

Plan of Financial Adjustment Reconciliation

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:

This is a PFA Reconciliation example for July 2023 (period 1) with the following scenario:

- *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 2023, the valid enactment years for the Clearing Account are 2021, 2022, and 2023.*
- *Based on the above information, there will be three budget periods to reconcile, 2021, 2022, and 2023.*

1. Prepare three worksheets, one for each budget period.
2. Complete the header section on 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 2021 and 2022, enter the pending PFA balances as of 6/30/2023. See Attachments 1 and 2.
 - b. There are no carryover balances for the current budget period, 2023.

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 that all PFA-eligible transactions on the query have been summarized (there are no outstanding amounts on the rows where the "Summarized" column is blank).
- d. Copy the total PFA transaction amount for each budget period and appropriation from the query to the corresponding column on the reconciliation worksheets (opposite sign). See Attachment 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 document number, date, and appropriation. See Attachment 4.
- g. Confirm that the net total of each document number is zero.
- h. Copy the document number and date, and the transaction amount from the pivot table (step 4F above) to the corresponding column on the reconciliation worksheet (same sign). See Attachments 1 and 4.

5. **Pending PFA** section:

- a. Confirm that the formula in each column of the **Pending PFA** row is correct.
 - o The pending amount is the sum of the carryover balance, PFA-eligible transactions, and SCO Journal Entry amounts up to and including the current reconciliation period. See Attachment 1.
 - o 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

PFA Reconciliation - Budget Period 2021

PFA RECONCILIATION WORKSHEET BU 8860 Department of Finance FY 2023-24 As of 07/31/2023 (Period 1)		Fund: ENY: Reference: Program:	0001 2021 001 (001) 9999 (99)	0001 2021 001 (001) 6770 (10)	0001 2021 001 (001) 6775 (15)	0001 2021 001 (001) 6780 (20)	0001 2021 001 (001) 6785 (30)	0001 2021 001 (001) 9900100 (40.01)	0001 2021 001 (001) 9900200 (40.02)	3314 1990 501 (501) 6770 (10)	9740 2021 001 (001) 6770 (10)	Total	
Carryover Balance	Pending PFA as of 06/30/2023	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 7/25/2023	(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 07/31/2023			5A	5,522.04	(576.30)	(3,670.87)	(436.23)	(174.58)	(319.15)	319.15	0.00	(664.06)	0.00

PFA Reconciliation - Budget Period 2022

PFA RECONCILIATION WORKSHEET BU 8860 Department of Finance FY 2023-24 As of 07/31/2023 (Period 1)		Fund: ENY: Reference: Program:	0001 2022 001 (001) 9999 (99)	0001 2022 001 (001) 6770 (10)	0001 2022 001 (001) 6780 (20)	0001 2022 001 (001) 6785 (30)	0001 2022 001 (001) 9900100 (40.01)	0001 2022 001 (001) 9900200 (40.02)	3314 1990 501 (501) 6770 (10)	9740 2022 001 (001) 6770 (10)	Total	
Carryover Balance	Pending PFA as of 06/30/2023		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 7/26/2023	(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 07/31/2023			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

PFA Reconciliation - Budget Period 2023

PFA RECONCILIATION WORKSHEET BU 8860 Department of Finance FY 2023-24 As of 07/31/2023 (Period 1)		Fund: ENY: Reference: Program:	0001 2023 001 (001) 9999 (99)	0001 2023 001 (001) 6770 (10)	0001 2023 001 (001) 6780 (20)	0001 2023 001 (001) 6785 (30)	0001 2023 001 (001) 9900100 (40.01)	0001 2023 001 (001) 9900200 (40.02)	3314 1990 501 (501) 6770 (10)	9740 2023 001 (001) 6770 (10)	Total	
Period 1	PFA-eligible transactions	3B 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 07/31/2023			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

Note: in this example, there are no PFA journal entries associated with enactment year 2023 Clearing Account posted by the SCO in period 1.

Attachment 2

PFA Reconciliation - Budget Period 2021, as of 6/30/2023.

PFA RECONCILIATION WORKSHEET BU 8860 Department of Finance FY 2022-23 As of 06/30/2023 (Period 998)	Fund:	0001	0001	0001	0001	0001	0001	0001	9740	3314	Total
	ENY:	2021	2021	2021	2021	2021	2021	2021	2021	1990	
	Reference:	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	501 (501)	
	Program:	9999 (99)	6770 (10)	6775 (15)	6780 (20)	6785 (30)	9900100 (40.01)	9900200 (40.02)	6770 (10)	6770 (10)	
Pending PFA as of 06/30/2023	3A	3,922.21	(922.69)	(3,670.87)	(5.99)	783.64	(23.08)	23.08	(106.30)	0.00	0.00

PFA Reconciliation - Budget Period 2022, as of 6/30/2023.

PFA RECONCILIATION WORKSHEET BU 8860 Department of Finance FY 2022-23 As of 06/30/2023 (Period 998)	Fund:	0001	0001	0001	0001	0001	0001	9740	3314	Total
	ENY:	2022	2022	2022	2022	2022	2022	2022	1990	
	Reference:	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	501 (501)	
	Program:	9999 (99)	6770 (10)	6780 (20)	6785 (30)	9900100 (40.01)	9900200 (40.02)	6770 (10)	6770 (10)	
Pending PFA as of 06/30/2023	3A	7,881,588.38	(3,015,495.26)	(812,527.05)	(649,098.13)	(1,379,185.17)	1,379,185.17	(2,708,925.73)	(695,542.21)	0.00

Attachment 3

Pivot Table from the DFQ_GL_08_PFA_KK_SUMMARY for period 1

Sum of Sum Amount 4C															
Fiscal Year	Period	Eligible PFA	Summarized	Budget Period	Fund	ENY	Approp Ref	Program	Total						
2023	1	PFA	Y	2021	0001	2021	001	6770	576.30	4D					
								6780	436.23						
								6785	174.58						
								9999	(1,851.17)						
								9900100	319.15						
								9900200	(319.15)						
								6770	664.06						
								9740							
								2021 Total	0.00		4B				
								2022	0001		2022	001	6770	279,337.20	4D
													6780	143,883.98	
													6785	87,033.44	
													9999	(795,727.07)	
9900100	97,943.35														
9900200	(97,943.35)														
6770	3,968.37														
9740															
2022 Total	0.00	4B													
2023	0001	2023	001	6770	2,160,779.78	4D									
				6780	959,125.48										
				6785	434,672.07										
				9999	(5,752,503.76)										
				9900100	940,686.29										
				9900200	(940,686.29)										
				6770	104,957.47										
				9740											
				2023 Total	0.00		4B								

Query parameters:

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

*Business Unit

*Fiscal Year

*From Period

*To Period

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 4E	SPF0000325	7/25/2023	0001000	2021	001	10	(blank)	922.69							
							20	5.99							
							30	(783.64)							
							40	23.08							
							02	(23.08)							
							99	(251.34)							
							10	106.30							
							SPF0000325 Total								0.00
							4H	SPF0000365	7/26/2023	0001000	2022	001	10	(blank)	2,873,062.00
														20	840,120.07
30	625,447.92														
40	1,277,241.47														
02	(1,277,241.47)														
99	(7,544,670.84)														
10	695,542.21														
10	2,510,498.64														
SPF0000365 Total														0.00	
Grand Total														0.00	

Note: in this example, there are no PFA journal entries associated with enactment year 2023 Clearing Account posted by SCO in period 1.

Attachment 5

Trial Balance as of 7/31/2023

Report ID: ZGL061

FISCAL
DEPARTMENT OF FINANCE Trial Balance
As Of:07/31/23

Page No: 1

Business Unit: 8860
Ledger: BUDLEGAL
Fiscal Year: 2023
Period From: 1 To Period: 1

Run Date: 12/09/2023
Run Time 14:40:06

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 Alloc	\$ 3,404,574.24	\$ 9,535,874.76	\$ 10,257,958.97	\$ 2,682,490.03
1110102	Intraunit Acc Acct-NonPFA Alloc	\$ 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

5A

Report ID: ZGL061

FISCAL
DEPARTMENT OF FINANCE Trial Balance
As Of:07/31/23

Page No: 327

Business Unit: 8860
Ledger: BUDLEGAL
Fiscal Year: 2023
Period From: 1 To Period: 1

Run Date: 12/09/2023
Run Time 14:40:06

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 Alloc	\$ -695,542.21	\$ 838,812.37	\$ 252,196.00	\$ -108,925.84
1110110	Intraunit Pending PFA Accrual	\$ 695,542.21	\$ 0.00	\$ 695,542.21	\$ 0.00

5A

Report ID: ZGL061

FISCAL
DEPARTMENT OF FINANCE Trial Balance
As Of:07/31/23

Page No: 329

Business Unit: 8860
Ledger: BUDLEGAL
Fiscal Year: 2023
Period From: 1 To Period: 1

Run Date: 12/09/2023
Run Time 14:40:06

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 Alloc	\$ -2,709,032.03	\$ 2,560,449.99	\$ 2,424,982.15	\$ -2,573,564.19
1110102	Intraunit Acc Acct-NonPFA Alloc	\$ 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

5A