

Systemwide Budget Office
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CODED MEMO B 2020-02

To: Vice Presidents for Administration/Chief Financial Officers

From: Kara Perkins, Executive Budget Director 

CC: Steven Relyea, Executive Vice Chancellor and Chief Financial Officer,
Mary Ek, Assistant Vice Chancellor Financial Services and Controller
Ronald Flatt, Director Treasury Operations
Scott August, Manager of Investments
Alisa Schivley, Manager of Banking Operations
Assistant Vice Presidents for Finance
Budget Officers

Date: August 28, 2020

Re: 2020-21 Annual Investment Earnings Allocation, SWIFT and SMIF

Attachment: **A - Earnings Distribution**

Investment earnings managed centrally are allocated for the full year during the first quarter of each year. In 2020-21 the allocation totals \$86 million; \$79 million in SWIFT earnings and \$7 million in SMIF earnings, net of investment and cash management overhead (4%). These amounts reflect last year's (2019-20) total earnings, less an amount now earned as a part of the Total Return Portfolio to be used for capital programs and allocated separately.

The campus earnings distribution is based on past year General Fund allocations, total revenue collection in all funds participating in the SWIFT pool, and actual equity at year end. Campuses will distribute earnings to each participating fund on the campus. The PeopleSoft Interest Distribution Allocation (IDA) module can be used for this process, or a campus can change the process so long as all participating funds receive an earnings allocation equivalent to their share of the total campus allocation.

Please contact Kara Perkins at (562) 951-4560 or kperkins@calstate.edu, or Mary Ek at (562) 951-4671 or mek@calstate.edu if you have questions concerning this memo.