Plan of Financial Adjustment Reconciliation

Table of Contents

Purpose

To reconcile Plan of Financial Adjustment (PFA) transactions between department's records and the records maintained by the State Controller's Office (SCO) to determine the pending PFA amount for each appropriation account.
Departments will use this reconciliation to support the pending PFA amount on the SCO/Agency Reconciliation worksheet.

Reports/Queries for Reconciliation

- SCO Agency Reconciliation Report or DFQ_GL_06_REC_SCO_TAB_RUN
- Trial Balance Report (ZGL061) – BUDLEGAL
- DFQ_GL_08_PFA_KK_SUMMARY

Reconciliation Steps

The procedure outlined below provides the steps to reconcile PFA with the following scenarios:

- The reconciliation period is as of July 20X3 (period 1)
- The department's Clearing Account/primary appropriation has a one-year encumbrance availability period; thus, the budget period is the same as the enactment year.
- In fiscal year 20X3, the valid enactment years for the Clearing Account are 20X1, 20X2, and 20X3.
- Based on the above information, there will be three budget periods to reconcile, 20X1, 20X2, and 20X3.

1. Prepare three worksheets, one for each budget period.

2. Complete the header section of each worksheet:

    a. Enter the reconciliation information.

    b. Enter the primary and special appropriation information applicable to each budget period.

3. Complete the **Carryover Balance** section:

    a. For budget periods 20X1 and 20X2, enter the pending PFA balances as of the previous fiscal year (6/30/20X3, period 998). See Attachments 1 and 2.

    b. There are no carryover balances for the current budget period, 20X3.

4. PFA transaction section:

    PFA-eligible transactions

    a. Run the DFQ_GL_08_PFA_KK_SUMMARY query for period 1 and create a pivot table to summarize the total PFA-eligible transactions by budget period and appropriation. See Attachment 3.

    b. Confirm that the total between the primary appropriation (source) and special appropriations (targets) for each budget period is zero.

c. Confirm all PFA-eligible transactions in the query result have been summarized (there are no outstanding amounts on the rows where the "Summarized" column is blank).

d. Copy the PFA amounts from the query pivot table to the corresponding budget period and appropriation account on the reconciliation worksheet (opposite sign). See Attachments 1 and 3.

SCO Journal Entries (JEs)

e. Obtain period 1 SCO Agency Reconciliation Report in Excel and filter to display the PFA transactions posted in the SCO legacy system (the transaction code used in the SCO legacy system for PFA is 36).

f. Create a pivot table to summarize the transactions by the SCO document number, date, and appropriation. See Attachment 4.

g. Confirm the net total of each document number is zero.

h. Copy the document number, date, and transaction amount from each pivot table row to the corresponding budget period and appropriation account on the reconciliation worksheet (same sign). See Attachments 1 and 4.

5. **Pending PFA** section:

a. Confirm the formula in each column of the Pending PFA row is correct.
   - The pending amount is the sum of the carryover balance, PFA-eligible transactions, and SCO journal entries up to the end of the reconciliation period. See Attachment 1.
   - The total pending PFA by fund for all budget periods combined must match the balance of account 1110101 on the Trial Balance. See Attachments 1 and 5.

Attachment 1

PLAN OF FINANCIAL ADJUSTMENT RECONCILIATION
BU 8860 Department of Finance
As of 07/31/20X3

Budget Period 20X1 2 **FY 20X3-X4 Period 1**		**Fund:**	0001	0001	0001	0001	0001	0001	0001	3314	9740	**Total**
		ENY:	20X1	20X1	20X1	20X1	20X1	20X1	20X1	1990	20X1	
		Reference:	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	501 (501)	001 (001)	
		Program:	9999 (99)	6770 (10)	6775 (15)	6780 (20)	6785 (30)	9900100 (40.01)	9900200 (40.02)	6770 (10)	6770 (10)	
Carryover Balance	Pending PFA as of 06/30/20X3 3A		3,922.21	(922.69)	(3,670.87)	(5.99)	783.64	(23.08)	23.08	0.00	(106.30)	0.00
Period 1	PFA-eligible transactions 4D		1,851.17	(576.30)	0.00	(436.23)	(174.58)	(319.15)	319.15	0.00	(664.06)	0.00
	SCO JE $PF0000325 4H	7/25/2X3	(251.34)	922.69	0.00	5.99	(783.64)	23.08	(23.08)	0.00	106.30	0.00
												0.00
												0.00
Pending PFA as of 07/31/20X3 5A			5,522.04	(576.30)	(3,670.87)	(436.23)	(174.58)	(319.15)	319.15	0.00	(664.06)	0.00

Budget Period 20X2 2 **FY 20X3-X4 Period 1**		**Fund:**	0001	0001	0001	0001	0001	0001	3314	9740	**Total**
		ENY:	20X2	20X2	20X2	20X2	20X2	20X2	1990	20X2	
		Reference:	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	501 (501)	001 (001)	
		Program:	9999 (99)	6770 (10)	6780 (20)	6785 (30)	9900100 (40.01)	9900200 (40.02)	6770 (10)	6770 (10)	
Carryover Balance	Pending PFA as of 06/30/20X3 3A		7,881,588.38	(3,015,495.26)	(812,527.05)	(649,098.13)	(1,379,185.17)	1,379,185.17	(695,542.21)	(2,708,925.73)	0.00
Period 1	PFA-eligible transactions 4D		795,727.07	(279,337.20)	(143,883.98)	(87,033.44)	(97,943.35)	97,943.35	(3,968.37)	(281,504.08)	0.00
	SCO JE $PF0000365 4H	7/26/20X3	(7,544,670.84)	2,873,062.00	840,120.07	625,447.92	1,277,241.47	(1,277,241.47)	695,542.21	2,510,498.64	0.00
										0.00
Pending PFA as of 07/31/20X3 5A			1,132,644.61	(421,770.46)	(116,290.96)	(110,683.65)	(199,887.05)	199,887.05	(3,968.37)	(479,931.17)	0.00

Budget Period 20X3 2 **FY 20X3-X4 Period 1**		**Fund:**	0001	0001	0001	0001	0001	0001	3314	9740	**Total**
		ENY:	20X3	20X3	20X3	20X3	20X3	20X3	1990	20X3	
		Reference:	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	501 (501)	001 (001)	
		Program:	9999 (99)	6770 (10)	6780 (20)	6785 (30)	9900100 (40.01)	9900200 (40.02)	6770 (10)	6770 (10)	
Period 1	PFA-eligible transactions 4D		5,752,503.76	(2,160,779.78)	(959,125.48)	(434,672.07)	(940,686.29)	940,686.29	(104,957.47)	(2,092,968.96)	0.00
										0.00
										0.00
Pending PFA as of 07/31/20X3 5A			5,752,503.76	(2,160,779.78)	(959,125.48)	(434,672.07)	(940,686.29)	940,686.29	(104,957.47)	(2,092,968.96)	0.00

Prepared by: I.M. Dunne Date: 8/20/20X3
Reviewed by: Ree V.R. Date: 8/21/20X3

Note: In this example, there are no PFA journal entries associated with enactment year 20X3 Clearing Account posted by the SCO in period 1.

Attachment 2

PFA Reconciliation as of 6/30/20X3.

Budget Period 20X1 **FY 20X2-X3 Period 998**	**Fund:** **ENY:** **Reference:** **Program:**	0001 20X1 001 (001) 9999 (99)	0001 20X1 001 (001) 6770 (10)	0001 20X1 001 (001) 6775 (15)	0001 20X1 001 (001) 6780 (20)	0001 20X1 001 (001) 6785 (30)	0001 20X1 001 (001) 9900100 (40.01)	0001 20X1 001 (001) 9900200 (40.02)	3314 1990 501 (501) 6770 (10)	9740 20X1 001 (001) 6770 (10)	**Total**
Pending PFA as of 06/30/20X3	3A	**3,922.21**	**(922.69)**	**(3,670.87)**	**(5.99)**	**783.64**	**(23.08)**	**23.08**	**0.00**	**(106.30)**	0.00

PFA Reconciliation as of 6/30/20X3.

Budget Period 20X2 **FY 20X2-X3 Period 998**	**Fund:** **ENY:** **Reference:** **Program:**	0001 20X2 001 (001) 9999 (99)	0001 20X2 001 (001) 6770 (10)	0001 20X2 001 (001) 6780 (20)	0001 20X2 001 (001) 6785 (30)	0001 20X2 001 (001) 9900100 (40.01)	0001 20X2 001 (001) 9900200 (40.02)	3314 1990 501 (501) 6770 (10)	9740 20X2 001 (001) 6770 (10)	**Total**
Pending PFA as of 06/30/20X3	3A	**7,881,588.38**	**(3,015,495.26)**	**(812,527.05)**	**(649,098.13)**	**(1,379,185.17)**	**1,379,185.17**	**(695,542.21)**	**(2,708,925.73)**	**0.00**

Attachment 3

Pivot Table from the DFQ_GL_08_PFA_KK_SUMMARY period 1

Sum of Sum Amount

Fiscal Year	Period	Eligible PFA	Summarized	Budget Period	Fund	ENY	Approp Ref	Program	Total	
			4C							
20X3	**1**	PFA	**Y**	20X1	**0001**	20X1	**001**	6770	576.30	
								6780	436.23	
								6785	174.58	
			4D					9999	(1,851.17)	
								9900100	319.15	
								9900200	(319.15)	
					9740	20X1	**001**	6770	664.06	
				20X1 Total					0.00	4B
				20X2	**0001**	20X2	**001**	6770	279,337.20	
								6780	143,883.98	
								6785	87,033.44	
								9999	(795,727.07)	4A
			4D					9900100	97,943.35	
								9900200	(97,943.35)	
					3314	1990	**501**	6770	3,968.37	
					9740	20X2	**001**	6770	281,504.08	
				20X2 Total					0.00	4B
				20X3	**0001**	20X3	**001**	6770	2,160,779.78	
								6780	959,125.48	
								6785	434,672.07	
			4D					9999	(5,752,503.76)	
								9900100	940,686.29	
								9900200	(940,686.29)	
					3314	1990	**501**	6770	104,957.47	
					9740	20X3	**001**	6770	2,092,968.96	
				20X3 Total					0.00	4B

Query parameters:

DFQ_GL_08_PFA_KK_SUMMARY - PFA Summ-LD/ALO/11N/12N/PFR

*Business Unit	8860
*Fiscal Year	20X3
*From Period	1
*To Period	1
From ENY ~ (Blank for All)	
To ENY ~ (Blank for All)	
Fund ~ (Blank for All)	
Program From ~ (Blank for All)	
Program To~(Blank for All)	
Approp Ref~(Blank for All)	
Svc Loc From~(Blank for All)	
Svc Loc To~(Blank for All)	
Tran Type ~ (Blank for All)	
Budget Period~(Blank for All)	

Attachment 4

Pivot table from period 1 SCO Agency Reconciliation Report, displaying PFA transactions (transaction code 36).

Sum of EXP/REV SCO_TC	DOCUMENT_ID	TRANS_DATE	FUND	ENY	REF	PRG	ELM	Total
36	**$PF0000325**	7/25/20X3	**0001000**	20X1	**001**	10	(blank)	922.69
						20	(blank)	5.99
						30	(blank)	(783.64)
						40	01	23.08
							02	(23.08)
						99	(blank)	(251.34)
			9740000	20X1	**001**	10	(blank)	106.30
	$PF0000325 Total							**0.00**
	$PF0000365	7/26/20X3	**0001000**	20X2	**001**	10	(blank)	2,873,062.00
						20	(blank)	840,120.07
						30	(blank)	625,447.92
						40	01	1,277,241.47
							02	(1,277,241.47)
						99	(blank)	(7,544,670.84)
			3314000	1990	**501**	10	(blank)	695,542.21
			9740000	20X2	**001**	10	(blank)	2,510,498.64
	$PF0000365 Total							**0.00**
Grand Total								**0.00**

Note: in this example, there are no PFA journal entries associated with enactment year 20X3 Clearing Account posted by SCO in period 1.

Attachment 5

Trial Balance as of 7/31/20X3

Report ID: ZGL061 | FI$Cal | Page No: 1
DEPARTMENT OF FINANCE Trial Balance
As Of:07/31/X3

Business Unit: 8860 | Run Date: 08/19/20X3
Ledger: BUDLEGAL | Run Time 14:40:06
Fiscal Year: 20X3
Period From: 1 To Period: 1

Fund: 0001 General Fund

ACCOUNT	ACCOUNT TITLE		BEGINNING BALANCE		DEBITS		CREDITS		ENDING BALANCE
1100000	Cash on Hand	$	100.00	$	0.00	$	100.00	$	0.00
1101000	General Cash - CTS Accounts	$	638,758.45	$	0.00	$	638,758.45	$	0.00
1101200	Revolving Fund Cash	$	189,970.16	$	10,029.84	$	0.00	$	200,000.00
1109100	Pending Cash Transfers - GL	$	0.00	$	0.00	$	0.00	$	0.00
1109110	SCO Legacy Interface Trans	$	0.00	$	6,457,110.09	$	6,457,110.09	$	0.00
1109140	Pnd Cash Tran-BLL Contra Asset	$	0.00	$	0.00	$	0.00	$	0.00
1109200	Pending Cash Transfers - AP	$	0.00	$	0.00	$	0.00	$	0.00
1109300	Pending Cash Transfers - AR	$	0.00	$	1,333,138.88	$	1,333,138.88	$	0.00
1109600	Pending Cash Transfers - LD	$	0.00	$	0.00	$	0.00	$	0.00
1110101	Intraunit Acc Acct-LD/PFA Aloc	$	3,404,574.24	$	9,535,874.76	$	10,257,958.97	$	5A 2,682,490.03
1110102	Intraunit Acc Acct-NonPFA Aloc	$	0.00	$	158,666.51	$	158,666.51	$	0.00
1110110	Intraunit Pending PFA Accrual	$	-3,404,574.24	$	10,646,085.53	$	7,241,511.29	$	0.00

Report ID: ZGL061 | FI$Cal | Page No: 327
DEPARTMENT OF FINANCE Trial Balance
As Of:07/31/X3

Business Unit: 8860 | Run Date: 08/19/20X3
Ledger: BUDLEGAL | Run Time 14:40:06
Fiscal Year: 20X3
Period From: 1 To Period: 1

Fund: 3314 California Cannabis Fund

ACCOUNT	ACCOUNT TITLE		BEGINNING BALANCE		DEBITS		CREDITS		ENDING BALANCE
1108000	BLL Cash in State Treasury	$	0.00	$	0.00	$	0.00	$	0.00
1109110	SCO Legacy Interface Trans	$	0.00	$	58,266,520.67	$	58,266,520.67	$	0.00
1109140	Pnd Cash Tran-BLL Contra Asset	$	0.00	$	0.00	$	0.00	$	0.00
1110101	Intraunit Acc Acct-LD/PFA Aloc	$	-695,542.21	$	838,812.37	$	252,196.00	$	5A -108,925.84
1110110	Intraunit Pending PFA Accrual	$	695,542.21	$	0.00	$	695,542.21	$	0.00

Report ID: ZGL061 | FI$Cal | Page No: 329
DEPARTMENT OF FINANCE Trial Balance
As Of:07/31/X3

Business Unit: 8860 | Run Date: 08/19/20X3
Ledger: BUDLEGAL | Run Time 14:40:06
Fiscal Year: 20X3
Period From: 1 To Period: 1

Fund: 9740 Central Service Cost Recovery

ACCOUNT	ACCOUNT TITLE		BEGINNING BALANCE		DEBITS		CREDITS		ENDING BALANCE
1109100	Pending Cash Transfers - GL	$	0.00	$	0.00	$	0.00	$	0.00
1109110	SCO Legacy Interface Trans	$	0.00	$	0.00	$	0.00	$	0.00
1109140	Pnd Cash Tran-BLL Contra Asset	$	0.00	$	0.00	$	0.00	$	0.00
1109600	Pending Cash Transfers - LD	$	0.00	$	0.00	$	0.00	$	0.00
1110101	Intraunit Acc Acct-LD/PFA Aloc	$	-2,709,032.03	$	2,560,449.99	$	2,424,982.15	$	5A -2,573,564.19
1110102	Intraunit Acc Acct-NonPFA Aloc	$	0.00	$	0.00	$	0.00	$	0.00
1110110	Intraunit Pending PFA Accrual	$	2,709,032.03	$	591.16	$	2,709,623.19	$	0.00