

May 16, 2006

TO: School District Administrators
FROM: Division of Administration and Finance
SUBJECT: Processing Payrolls as a Current Liability

Those districts having payrolls run in July for time worked in June have the option of having these payrolls processed as a current liability (charged to 2005-06) or as a current year expenditure (charged to 2006-07).

Payrolls to be processed as a current liability should be charged to the normal 33-digit account number. DO NOT charge them to 9500.

Current liability payrolls should NOT be included with the normal liabilities that are established at year end.

Payrolls that are to be run as a current liability cannot have time worked in June and July on the same prelist. The July time must be reported on the July EOM payroll.

In order that we can identify current liability payrolls, please write "Current Liability" or "Regular" on both the prelists and the school district payroll order when submitted to Payroll/Retirement.

Reminder: Use current month (June work) coding on members of PERS and STRS.

Please call Steve Mattern, director, District Financial Services, at 661/636-4691 for assistance.

SMJ:dla