | | | | 200,000 |
| | DR | AGC 700601 | T A-A/R Contributions-UC | | | 200,000 | |
| | CR | AGC 705141 | T AD-Annuitant Contributions-UCRP | | | | 200,000 |
| C3 | Record the payment of retiree UC retiree health benefit contributions to the UCRHBT for UC/Hastings retiree | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 164246 | E CL-UCRP Contribution to UCRHBT-UC | | | 200,000 | |
| | CR | AGC 160100 | E Cash | | | | 200,000 |
| C4 | UCRHBT records UC/Hastings retiree contribution | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 700211 | T A-Investments-Cash | | | 200,000 | |
| | CR | AGC 700601 | T A-A/R Contributions-UC | | | | 200,000 |
| C5 | Record the payment of retiree UC OPEB contributions to HR/B Financial Services for Laboratory retirees | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 467110 | U DE-Benefits Payments-Retirement-LBNL | | | 20,000 | |
| | CR | AGC 460211 | U A-Investments-STIP-LBNL (UCRP has no cash accounts) | | | | 20,000 |
| | DR | AGC 160100 | E Cash | | | 20,000 | |
| | CR | AGC 168200 | E Financial Control | | | | 20,000 |
| C6 | HR/B Financial Services records Laboratory retiree contribution | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 168200 | O Financial Control | | | 20,000 | |
| | CR | AGC 164220 | O CL-Accrued Benefits-Other | | | | 10,000 |
| | CR | AGC 164734 | O CL-Other-Self-Insurance-Employee Healthcare | | | | 10,000 |

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|--|---|----------------|---|----------------|-----------|--------|--------|
| C | UNIVERSITY OF CALIFORNIA RETIREMENT PLAN RETIREE CONTRIBUTIONS TO THE UCRHBT AND HR/B FINANCIAL SERVICES | | | | | | |
| C7 | Record the June retiree payments (UC/Hastings) related to UC retiree health benefit contribution as a liability | | | HRB Fncl Svcs | YE | | |
| | DR | AGC 517110 | U DE-Benefits Payments-Retirement | | | 20,000 | |
| | CR | AGC 514210 | U Withdrawals and Refunds | | | | 20,000 |
| | DR | AGC 160577 | E CA-A/R-Other-UCRP Annuitants | | | 20,000 | |
| | CR | AGC 164247 | E CL-UCRP Liability to UCRHBT-UC | | | | 20,000 |
| <p>If pay date is in June, this entry will be recorded using the electronic file described in C1. If pay date is in July, this entry will be recorded on a reversing journal; in July of the new year, the entry will reverse and the electronic file, with effective date in July, will be processed. The reversal and the electronic file entries should zero out in the new year.</p> | | | | | | | |
| C8 | UCRHBT records accounts receivable for June retiree contribution (UC/Hastings) from UCRP | | | HRB Fncl Svcs | YE | | |
| | DR | AGC 700601 | T A-A/R Contributions-UC | | | 20,000 | |
| | CR | AGC 705141 | U AD-Annuitant Contributions-UCRP | | | | 20,000 |
| <p>The balance in AGC 700601 should equal (-AGC 164231-AGC 164241-AGC 164242-AGC 164251-AGC 164261-AGC 164262-AGC 164246-AGC 164247).</p> | | | | | | | |
| C9 | Record the payment of June retiree UC OPEB contribution to HR/B Financial Services for Laboratory retirees | | | HRB Fncl Svcs | YE | | |
| | DR | AGC 467110 | U DE-Benefits Payments-Retirement-LBNL | | | 10,000 | |
| | CR | AGC 460211 | U A-Investments-STIP-LBNL (UCRP has no cash accounts) | | | | 10,000 |
| | DR | AGC 160100 | E Cash | | | 10,000 | |
| | CR | AGC 168200 | E Financial Control | | | | 10,000 |
| C10 | HR/B Financial Services records June Laboratory retiree contribution | | | HRB Fncl Svcs | YE | | |
| | DR | AGC 168200 | O Financial Control | | | 10,000 | |
| | CR | AGC 164220 | O CL-Accrued Benefits-Other | | | | 5,000 |
| | DR | AGC 164734 | O CL-Other-Self-Insurance-Employee Healthcare | | | | 5,000 |

APPENDIX A: Accounting Entries

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|---|--|----------------|--|----------------|-----------|--------|--------|
| D HASTINGS COLLEGE OF LAW CONTRIBUTIONS TO THE UCRHBT | | | | | | | |
| D1 | Hastings remits payment to UCRHBT | | | HRB Fncl Svcs | MO | | |
| DR | AGC 700211 | T | A-Investments-Cash | | | 30,000 | |
| CR | AGC 705122 | T | AD-Employer Contributions-Hastings | | | | 20,000 |
| CR | AGC 705132 | T | AD-Employee Contributions-Hastings | | | | 10,000 |
| D2 | Accrual of Hastings June 30 contribution | | | HRB Fncl Svcs | MO | | |
| DR | AGC 700602 | T | A-A/R Contributions-Hastings | | | 3,000 | |
| CR | AGC 705122 | T | AD-Employer Contributions-Hastings | | | | 2,000 |
| CR | AGC 705132 | T | AD-Employee Contributions-Hastings | | | | 1,000 |
| E DOE LABORATORIES EMPLOYER CONTRIBUTIONS TO HR/B FINANCIAL SERVICES | | | | | | | |
| E1 | LBNL records the employer liability billing from HR/B Financial Services | | | DOE Lab Acctg | MO | | |
| DR | Employer UC OPEB Expense | D | Expense-Employer UC OPEB Contribution-LBNL | | | 60,000 | |
| CR | Liability | D | Employer Liability to UC OPEB-LBNL | | | | 60,000 |
| E2 | LBNL remits employer liability payment to HR/B Financial Services | | | DOE Lab Acctg | MO | | |
| DR | Liability | D | Employer Contribution to UC OPEB-LBNL | | | 55,000 | |
| CR | Cash | D | Cash-LBNL | | | | 55,000 |
| E3 | HR/B Financial Services records receipt of contribution-LBNL | | | HRB Fncl Svcs | MO | | |
| DR | AGC 160100 | O | Cash | | | 55,000 | |
| CR | AGC 164220 | O | CL-Accrued Benefits-Other | | | | 55,000 |
| E4 | HR/B Financial Services records accounts receivable for June employer contribution from LBNL | | | HRB Fncl Svcs | YE | | |
| DR | AGC 160895 | O | CA-OPEB-DOE Receivable-LBNL | | | 5,000 | |
| CR | AGC 164220 | O | CL-Accrued Benefits-Other | | | | 5,000 |

The OPEB receivable recorded here includes the amount of the current liability for UC OPEB which will be remitted to UC HR/B Financial Services in the following month. This is not the Noncurrent Receivable related to the DOE laboratories long-term UC OPEB obligation.

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|--|--|--------------------------|--|----------------|-----------|--------|--------|
| F DOE LABORATORIES EMPLOYEE CONTRIBUTIONS (IF ANY) TO HR/B FINANCIAL SERVICES | | | | | | | |
| F1 | LBNL records the employee UC OPEB assessment owed to HR/B Financial Services | | | DOE Lab Acctg | MO | | |
| | DR | Employee UC OPEB Expense | D Expense-Employee UC OPEB Contribution-LBNL | | | 30,000 | |
| | CR | Liability | D Employee Liability to UC OPEB-LBNL | | | | 30,000 |
| F2 | LBNL remits employee UC OPEB assessment amounts to HR/B Financial Services | | | DOE Lab Acctg | MO | | |
| | DR | Liability | D Employee Contribution to UC OPEB-LBNL | | | 25,000 | |
| | CR | Cash | D Cash-LBNL | | | | 25,000 |
| F3 | HR/B Financial Services records employee contribution-LBNL | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 160100 | O Cash | | | 25,000 | |
| | CR | AGC 164220 | O CL-Accrued Benefits-Other | | | | 25,000 |
| F4 | HR/B Financial Services records accounts receivable for June employee contribution from LBNL | | | HRB Fncl Svcs | YE | | |
| | DR | AGC 160895 | O CA-OPEB-DOE Receivable-LBNL | | | 5,000 | |
| | CR | AGC 164220 | O CL-Accrued Benefits-Other | | | | 5,000 |

The OPEB receivable recorded here includes the amount of the current liability for UC OPEB which will be remitted to UC HR/B Financial Services in the following month. This is not the Noncurrent Receivable related to the DOE laboratories long-term UC OPEB obligation.

APPENDIX A: Accounting Entries

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|-----------|---|----------------|--|----------------|-----------|-----------|-----------|
| G | YEAR-END SYSTEMWIDE UC OPEB ENTRIES-UC | | | | | | |
| G1 | | | Record the incremental ARC accrual-UC | Corp Acctg | YE | | |
| | DR | OC 8281 | O OE-UC Retiree Health Benefit ARC-Incremental Accrual-UC | | | 2,000,000 | |
| | CR | AGC 165331 | O NL-Obligations for Retiree Health Benefits-UC | | | | 2,000,000 |
| G2 | | | Record the adjustment to the ARC-UC | Corp Acctg | YE | | |
| | DR | AGC 165331 | O NL-Obligations for Retiree Health Benefits-UC | | | 200,000 | |
| | CR | OC 8251 | O OE-UC Retiree Health Benefit ARC Adjustment-UC | | | | 200,000 |
| G3 | | | Record the interest on the beginning of the year net UC OPEB obligation-UC | Corp Acctg | YE | | |
| | DR | OC 8261 | O OE-Interest on Beginning of Year Net UC Retiree Health Benefit Obligation-UC | | | 4,500,000 | |
| | CR | AGC 165331 | O NL-Obligations for Retiree Health Benefits-UC | | | | 4,500,000 |
| G4 | | | Record the implicit subsidy for retiree health | Corp Acctg | YE | | |
| | DR | AGC 165331 | O NL-Obligations for Retiree Health Benefits-UC | | | 100,000 | |
| | CR | OC 8915 | O OE-Health Insurance-Implicit Subsidy Retiree Health Benefits | | | | 100,000 |

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|--|--|----------------|--|----------------|-----------|---------|---------|
| H YEAR-END SYSTEMWIDE CONSOLIDATING ENTRIES--DOE LABORATORIES | | | | | | | |
| H1 | Record revenue and expense for LBNL based on year-end reporting package | | | Corp Acctg | YE | | |
| DR | OC 7961 | O | OE-DOE Laboratories Expense-Other-LBNL | | | 506,500 | |
| DR | OC 8223 | O | OE-Employer UC OPEB Contribution-LBNL | | | 60,000 | |
| DR | OC 8236 | O | OE-Employee UC OPEB Contribution-LBNL | | | 30,000 | |
| DR | OC 3800 | O | AGC 300155-DOE Indirect Cost Recovery | | | 3,500 | |
| CR | AGC 203411 | O | OR-DOE Laboratories-Revenue-LBNL | | | | 600,000 |
| Year-end entries will also include expense for Pensions as outlined in Accounting Manual Chapter P-196-82. | | | | | | | |
| H2 | Record receivable from DOE and liabilities for LBNL based on year-end reporting package; entry will be reversed July 1 | | | Corp Acctg | YE | | |
| DR | AGC 160890 | O | DOE Receivables | | | 10,000 | |
| CR | AGC 164600 | O | DOE Laboratories Liabilities | | | | 10,000 |
| DR | AGC 164243 | O | CL-Employer Contribution to UC OPEB-LBNL | | | 60,000 | |
| CR | AGC 164233 | O | CL-Employer Liability to UC OPEB-LBNL | | | | 60,000 |
| DR | AGC 164263 | O | CL-Employee Contribution to UC OPEB-LBNL | | | 30,000 | |
| CR | AGC 164253 | O | CL-Employee Contribution to UC OPEB-LBNL | | | | 30,000 |
| The employer contribution/liability and employee contribution/liability recorded here as a liability and contribution is total expense reported by LBNL. | | | | | | | |
| H3 | Record accrual of benefits related to compensated absences reported by LBNL (per GASB Statement No. 16) | | | Corp Acctg | YE | | |
| DR | OC 7961 | O | OE-DOE Laboratories Expense-Other-LBNL | | | 1,000 | |
| CR | AGC 203411 | O | OR-DOE Laboratories Revenue-LBNL | | | | 1,000 |
| DR | AGC 160890 | O | DOE Receivables | | | 1,000 | |
| CR | AGC 164600 | O | DOE Laboratories Liabilities | | | | 1,000 |

APPENDIX A: Accounting Entries

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|---|--|----------------|--|----------------|-----------|---------|---------|
| I YEAR-END SYSTEMWIDE UC OPEB ENTRIES-DOE LABORATORIES | | | | | | | |
| I1 | Record the incremental ARC accrual-LBNL (recorded in the DOE Laboratory Expense line item) | | | Corp Acctg | YE | | |
| | DR | OC 8282 | O OE-UC OPEB ARC Incremental Accrual-LBNL | | | 30,000 | |
| | CR | AGC 165333 | O NL-Obligations for Retiree Health Benefits-LBNL | | | | 30,000 |
| I2 | Record the adjustment to ARC-LBNL (recorded in the DOE Laboratory Expense line item) | | | Corp Acctg | YE | | |
| | DR | AGC 165333 | O NL-Obligations for Retiree Health Benefits-LBNL | | | 10,000 | |
| | CR | OC 8252 | O OE-UC OPEB ARC Adjustment-LBNL | | | | 10,000 |
| I3 | Record the interest on the beginning of year net UC OPEB obligation-LBNL (recorded in the DOE Laboratory Expense line item) | | | Corp Acctg | YE | | |
| | DR | OC 8262 | O OE-Interest on Beginning of Year Net UC OPEB Obligation-LBNL | | | 100,000 | |
| | CR | AGC 165333 | O NL-Obligations for Retiree Health Benefits-LBNL | | | | 100,000 |
| I4 | Record a receivable from the DOE to offset both the LBNL annual UC OPEB cost and the net UC OPEB obligation (recorded in the DOE Laboratory Revenue line item) | | | Corp Acctg | YE | | |
| | DR | AGC 161801 | O NA-UC OPEB DOE Receivable-LBNL | | | 120,000 | |
| | CR | AGC 203411 | O OR-DOE Laboratories Revenue-LBNL | | | | 120,000 |
| I5 | Record the implicit rate subsidy for LBNL and reclassify expense for reporting purposes | | | Corp Acctg | YE | | |
| | DR | OC 7961 | O OE-DOE Laboratories Expense-Other-LBNL | | | 20,000 | |
| | CR | OC 7964 | O OE-OPEB Implicit Subsidy-LBNL | | | | 20,000 |
| | DR | AGC 165333 | O NL-Obligations for Retiree Health Benefits-LBNL | | | 20,000 | |
| | CR | AGC 161801 | O NA-UC OPEB DOE Receivable-LBNL | | | | 20,000 |

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|--|--|----------------|--|----------------|-----------|-----------|-----------|
| J ADDITIONAL UCRHBT, UC COLLECTION FUND AND UC PAYMENT FUND ENTRIES | | | | | | | |
| J1 | Record liabilities to carriers from OPEB trust through the UC Payment Fund | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 160575 | E CA-A/R Other-UCRHBT | | | 1,260,000 | |
| | CR | AGC 164220 | E CL-Accrued Benefits-Other | | | | 1,260,000 |
| | DR | AGC 707111 | T DE-Payments to Insured Plans | | | 965,000 | |
| | DR | AGC 707121 | T DE-Payments to Self-Insured Plans | | | 185,000 | |
| | DR | AGC 707211 | T DE-Medicare Part B Reimbursements | | | 110,000 | |
| | CR | AGC 704211 | T L-A/P to UC-Insurance Premiums | | | | 1,260,000 |
| J2 | Record payments to carriers | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 164220 | E CL-Accrued Benefits-Other | | | 1,075,000 | |
| | CR | AGC 160100 | E Cash | | | | 1,075,000 |
| | DR | AGC 164226 | E CL-Payments for Retiree Health Benefits-Settlement | | | 1,075,000 | |
| | CR | AGC 164225 | E CL-Payments for Retiree Health Benefits | | | | 1,075,000 |
| Annually, after fiscal close, balances in accounts in AGC 164226 must be closed into accounts in AGC 164225. AGC 164226 should reflect payments for retiree health benefits for the current year only. | | | | | | | |
| J3 | Record payment from UCRHBT to Payment Fund | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 704211 | T L-A/P to UC-Insurance Premiums | | | 1,260,000 | |
| | CR | AGC 700211 | T A-Investments-Cash | | | | 1,260,000 |
| | DR | AGC 160100 | E Cash | | | 1,260,000 | |
| | CR | AGC 106576 | E CA-A/R Other-UCRHBT-Settlement | | | | 1,260,000 |
| Annually, after fiscal close, balances in accounts in AGC 160576 must be closed into accounts in AGC 160575. AGC 160576 should reflect receipts from UCRHBT for the current year only. | | | | | | | |
| J4 | Record fair value adjustment to OPEB Investments | | | Corp Acctg | MO | | |
| | DR | AGC 700231 | T A-Investments-Securities-Fair Value Adjustment | | | 5,000 | |
| | CR | AGC 705212 | T AD-Investment Income-Net Appreciation in Fair Value of Investments | | | | 5,000 |
| J5 | Record STIP income in the Collection Fund | | | Corp Acctg | MO | | |
| | DR | AGC 160100 | E Cash | | | 5,000 | |
| | CR | AGC 208240 | E NR-STIP Investment Income | | | | 5,000 |

APPENDIX A: Accounting Entries

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|-----------|---|----------------|---|----------------|-----------|--------|--------|
| J6 | Record STIP earnings of the Collection Fund as contributions to UCRHBT | | | HRB Fncl Svcs | MO | | |
| | DR | TC 0814 | E Transfer Fund Balance to OP | | | 5,000 | |
| | CR | AGC 164241 | E CL-Employer Contribution to UCRHBT-UC | | | | 5,000 |
| | DR | OC 8231 | O OE-Employer UC Retiree Health Benefit Contribution-UC | | | 5,000 | |
| | CR | TC 0800 | O Transfer Fund Balance from E | | | | 5,000 |
| | DR | AGC 164241 | O CL-Employer Contribution to UCRHBT-UC | | | 5,000 | |
| | CR | AGC 164231 | O CL-Employer Liability to UCRHBT-UC | | | | 5,000 |
| | DR | AGC 700601 | T A-A/R Contributions-UC | | | 5,000 | |
| | CR | AGC 705121 | T AD-Employer Contributions-UC | | | | 5,000 |
| J7 | Record payment from Collection Fund to UCRHBT and record employer contribution-UC | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 164242 | E CL-Employer Contribution to UCRHBT-UC Collection Fund | | | 5,000 | |
| | CR | AGC 160100 | E Cash | | | | 5,000 |
| | DR | AGC 700211 | T A-Investments-Cash | | | 5,000 | |
| | CR | AGC 700601 | T A-A/R Contributions-UC | | | | 5,000 |
| J8 | Record negative STIP income in the Payment Fund | | | Corp Acctg | MO | | |
| | DR | AGC 208240 | E NR-STIP Investment Income | | | 2,000 | |
| | CR | AGC 160100 | E Cash | | | | 2,000 |
| J9 | Record receivable from UCRHBT for STIP expense recorded at E | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 160571 | E CA-A/R Other | | | 2,000 | |
| | CR | AGC 208210 | E OR-Other Operating Revenue-Other Sources-Other | | | | 2,000 |
| | DR | AGC 707310 | T DE-Expenses-Plan Administration | | | 2,000 | |
| | CR | AGC 704212 | T L-A/P to UC-Administrative Expenses | | | | 2,000 |
| J10 | Record receivable/payable for additional administrative expenses | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 160571 | E CA-A/R Other | | | 70,000 | |
| | CR | AGC 168200 | E Financial Control | | | | 70,000 |
| | DR | AGC 168200 | O Financial Control | | | 70,000 | |
| | CR | AGC 208210 | O OR-Other Operating Revenue-Other Sources-Other | | | | 70,000 |
| | DR | AGC 707310 | T DE-Expenses-Plan Administration | | | 70,000 | |
| | CR | AGC 704212 | T L-A/P to UC-Administrative Expenses | | | | 70,000 |

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|-----------|--|----------------|--|----------------|-----------|-----------|-----------|
| J11 | Record payment of administrative expenses by UCRHBT | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 704212 | T L-A/P to UC-Administrative Expenses | | | 72,000 | |
| | CR | AGC 700211 | T A-Investments-Cash | | | | 72,000 |
| | DR | AGC 160100 | E Cash | | | 72,000 | |
| | CR | AGC 160571 | E CA-A/R Other | | | | 72,000 |
| J12 | Record purchase of securities and payment | | | Corp Acctg | MO | | |
| | DR | AGC 700221 | T A-Investments-Securities | | | 1,500,000 | |
| | CR | AGC 704110 | T L-A/P-Investment Purchases | | | | 1,500,000 |
| | DR | AGC 704120 | T L-A/P-Investment Purchases-Settlements | | | 1,500,000 | |
| | CR | AGC 700211 | T A-Investments-Cash | | | | 1,500,000 |
| J13 | Record sales of securities and receipt of cash | | | Corp Acctg | MO | | |
| | DR | AGC 700631 | T A-A/R-Other Investment Sales | | | 1,260,000 | |
| | CR | AGC 700221 | T A-Investments-Securities | | | | 1,260,000 |
| | DR | AGC 700211 | T A-Investments-Cash | | | 1,260,000 | |
| | CR | AGC 700632 | T A-A/R-Other Investment Sales-Settlements | | | | 1,260,000 |
| J14 | Record rebates from insurance carriers-active employees and retirees | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 160100 | O Cash | | | 600,000 | |
| | CR | OC 8900 | O OE-Health Insurance | | | | 600,000 |
| J15 | Record rebates payable to UCRHBT | | | HRB Fncl Svcs | MO | | |
| | DR | OC 8900 | O OE-Health Insurance | | | 150,000 | |
| | CR | AGC 164772 | O CL-Other-A/P Rebates | | | | 150,000 |
| | DR | AGC 700634 | T A-A/R Other | | | 150,000 | |
| | CR | AGC 707112 | T DE-Rebates from Insured Plans | | | | 100,000 |
| | CR | AGC 707122 | T DE-Rebates from Self-Insured Plans | | | | 50,000 |
| J16 | Pay insurance carrier rebates to UCRHBT | | | HRB Fncl Svcs | MO | | |
| | DR | AGC 164772 | O CL-Other-A/P Rebates | | | 150,000 | |
| | CR | AGC 168200 | O Financial Control | | | | 150,000 |
| | DR | AGC 168200 | E Financial Control | | | 150,000 | |
| | CR | AGC 160100 | E Cash | | | | 150,000 |
| | DR | AGC 700211 | T A-Investments-Cash | | | 150,000 | |
| | CR | AGC 700634 | T A-A/R Other | | | | 150,000 |

APPENDIX A: Accounting Entries

| Entry No. | Coding | General Ledger | Account Title / Code Title | Responsibility | Frequency | Debit | Credit |
|---|--------|----------------|---|----------------|-----------|--------|--------|
| K BENEFITS ADMINISTRATION ASSESSMENT | | | | | | | |
| K1 | | | Record assessment for Benefits Administration | Campus Acctg | MO | | |
| | DR | OC 8995 | C OE-Benefits Administration Assessment | | | 65,000 | |
| | CR | AGC 164760 | C CL-Other-Miscellaneous | | | | 65,000 |
| K2 | | | Transfer assessment to UCOP Location M | Campus Acctg | MO | | |
| | DR | AGC 164760 | C CL-Other-Miscellaneous | | | 65,000 | |
| | CR | AGC 168200 | C Financial Control | | | | 65,000 |
| K3 | | | UCOP response to transfer of Benefits Administration Assessment | Campus Acctg | MO | | |
| | DR | AGC 168200 | E Financial Control (E-1195XX) | | | 65,000 | |
| | CR | AGC 168200 | E Financial Control (E-119540) | | | | 65,000 |
| | DR | AGC 168200 | O Financial Control (M-119500) | | | 65,000 | |
| | CR | OC 8995 | O OE-Benefits Administration Assessment | | | | 65,000 |

Note: The following codes are used in this appendix:

General Ledger

| | |
|---|---|
| C | Campus/Medical Center |
| O | UCOP Location M |
| D | DOE Laboratories |
| U | University of California Retirement Plan (UCRP) |
| T | UC Retiree Health Benefit Trust (UCRHBT) |
| E | Endowment and Investment General Ledger |

Statement of Net Assets

| | |
|----|------------------------|
| CA | Current Assets |
| NA | Noncurrent Assets |
| CL | Current Liabilities |
| NL | Noncurrent Liabilities |
| A | Assets |
| L | Liabilities |

Statement of Revenues, Expenses and Changes in Net Assets

| | |
|----|-----------------------------|
| OR | Operating Revenue |
| OE | Operating Expense |
| NR | Nonoperating Revenue |
| AD | Additions (UCRP and UCRHBT) |
| DE | Deletions (UCRP and UCRHBT) |

Accounting Codes

| | |
|-----|--------------------|
| AGC | Account Group Code |
| OC | Object Code |

Frequency

| | |
|----|---------------------|
| MO | Monthly |
| YE | Year-End June Entry |

DOE Laboratories

| | |
|------|---------------------------------------|
| LBNL | Lawrence Berkeley National Laboratory |
|------|---------------------------------------|