

Statewide Fiscal Management Training



Presented by the Department of Finance
March 2026

Introduction

- **Welcome**
- **Agenda**
- **Objectives**

Agenda

Topics

Statewide Fiscal Management Training

1. Expectations of Departments and Fiscal Managers (Pages 5-13)
2. Audits and Evaluations (Pages 14-37)
3. Financial Information System for California – FI\$Cal (Pages 38-43)
4. Budget Overview (Pages 44-60)
5. Accounting (Pages 61-67)
6. Reconciliation and Reporting (Pages 68-83)
7. Key Takeaways (Page 84)
8. Contact Information (Pages 85-87)

Questions & Survey

Objectives

- **Become familiar with the expectations of fiscal managers**
- **Establishing and maintaining effective systems of internal control**
- **Provide high-level information about the statewide fiscal system, budgets, accounting, and reporting**
- **The responsibility to provide accurate and consistent data to Finance and State Controller's Office (SCO)**

Expectations of Departments and Fiscal Managers

Expectations of Departments and Fiscal Managers

State Leadership Accountability Act

- The State Leadership Accountability Act was enacted to reduce the waste of resources and strengthen internal control.
- Government Code Sections 13400 - 13407:

https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=3.&title=2.&part=3.&chapter=5.&article=

Management Responsibility

- Establishing and maintaining a system or systems of internal control and ongoing monitoring
- Report on the adequacy of the entity's internal control and monitoring practices by Dec 31st of each odd numbered year
- Provide a plan for correcting identified inadequacies and weaknesses every six months until all weaknesses are corrected

Expectations of Departments and Fiscal Managers

Additional Management Responsibility

- Manage, control, and ensure public funds are spent and used appropriately
- Focus on departmental controls – both administrative and programmatic
- Establish and communicate clear expectations – lead by example
- Ensure the appropriate stewardship of state resources – the public's money
- Communication during planning, preparation, oversight, and implementation

Expectations of Departments and Fiscal Managers

Department of Finance's Expectations of Departments

All Departments

Communication

- Proactively work with the Department of Finance to avoid or resolve problems and issues and discuss potential solutions.
- Clearly define and document any need or problem.
- Provide analysis of problem or proposal and offer a recommendation and viable alternatives.
- Clearly state assumptions and methodology.
- Be creative in proposing the solution. Be prepared to provide data and other evidence that illustrates the problem and supports the solution.
- Be clear and succinct.
- Target material to appropriate audience.
- Appropriately involve parties other than Department of Finance in communication (e.g., control agencies, potentially impacted departments).
- Keep Finance informed of changes, including those which could commit the state to a higher level of expenditure or to a major change in program.
- Be timely and ensure quality, completeness, and accuracy for all information, materials, reports, etc.
- Provide Finance an opportunity to review proposed responses to external budget related questions (especially LAO and legislative staff) before they are provided.

Expectations of Departments and Fiscal Managers

Budget Planning and Preparation

- Understand statewide fiscal constraints and submit only the proposals that fit within guidance provided by the Department of Finance. Provide all potential fiscal impacts for critical proposals, including state operations and local assistance, including multi-year projections for outyear expenditures.
- Subscribe to [Department of Finance Mailing Lists](#): Budget Operations, Fiscal Training, FI\$CaI Resources for Accounting, Office of State Audits and Evaluations, State Leadership Accountability Act, and Statewide Cost Allocation.
- Follow all instructions, including those provided through Budget Letters and email instructions sent by Finance Budget Analysts.
- Strive to meet deadlines. Inform and work with your Finance Budget analyst in advance when a deadline is likely to slip for due cause and as a unique exception.
- Coordinate with staff from departmental programs, accounting, budgeting, and other units within your department (as necessary) to ensure accuracy and accountability.
- Coordinate with other departments (when applicable).
- Maintain confidentiality of budget discussions and decisions until budget or other product is released.

Expectations of Departments and Fiscal Managers

Fiscal (Budgeting and Accounting)

- Establish proper fiscal internal controls including a system of policies and procedures adequate to provide compliance with applicable laws, criteria, standards, and other requirements.
- Ensure that fiscal staff are involved in decision-making with fiscal impacts.
- Staff fiscal offices (budgeting and accounting offices) with qualified personnel.
- Ensure fiscal staff receive adequate training. The Department of Finance offers training for various budgeting and accounting processes which may be found on Finance's website.
- Fulfill fund administrator's and fund user's responsibilities.
- Prepare timely, accurate, and complete financial reports.
- Review and reconcile budget documents with accounting's year-end financial reports submitted to the State Controller's Office.

Program Oversight and Implementation

- Implement programs in the most fiscally efficient and effective manner.
- Collaborate with other entities to achieve maximum results with limited resources.
- Administer budget in accordance with all laws, budget control provisions, statewide policies in the State Administrative Manual, and the Governor's policies.
- Make available qualified managers and staff who can represent the department officially (make commitments, testify in front of the Legislature during hearings) and can answer Finance questions (know the program and numbers).

Expectations of Departments and Fiscal Managers

Departments within the Administration

- Comply with and advocate for the Administration's mission, decisions, and policies.
- Work as a team and prevent wasteful duplication and maximize efficiencies among departments.
- Work with Agency before communicating with Finance (when appropriate).
- Don't work with legislative staff on budget related matters independent of Agency and Finance.
- Make sure to keep Agency and Finance representatives involved in any discussions with the federal government that have fiscal ramifications.

Expectations of Departments and Fiscal Managers

➤ Fiscal Cycle



Expectations of Departments and Fiscal Managers

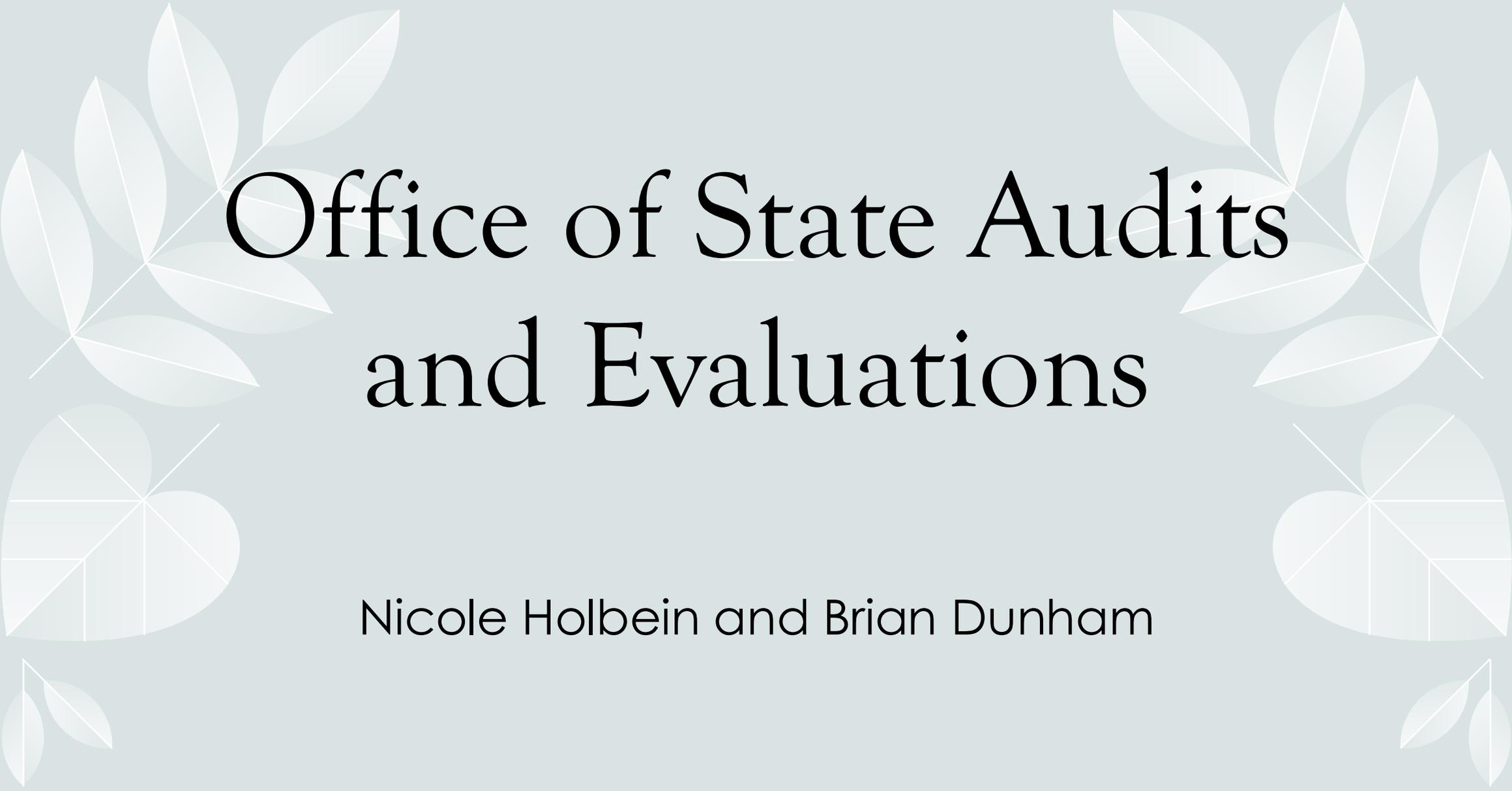
Finance website

Office of State Audits and Evaluations: <https://dof.ca.gov/programs/osae/state-leadership-accountability-act-slaa/>

- State Leadership Accountability Act - Overview
- Resources and References
- Frequently Asked Questions

Department of Finance's Expectations of Departments (slides 8-11):

<https://dof.ca.gov/wp-content/uploads/sites/352/budget/budget-analyst-guide/ExpectationsofDepartments.pdf>

The page features decorative leaf patterns in the corners. The top-left and top-right corners contain clusters of several pointed leaves on thin stems. The bottom-left and bottom-right corners each feature a single large, heart-shaped leaf with a central vein and two smaller side veins, with a few smaller leaves below it.

Office of State Audits and Evaluations

Nicole Holbein and Brian Dunham

Our Mission and Vision

➤ **Mission:** to assist and support the Department of Finance in its role and responsibility as the Governor's chief fiscal policy advisor.

➤ OSAE sets the "PACE"

Premier

Auditing

Consulting

Evaluating



OSAE Responsibilities

- Audits and Evaluations
 - ❖ Financial Statement and Financial-Related Audits
 - ❖ Compliance Reviews
 - ❖ Performance Audits/Program Evaluations
 - ❖ Consulting, Technical Advice, and Guidance

OSAE Responsibilities (cont.)

- Bond Accountability
- Redevelopment Agency Dissolution
- Single Audit
- State Leadership Accountability Act (SLAA)

Making the Headlines



California: Department of Finance takes Board of Equalization to task
TAX AND BENEFITS CHALLENGES | APR 13, 2017

In a March 2017 evaluation, the California Department of Finance, Office of State Auditor and Equalization revealed that the California State Board of Equalization's (BOE) work is problematic because of its operational culture. This has "impacted its ability to report accurate and reliable information to decision makers." Moreover, "certain board member practices have interfered in administrative activities and created inconsistencies in operations, breakdowns in contractual processes, and in certain instances result in activities contrary to state tax and budgetary and legislative directives."

In its report's conclusions, the Department of Finance pointed to a number of issues, including:

- The BOE had difficulty providing complete and accurate information in response to evaluation request.



Department of Finance releases audit of PUC after whistleblower claims PRO

By COLBY BERMEL | 02/03/2021 09:50 PM EST

California prison agency spent \$12,000 on retiring manager's farewell party, records show



Audit Report
California Horse Racing Board
Operational Performance Audit



Prepared By:
Office of State Auditor and Equalization
Department of Finance

1/7/2021 November 2014

California oil regulators issued hundreds of improper permits, audit finds



By Emily Sawicki / emilys@madbusiness.com Jan 4, 2017

Department of Finance Audits California Coastal Commission

Audit ordered after Coastal Commission ran out of money and couldn't pay June 2016 payroll, rent and other expenses.

By Emily Sawicki / emilys@madbusiness.com Jan 4, 2017

Board of Equalization

San Francisco Chronicle
Time to remake California Board of Equalization
By Phil Ting | June 13, 2017 | Updated: June 13, 2017 4:52pm

Gutting of California tax collection agency has begun

By Melody Gutierrez |

California Board Of Equalization Under Investigation

California Board Of Equalization Under Investigation

TRANSPORTS Dix-neuf entreprises de l'aggl à inciter leurs salariés à laisser leur véhicule

PHILIPPE ZANALDA
Qu'est-ce qui pousse les gens à venir à La Rochelle en voiture ? Le travail, encore et toujours. En outre, les salariés ont peur de perdre leur véhicule pour aller au boulot. Les entreprises ont donc des obligations envers leurs salariés de leur offrir un parking sécurisé, mais les entreprises ne le font pas. Les salariés ont donc des obligations envers leurs entreprises de leur offrir un parking sécurisé, mais les entreprises ne le font pas.

Audit: California tax collectors on 'parking lot duty' for promotional events as politicians push boundaries

POLITICAL NOTEBOOK

Board of Equalization, an embarrassment for decades, finally getting overhaul

BY DAN WALTERS
CALmatters

JUNE 15, 2017 12:35 PM

Gov. Jerry Brown at Board of Equalization

It's about time. The

Four of the five members collect sales and become a landing

THE SACRAMENTO BEE

Lawmakers to consider cutting power of California tax board

Audit: Unexplained Misallocated Millions for State Tax Board

An audit of California's Board of Equalization found that the agency misallocated unusual moves like using well-paid tax auditors for "parking lot duty" at a promotional event.
March 27, 2017, at 9:00 p.m.

The State Worker
Chronicling civil-service life for California state workers

It took almost 90 years, but lawmakers voted to gut California's tax board

One of the lawmakers on Thursday voted to gut a unique and embattled agency that collects taxes and allows elected representatives to strip the Board of Equalization of its power with two new departments.

California Board Of Equalization Under Investigation

June 20, 2017 11:13 PM By Lemor Abrams

THE STATE WORKER

How can California possibly make a new tax department in two weeks?

BY ADAM ASHTON
aashton@sacbee.com

JUNE 16, 2017 3:06 PM

California lawmakers debated for decades about whether they wanted to kill a long-troubled agency called the Board of Equalization that collects \$60 billion a year in taxes and

California tax board officials questioned in criminal probe

Facebook, Twitter, Email, Print icons

Department of Motor Vehicles



CAPITOL ALERT



Capitol Alert

Audit lays bare DMV's bad habits — 'Reactive culture,' poor planning and bad computers

MARCH 27, 2019 04:34 PM

State audit of California's DMV finds 'significant weaknesses'

3.2K



BREAKING NEWS | Eric Swalwell jumps into presidential race with long-shot White House bid

News > California News

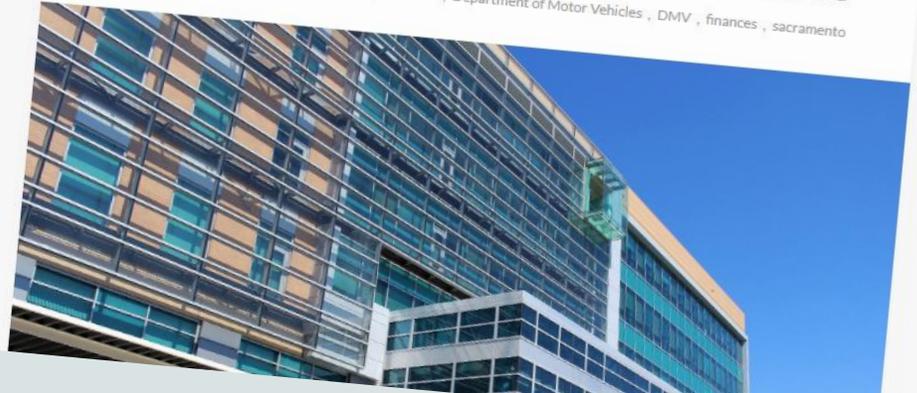
Embattled California DMV gets its third director in just 32 days



BRIEF BRIEFS BUSINESS GOVERNMENT NEWS POLITICS

SACRAMENTO – Audit finds poor planning led to California DMV issues

news - 2 weeks ago - no comment - audit, Auditors, Department of Motor Vehicles, DMV, finances, sacramento



California lawmakers grill DMV official over ballooning wait times

By MELANIE MASON AUG 07, 2018 | 7:15 PM | SACRAMENTO



Traffic Light Synchronization Program



State Leadership

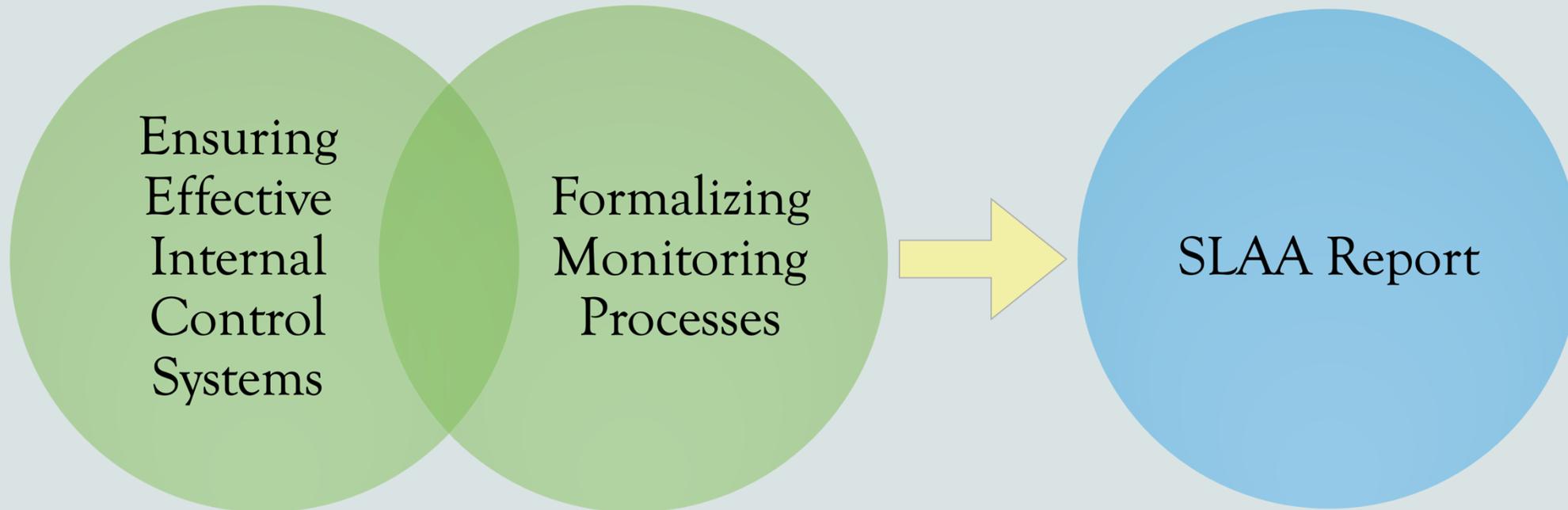
▸ Accountability Act

State Leadership Accountability Act (SLAA)

- **All levels** of management must be involved in evaluating and strengthening internal controls.
- Each state agency must maintain effective systems of internal control.
- Controls must be evaluated and monitored on an ongoing basis and any detected weaknesses (risks) must be promptly corrected.

Government Code Sections 13400-13407

Reporting Requirements



BENEFITS OF LEADERSHIP ACCOUNTABILITY REPORTING



RESOURCE



CONVERSATION

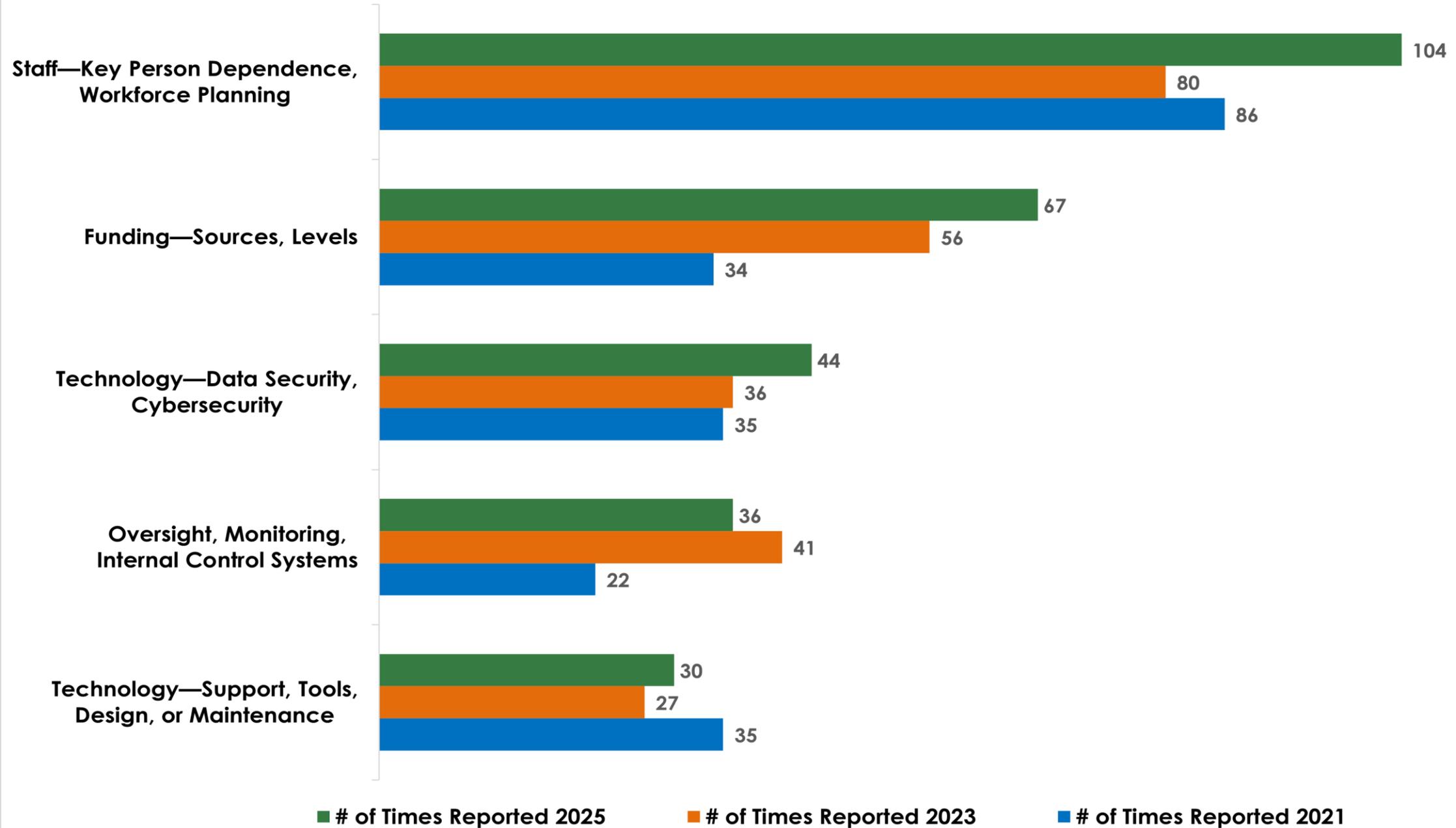


GOVERNANCE

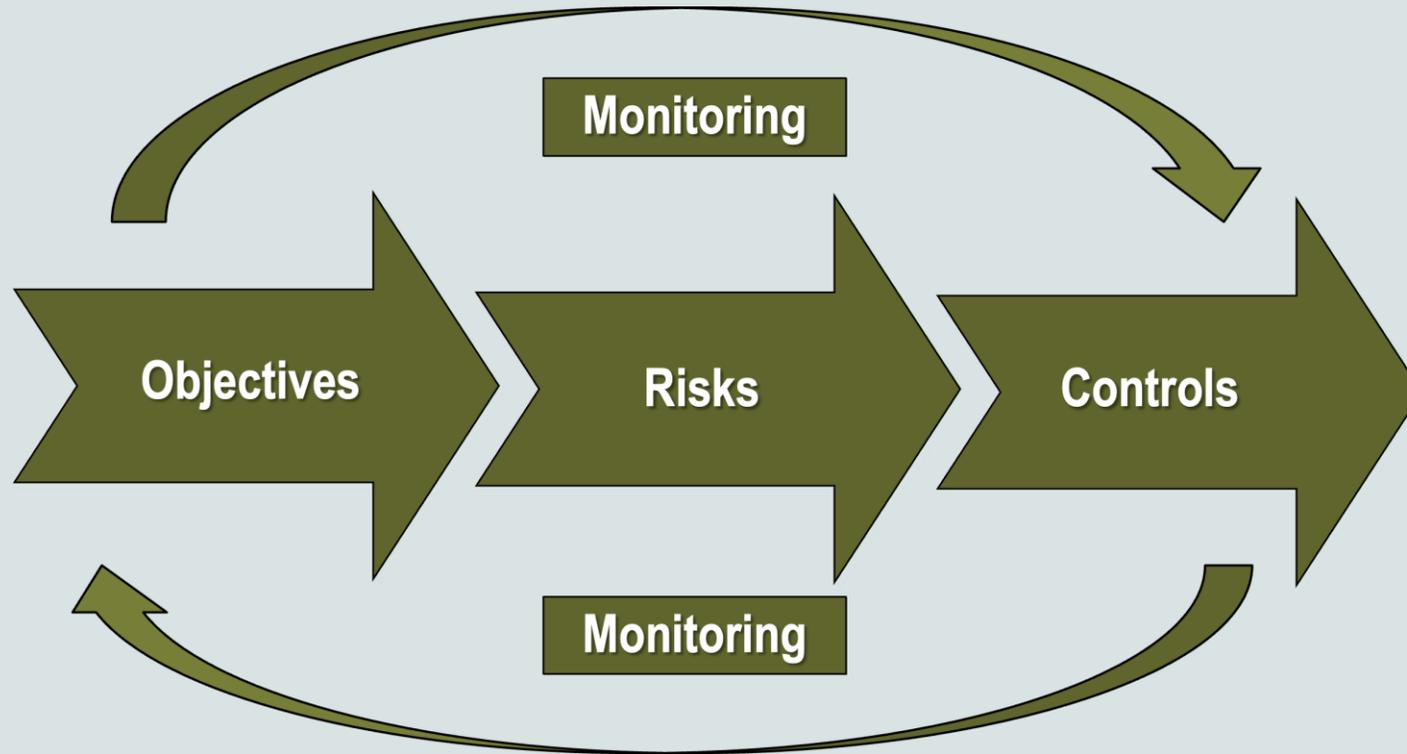


CHALLENGES

Top 5 Statewide Risks 2021-2025



Risk Management Process



1. **Objectives** – What are you aiming to accomplish?
2. **Risks** – What can stop you from achieving your goal?
3. **Controls** – What will you do to ensure success?
4. **Monitoring** – How do you know if it's working?

Internal Controls

- **Internal Control** - influences activity or behavior, methods to overcome risks.
- **Types of Internal Controls**
 - ❖ **Preventative** - prevents something from happening
 - ❖ **Detective** - finds problem once it has occurred
 - ❖ **Corrective** - repairs or restores resources and capabilities to their prior state

Proposed Trailer Bill Language Modernizing SLAA

- Modernizes outdated SLAA language.
- Clarifies requirements and responsibilities.
- Reorganizes code into clear sections.

SLAA

Current vs. Proposed

- **Before:** Biennial report + 6-month follow-ups.
- **After:** One annual report.

- **Before:** December 31 deadline.
- **After:** July 31 (fiscal year aligned).

- *Single Audit Act*

Single Audit Requirement

- Non-federal entities that expend \$750,000 or more in federal awards must undergo an annual audit.
- Audit must be conducted by an independent auditor.
 - ❖ *California is one non-federal entity.*
 - ❖ *California state entities are automatically subject to an annual audit regardless if the entity spent less than \$750,000.*

Single Audit Framework

- **Finance** – Responsible for federal audit coordination
- **California State Auditor (CSA)** – Responsible for conducting the State of California Single Audit
- **External Auditor** – Subcontracted by CSA to assist with conducting the federal compliance portion of the Single Audit
- **State Entities** – Provide accurate and timely information to the above entities for the Single Audit.

Single Audit

- CSA and the External Auditor determines which federal program/Assistance Listing (AL) number will be audited.
- Entities participating in the statewide Single Audit may be selected for further testing even if expenditures are less than \$750,000.

The

TAKEAWAY

Resources

➤ OSAE

- ❖ **Hotline:** OSAEHotline@dof.ca.gov
- ❖ **Webpage:** <https://dof.ca.gov/programs/osae/>
- ❖ **Audit Reports, Memos, and Letters:** <https://dof.ca.gov/programs/osae/audit-reports-memos-and-letters/>

➤ Single Audit Resources:

- ❖ **Hotline:** OSAESingleAudit@dof.ca.gov
- ❖ **Webpage:** [Single Audit Act | Department of Finance \(ca.gov\)](#)
- ❖ **Reports:** <https://dof.ca.gov/programs/osae/california-single-audit-and-state-leadership-accountability-reports/>

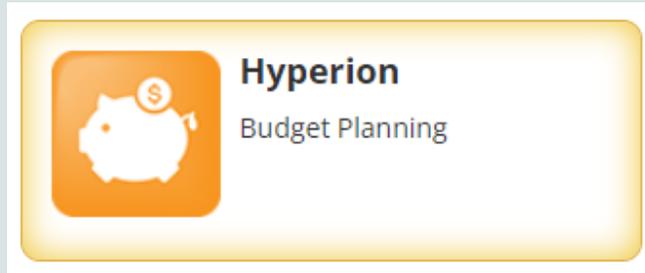
Resources (cont.)

➤ SLAA Resources:

- ❖ **Hotline:** SLAAHotline@dof.ca.gov
- ❖ **Webpage:** [State Leadership Accountability Act \(SLAA\) | Department of Finance \(ca.gov\)](#)

Financial Information System for California (FI\$Cal)

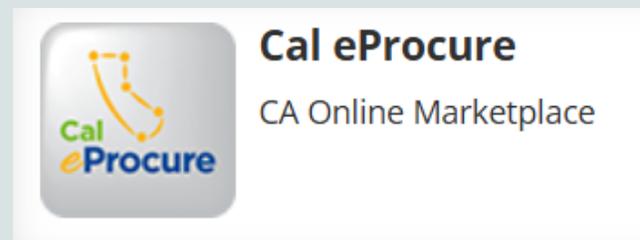
Financial Information System for California (FI\$Cal)



- Budgets
- Planning
- Reporting
- Forecasting



- Accounting
- Procurement
- Budget Control
- Reporting

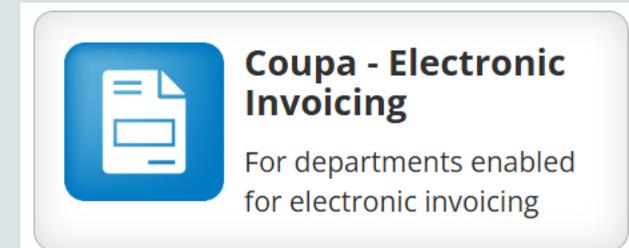
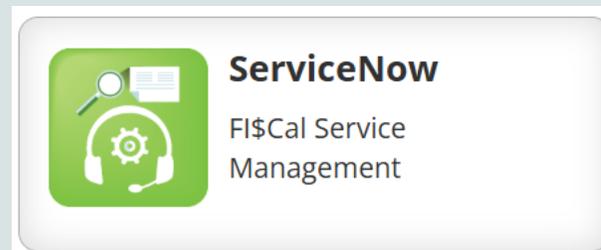


- Procurement

Financial Information System for California (FI\$Cal)



- **Financial Transparency**



- **Electronic Invoice**
- **Interface to FI\$Cal**
- **Automatic Voucher**

Financial Information System for California (FI\$Cal)

➤ FI\$Cal Partner Agencies

- Department of Finance
- State Controller's Office
- State Treasurer's Office
- Department of General Services

Financial Information System for California (FI\$Cal)

FI\$Cal Resources

- FI\$Cal Service Center
 - FiscalServiceCenter@fiscal.ca.gov (855)FISCAL0 (347-2250) (Toll Free)
- FI\$Cal Learning Center
 - FiscalLearningCenter@fiscal.ca.gov
- Cal eProcure Resources
 - Procurement Training
- FI\$Cal Subscriptions
 - www.fiscal.ca.gov/user-support/fiscal-subscriptions/
 - Job Aid Subscription List
 - News and Information Subscription List
 - FI\$CalTV Subscription List

Financial Information System for California (FI\$Cal)

Finance Resources

➤ FI\$Cal Resources for Accounting

- <https://dof.ca.gov/accounting/fiscal-resources-for-accounting/>
- Month-End Reconciliation and Year-End Training
- eLearning Courses
- Queries and Reports
- Chart of Accounts (COA) Information

➤ FI\$Cal Resources for Budgets

- <https://dof.ca.gov/budget/resources-for-departments/fiscal-resources-for-budget/>
- “How To” Files
- FI\$Cal Related Budget Letters

Budget Overview

What is a budget?

AN EXPENDITURE PLAN
FOR A SPECIFIED PERIOD OF TIME
EXPRESSED IN FINANCIAL TERMS.

Types of Governmental Budgets

- ▶ **Operating** – show organization's plan of activities for given period (usually one year)
- ▶ **Capital** – shows plan for financing purchase of capital assets (e.g., land, buildings)
- ▶ **Cash** – plan of actual cash flow receipts and expenditures

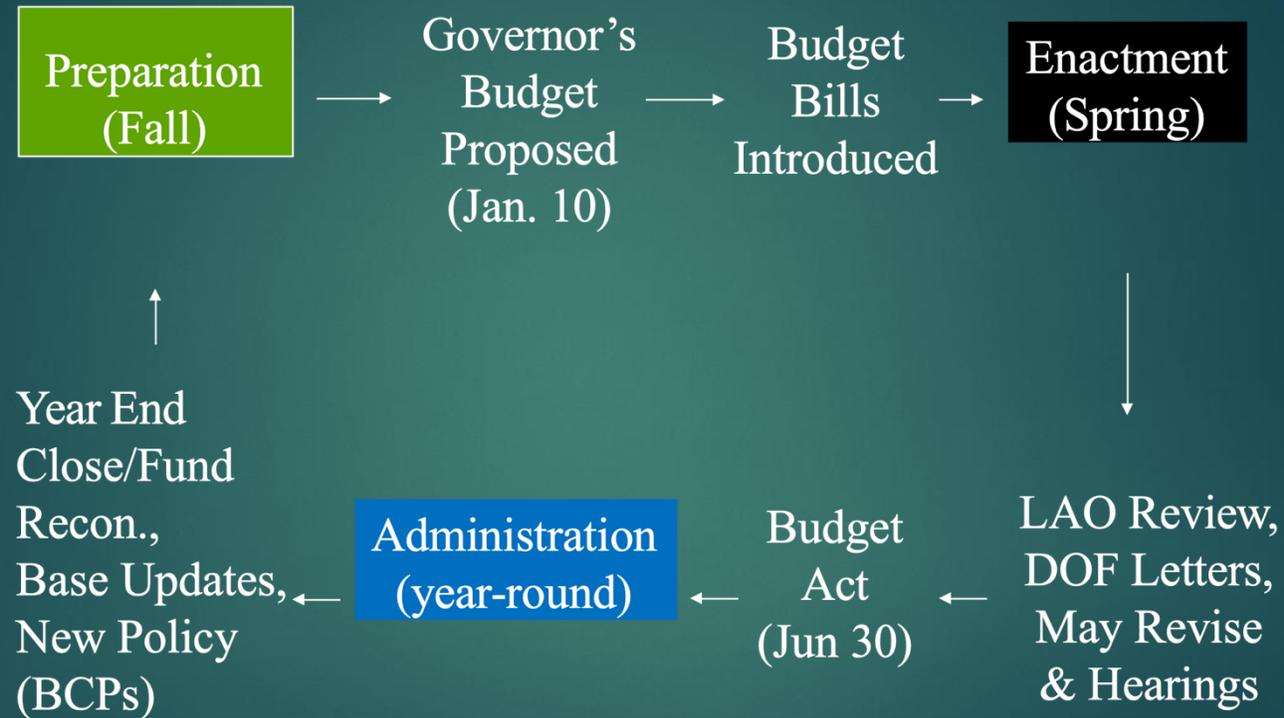
Budget Act Items

- ▶ **Line Item/Program Budget Authority**
 - ▶ The state budget provides the amount each department is authorized to spend by item and by program.
 - ▶ State provides budgets authority to spend at the program level.

- ▶ Departmental Budgets generally break the program authority into operating categories, such as salaries & wages, postage, consultants, etc.

0555-001-0028—For support of Secretary for Environmental Protection, payable from the Unified Program Account	11,689,000
Schedule:	
(1) 0340-Support	11,689,000

Annual Budget Cycle



Department/Agency Budget Development Steps

- ▶ Data collection
- ▶ Internal discussions
- ▶ Budget policies, priorities & goals
- ▶ Baseline adjustments
- ▶ Changes or additions
- ▶ Decisions

Budget Development Departments

- ▶ Prepare baseline budgets to maintain existing services
- ▶ Prepare Budget Change Proposals to change service levels

Budget Development Department of Finance

- ▶ Analyzes baseline budgets and BCPs
- ▶ Focuses on fiscal impact of proposals
- ▶ Checks consistency with policies of the Governor
- ▶ Conducts internal briefings

The Governor's Budget

- ▶ Constitution requires Governor to release a balanced budget to the Legislature by January 10, including multi-year projections.
- ▶ State of the State Address sets forth policy goals for the upcoming fiscal year

Two Identical Budget Bills

- ▶ The Chair of each house's Budget Committee introduces the Budget Bill.
- ▶ Each house's Budget Bill is heard concurrently, and differing amendments made between the two.

Independent Consideration

- ▶ Legislative Analyst's Office (LAO) prepares "Overview of the Governor's Budget"
- ▶ Both Houses hold Subcommittees Hearings
- ▶ DOF, LAO, departments, public testify

Differences Between the Two Bills

- ▶ Joint Hearings to discuss the differences.
- ▶ Assembly and Senate attempt to reach majority vote agreement

Final Budget Package

- ▶ If majority vote in each House, the Budget is submitted to the Governor for signature
- ▶ Governor may reduce or eliminate any appropriation through the line-item veto
- ▶ The Budget Package includes Trailer Bills and Budget Bill Juniors.

The Budget is Approved

- ▶ DOF & departments administer, change, oversee Budget on an ongoing basis.
- ▶ Joint Legislative Budget Committee (JLBC) coordinates the two houses and oversees the LAO
 - ▶ involved in ongoing budget administration, reviews requests for changes

Budget Administration

- ▶ Set up accounting records (appropriations, allocations, allotments)
- ▶ Track expenditures, encumbrances
- ▶ Current Year Adjustments (BRs/EOs)
- ▶ Reports
- ▶ Data collection for next budget!

Budget Documents

▶ Budget Act 2025

- [Bill Text - SB-101 Budget Act of 2025](#)
- [Bill Text - AB 102 BB Jr 1](#)
- [Bill Text – AB 104 BB Jr 2](#)
- [Bill Text – SB 105 BB Jr 3](#)

▶ More Details

- [Budget | Department of Finance \(ca.gov\)](#)

▶ eBudget

- [eBudget \(ca.gov\)](#)

▶ Trailer Bills

Budget Instructions

- ▶ Other Resources for Departments
 - [Budget Letters](#)
 - [Budget Analyst Guide, Forms, Templates, Trainings](#)
 - [FI\\$Cal Resources for Budget](#)

Accounting

Accounting

Fiscal Systems and Consulting Unit (FSCU)

- **Functions and Responsibilities (Government Code sections 13310 & 13344)**
 - *Set statewide fiscal and accounting policies and procedures*
 - *Provide fiscal and accounting guidance*
 - *Provide special training to state departments*
 - *Conduct the State Fund Accounting Course*
 - *Budgetary/Legal Accounting Overview Course*

Accounting

Fiscal Systems and Consulting Unit (FSCU)

- **Additional Functions and Responsibilities**
 - *Maintain the State Administrative Manual (SAM) Sections (7000-8491, 8493-8535, 8538-8778, and 8785-19000)*
 - *Maintain the Uniform Codes Manual (UCM) and the Manual of State Funds*

Accounting

Fiscal Systems and Consulting Unit (FSCU)

- **Additional Functions and Responsibilities**
 - *Prepare the Statewide Cost Allocation Plan (Pro Rata/SWCAP) – Government Code sections 11010 & 11270, SAM Chapter 9200*
 - *Review Indirect Cost Rate Proposals*
 - *Cash Management Improvement Act (CMIA)*

Accounting

Fiscal Systems and Consulting Unit (FSCU)

- **Additional Functions and Responsibilities**
 - *FI\$Cal Resources for Accounting*
 - *Fund Balance Reconciliation*

Accounting

Fiscal Systems and Consulting Unit (FSCU)

- **Annual Accounting Related Budget Letters (BLs)**
 - *Year-End Financial Reporting Requirements (BL 26-01)*
 - *Past Year Budget Adjustments and Fund Balance Reconciliation for the Annual Budget Cycle (BL 25-07)*
 - *General Administrative Costs and Statewide Cost Allocation Plan (BL 25-09)*
 - *Late Payment Penalty Rates (BL 25-10)*

Accounting

Fiscal Systems and Consulting Unit (FSCU)

➤ Available Accounting Resources

- *FSCU Hotline*
- *Departmental training*
- *Documents, forms, and templates*

Reconciliation and Reporting

Reconciliation and Reporting

➤ State Reporting Requirements

- Reconciliation of the Department's Account

 - Balances with SCO Balances

 - Agency Reconciliation Report
 - Fund Reconciliation Report
 - Cash in State Treasury Account Reconciliation

Reconciliation and Reporting

- **Revolving Fund Reconciliation**
- **Bank Reconciliation**
- **Plan of Financial Adjustment Reconciliation**

Reconciliation and Reporting

- Accounts Receivable Reconciliation
- Property Reconciliation (Asset)
- Encumbrance Reconciliation

Reconciliation and Reporting

➤ Federal Reporting Requirements

- Report of Expenditures of Federal Funds, Report No. 13 – provides expenditures and encumbrance balances for each federal award.
- Single Audit Reporting, Expenditures of Federal Awards – reports all federal expenditures on a cash basis.

Reconciliation and Reporting

➤ Year-End Reporting Requirements

- Timeliness and Accuracy
- Budgetary/Legal Basis Reporting
 - Year-End Financial Reports
 - Year-End Expectations

Reconciliation and Reporting

- **Generally Accepted Accounting Principles (GAAP) Basis Reporting**
 - **Annual Comprehensive Financial Report (ACFR)**
 - **GAAP adjustment**
 - **Year-end expectations**

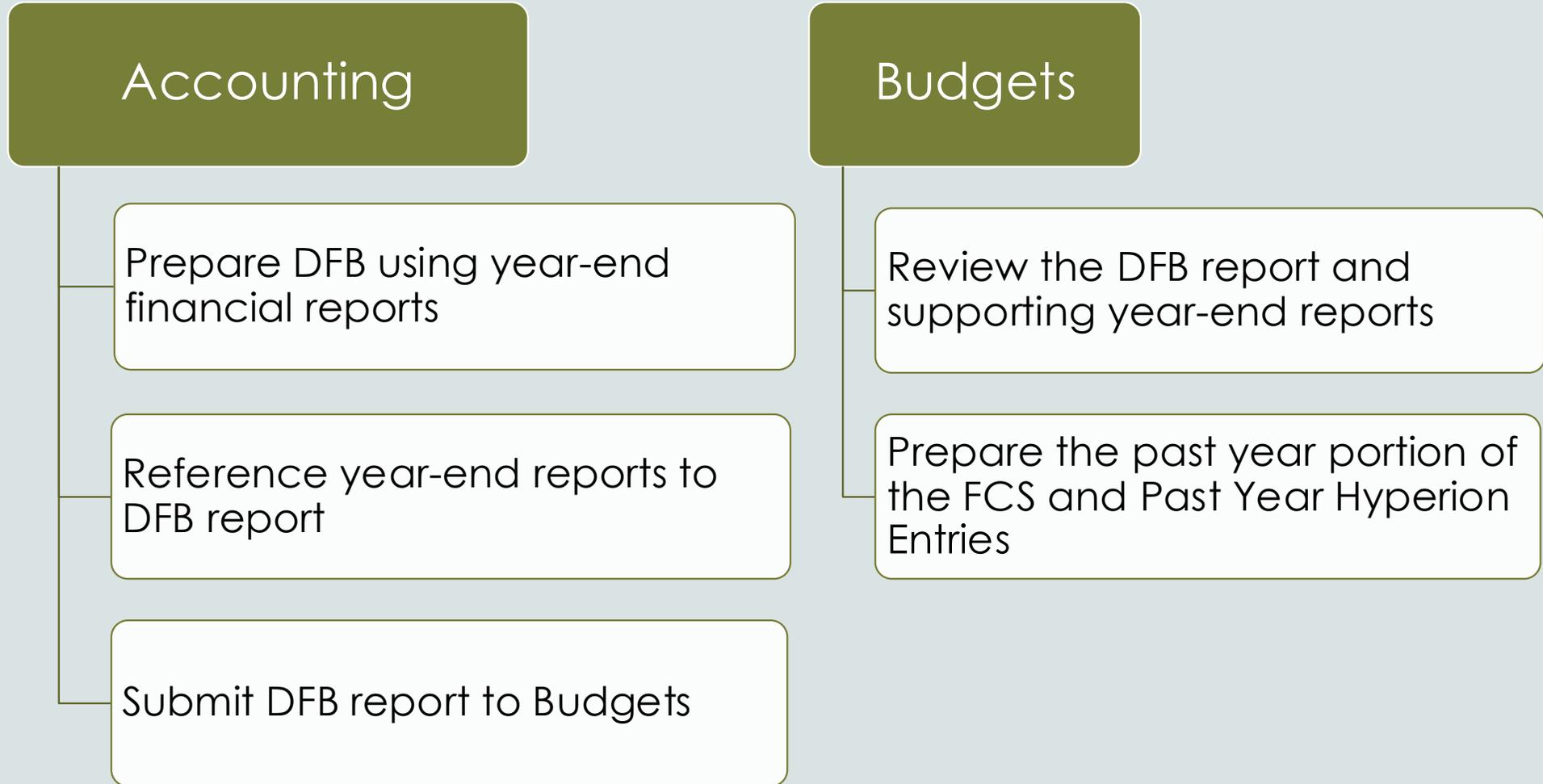
Reconciliation and Reporting

- **Fund Balance Reconciliation – required under Government Code sections 12460, 13031, and 13344.**
 - **Detailed Fund Balance Report, Form DF-303/DF-304**
 - **Accounting and Budget Staff Responsibilities**
 - **Fund Administrator’s Authority and Responsibilities**
 - **Fund User’s Responsibilities**
 - **Certification**
 - **Submission Requirements**

Reconciliation and Reporting

- **Detailed Fund Balance Report (DFB), Form DF-303/DF-304**
 - The DFB report will assist departmental accounting and budget staff to reconcile year-end financial reports to budget schedules and prepare the past year portion of the Fund Condition Statement (FCS).
 - The DFB report will provide financial data in a format that mirrors the FCS.
 - The DFB report will provide fund details using data from year-end financial reports.

Reconciliation and Reporting

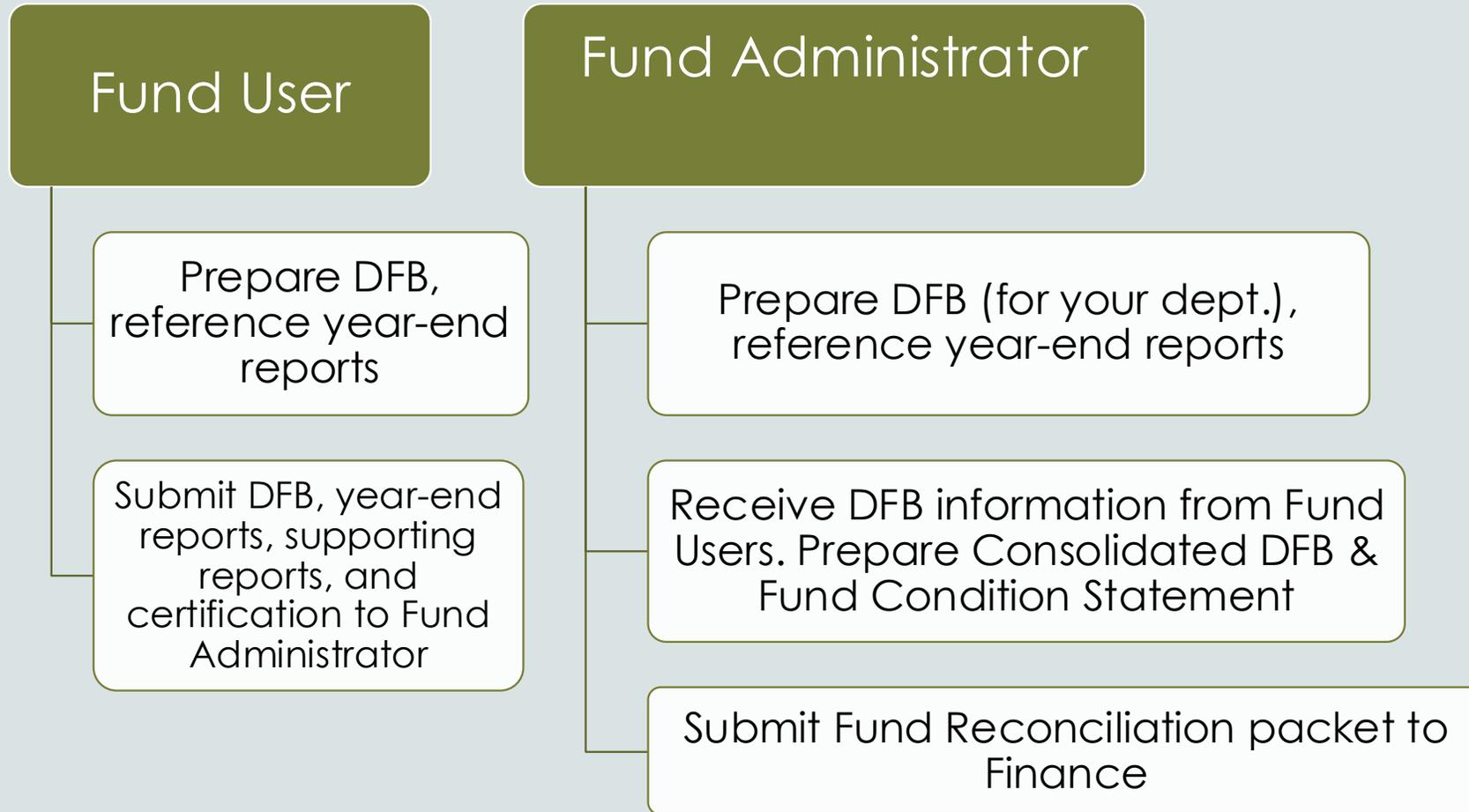


Reconciliation and Reporting

Accounting and Budgets Staff

- Work together to reconcile and resolve differences between financial data and budgetary data.
- If year-end financial reports are revised, accounting will inform budget staff to update the FCS and Hyperion entries, if necessary.
- Budgets submit the Fund Reconciliation Packet and corresponding Hyperion entries to their Finance Budget Analyst.

Reconciliation and Reporting



Reconciliation and Reporting

➤ Certification, Form DF-117

- Departments must certify that information provided to Finance reconciles to year-end financial reports submitted to SCO.

Reconciliation and Reporting



Submission Requirements

- **Non-Shared Funds** – the fund administrator will submit 6 essential documents in the Fund Reconciliation Packet to their Finance Budget analyst.
 1. Cover memo from the department.
 2. Certification Form, DF-117.
 3. DFB report, Form DF-303.
 4. Supporting year-end financial reports. Data on year-end reports must be clearly annotated to the DFB report.
 5. Fund Condition Statement.
 6. Hyperion past year budget entries to match DF-303 report.

Reconciliation and Reporting



Submission Requirements

- **Shared Funds** – the fund administrator will submit 7 essential documents in the Fund Reconciliation Packet to the Finance Budget Analyst who is responsible for the Shared Fund.
 1. Cover memo from department.
 2. Certification Form, DF-117 signed by the Fund Administrator.
 3. DFB Consolidation Worksheet.
 4. Certification Form, DF-117 signed by Fund Users.
 5. DFB report, Form DF-303 from fund users and for fund administrator.
 6. Supporting year-end financial reports. Data on year-end reports must be clearly annotated to the DFB reports.
 7. Fund Condition Statement.

Reconciliation and Reporting

➤ Important Reminders:

- Ensure past years accounting and budget information has been reconciled in compliance with state law, and the information is accurate and reconciles between budget and accounting information.
- The budget and accounting information provided to Finance reconciles to the year-end financial reports submitted to the SCO.
- Cash reconciliations must be completed for all funds before preparing the DFB report.
- The department should respond to Finance, SCO, and California State Auditor timely for corrections or questions.
- Revised year-end financial reports should be submitted to both SCO and Finance to help prevent differences in the fund balance.

Key Takeaways

- **Expectations**
- **Communication**
- **Oversight**
- **Transparency**

Finance Contact Information

- Department of Finance Website – www.dof.ca.gov
- FSCU Hotline – FSCUHotline@dof.ca.gov / (916) 324-0385
- Department of Finance Subscription Lists – dof.ca.gov/department-mailing-lists/
- Finance Budget Analyst – please contact your department budget analyst for current assignment and contact information.
- Finance Chart of Responsibilities– [https://dof.ca.gov/wp-content/uploads/sites/352/About Us/ChartofResponsibilities.pdf](https://dof.ca.gov/wp-content/uploads/sites/352/About_Us/ChartofResponsibilities.pdf)

SCO Contact Information

- State Controller's Office Website – www.sco.ca.gov
- SCO Emails and Newsletters Subscription Lists – http://www.sco.ca.gov/eo_about_email_directory.html
- State/FI\$Cal Accounting Section - Budget Act items, Reversions, Re-appropriations, Budget Revisions (BR), Plan of Financial Adjustments (PFA), Federal Trust Funds, transaction requests, etc. – SARDBAAcctg@sco.ca.gov and FiscalAccounting@sco.ca.gov
- Consulting Section - Non-Budget Act items (special legislation, such as California Codes, bills, and propositions), Executive Orders, Budget Act Control Sections, interfund and cashflow loans, funds/subfunds, business units and re-organizations, revenue receipt codes, etc. – SARDNBAcctg@sco.ca.gov
- Fiscal Control Section - CalATERS expenditures, Office Revolving Fund (ORF), direct transfers, audit confirmations, etc. – FiscalControl@sco.ca.gov
- Payroll Fiscal Consulting Section - Payroll headers, UCM Agency (Org Codes), Payroll accounting transactions, employee account receivable (half sheet), etc. – PayrollAccounting@sco.ca.gov

State Treasurer's Contact Information

- California State Treasurer Website – www.treasurer.ca.gov
- Investments – Pooled Money Investment Account (PMIB), Time Deposit Program, Local Agency Investment Fund (LAIF) – (916) 653-3147
- Public Finance Division (PFD) – manages the State's debt portfolio, overseeing the issuance of debt, and monitors and services the State's outstanding debt – (916) 653-3451
- Centralized Treasury and Securities Management Division (CTSMD) – Electronic Check Image and Deposit Programs, Agency Dishonored Check Reporting, Collateral Requirements/Report 14 - (916) 653-3601
 - *Inquiries regarding Stop Payments/Paid Checks/Forgeries* – (916) 653-0060
 - *Inquiries regarding Accounts Outside the State Treasury System/Filing Report 14* – (916) 653-2886
 - *Inquiries regarding Reporting Deposits/TC-30, TC-31, and Direct Deposit Forms/Federal LCs/Automated Clearing House (ACH) Enrollment/Wire Transfers* (916) 653-2917