

**FUND ENCUMBRANCE**  
**(1987)**

**3665**

Purpose/Use: To reserve funds to meet planned expenditures.

Reference/Authority: Accounting Procedures Handbook, Sections 3670 and 3766;  
CALSTARS Procedures Manual, Volume 1, Chapter IV, pages 33-37  
and Chapter VI, pages 38-59, Volume 3, Chapter III, pages 2-7;  
SAM §8340-43.

Source:

Forms/Related Documents: Agreement RM-6;  
CALSTARS Alphabetic List of Vendor Edit Table, X01;  
CALSTARS Batch Header Slip, CALSTARS 25;  
Form 60;  
Master Agreement Order, GSOP 175;  
Notification of Contract Approval, CDF-104;  
Printing Requisition-Invoice, STD 67;  
Purchase Estimate, F-66;  
Request for Approval of Out-of-State Travel, STD 257;  
Standard Agreement, STD 2;  
Subpurchase/Contract Delegation Order, AO-41.

Due Date(s): Upon receipt.

Distribution: See procedures.

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In the interest of fiscal management and planning, CDF encumbers (sets aside) funds for planned expenditures. The process of encumbering varies dependent upon the purchase and the document used to make the purchase.

## CONTRACTS

Contracts are established and processed by the CDF Contracts Office who, dependent upon the purchase, forwards one of the following to DAO-Claims-Encumbrance desk:

### **AGREEMENT (RM-6)** **(1987)**

**3665.1**

- Stamp front page of RM-6 with Form 60 stamp, write date in space provided and initial.
- Prepare a Form 60:
  - Count characters of vendor's name, if over 30, stamp Form 60 with "Over-30-characters-pay-revolving-fund" stamp.
  - Write the agreement date from the RM-6 on the Form 60 in the space provided.
  - Write expiration date as shown on RM-6 on line following EXPIRES: on the Form 60.
  - Write vendor's name completely and exactly as it appears on the RM-6 on the Form 60 in the space provided.
  - Obtain vendor number from Alphabetic List of Vendor Edit Table (X01) and write in space provided on Form 60. If unavailable, use 000000093-00.
  - Stamp "Approved-by-Dept.-of-General-Services" in upper right-hand corner of RM-6 and write date of approval as shown on Notification of Contract Approval (CDF-104) attached to RM-6, in space provided.
  - Write CALSTARS codes in space provided on Form 60 as shown on last page of RM-6.
  - Write document number on Form 60 as shown on first page of RM-6. See Accounting Procedures Handbook, Section 3766. Add suffix(es). Prepare separate Form 60 for each suffix if more than one.
  - Write current date on space provided on Form 60.
  - Write amount of agreement as shown on RM-6 in spaces under Encumbered Amount and Balance on Form 60.
  - CALSTARS entry procedures to follow.

**MASTER AGREEMENT ORDER (GSOP-175)**  
**(1987)**

**3665.2**

- Stamp front page of RM-6 with Form 60 stamp, write date in space provided and initial.
- Prepare a Form 60:
  - Count characters of vendor's name. If over 30, stamp Form 60 with "Over-30-characters-pay-revolving-fund" stamp.
  - Write vendor name completely and exactly as it appears on the GSOP-175 on the Form 60 in the space provided.
  - Obtain vendor number from Alphabetic List of Vendor Edit Table (X01) and write in space provided on Form 60. If unavailable, use 0000000093-00.
  - Write description and model number in space provided on appropriate version of Form 60.
  - Write contact person's name and phone number as shown on GSOP-175 in space provided on Form 60.
  - Write contract period as shown on GSOP-175 in space provided on Form 60.
  - Check GSOP-175 for discount offer. If none, enter 0 in space following DISCOUNT on Form 60.
  - Write CALSTARS codes in space provided on Form 60 as shown on GSOP-175.
  - Write document number on Form 60 as shown on GSOP-175. See Accounting Procedures Handbook, Section 3766. Add suffix(es). Prepare separate Form 60 for each suffix if more than one.
  - Write current date on Form 60 in space provided.
  - Write amount of agreement as shown on GSOP-175 in spaces under Encumbered Amount and Balance on Form 60.
  - CALSTARS entry procedures to follow.

**STANDARD AGREEMENT (STD 2)**  
**(1987)**

**3665.3**

- Stamp front page of STD 2 with Form 60 stamp, write date in space provided and initial.
- Prepare Form 60:
  - Count characters of name. If over 30, stamp STD 2 with "Over-30-characters-pay-revolving-fund" stamp.
  - Write brief description of service to be provided and billing instructions in space provided at top of Form 60.
  - Write vendor name completely and exactly as it appears on the STD 2 on the Form 60 in the space provided.
  - Obtain vendor number from Alphabetic List of Vendor Edit Table (X01) and write in space provided on Form 60. If unavailable, use 0000000093-00.
  - Write contact person's name and phone number in space provided.
  - Write contract period as shown on STD 2 in space provided on Form 60.
  - Check STD 2 for discount offer. If none, enter 0 in space following DISCOUNT on Form 60.
  - Write CALSTARS codes in space provided on Form 60 as shown on STD 2.
  - Write document number on Form 60 as shown on STD 2. See Accounting Procedures Handbook, Section 3766. Add suffix(es). Prepare separate Form 60 for each suffix if more than one.
  - Write current date on Form 60 in space provided.
  - Write amount of agreement shown on STD 2 in spaces under Encumbered Amount and Balance.
  - CALSTARS entry procedures to follow.

**PRINTING REQUISITION-INVOICE (STD 67)**  
**(1987)**

**3665.4**

Encumber STD 67s only if amount exceeds \$500.00.

- Stamp last page of STD 67 with Form 60 stamp, write date in space provided and initial.
- Determine that Signature of Officer Requesting Expenditures block has been signed.
- Stamp signature stamp on Signature of Executive Officer line on all copies of STD 67.
- Determine that STD 67 bears correct document number and CALSTARS coding and an estimated dollar value.
- Stamp "Original-signed by \_\_\_\_\_" stamp in Signature of Executive Officer block on all copies of STD 67.
- Forward STD 67 as directed for signature of Accounting Officer. Upon return:

- Set last copy aside and forward rest of package to:

Office of State Printing  
344 N. 7th Street  
Sacramento, CA 95814  
IMS Code (P-6)

- Prepare a Form 60:  
  
Write CALSTARS codes as shown on STD 67 in space provided on Form 60 showing vendor name as Office of State Printer.
- Write document on Form 60 as shown on STD 67. See Accounting Procedures Handbook, Section 3766. Add suffix(es). Prepare separate Form 60 for each suffix if more than one.
- Write current date on Form 60 in space provided.
- Write amount as shown on STD 67 in spaces under Encumbered Amount and Balance.
- CALSTARS entry procedures to follow.

**PURCHASE ESTIMATE (F-66)**  
**(1987)**

**3665.5**

- Stamp front page of F-66 with Form 60 stamp, write date in space provided and initial.
- Stamp original F-66 with signature stamp on the Accounting Officer line.
- Stamp remaining copies with "Original-signed by \_\_\_\_\_" stamp on the Accounting Officer line on all remaining copies of F-66.
- Set aside second copy of F-66, forward original and remaining copies to Business Services.
- Prepare Form 60:
  - Write vendor name as shown on F-66 in space provided. If F-66 shows more than one vendor name, write Office of Procurement in this space.
  - Obtain vendor number from Alphabetic List of Vendor Edit Table (X01) and write in space provided on Form 60. If unavailable, use 0000000093-00.
  - Write CALSTARS codes in space provided on Form 60 as shown on F-66.
  - Write document number on Form 60 as shown on F-66. See Accounting Procedures Handbook, Section 3766. Add suffix(es). Prepare separate Form 60 for each suffix if more than one.
  - Write current date on Form 60 in space provided.
  - Write amount as shown on F-66 in spaces under Encumbered Amount and Balance.
  - CALSTARS entry procedures to follow.

**REQUEST FOR APPROVAL OF**  
**OUT-OF-STATE TRAVEL (STD 257)**  
**(1987)**

**3665.6**

When the approved copy of the STD 257 is received from CDF Budget Office:

- Stamp face of STD 257 with Form 60 stamp, write date in space provided and initial.

- Prepare Form 60:
  - Write name of employee to be traveling on vendor line on Form 60 as shown on STD 257.
  - Write CALSTARS code in space provided on Form 60 as shown on STD 257.
  - Write document number on Form 60 as shown on STD 257. See Accounting Procedures Handbook, Section 3766. Add suffix(es). Prepare separate Form 60 for each suffix if more than one.
  - Write current date on Form 60 in space provided.
  - Write amount as shown on STD 257 in spaces under Encumbered Amount and Balance.
  - CALSTARS entry procedures to follow.

**SUBPURCHASE/CONTRACT DELEGATION ORDER (AO-40)                      3665.7**  
 (1987)

Encumber AO-40s only if amount exceeds \$500.00.

- Add 2-digit region identifier preface to document number if not already provided and add suffix(es).
- Obtain vendor number from Alphabetic List of Vendor Edit Table (X01) and write in space provided on Form 60. If unavailable, use 0000000093-00.
- Determine that total dollar amounts affixed to CALSTARS codes agree with the total of the AO-40.
- Determine that Purchase Authorized By: line is signed.
- Stamp AO-40 with Encumbrance, FM, Batch and date stamp.

**CALSTARS Fund Encumbrance**

Sort documents to be encumbered into two groups, Form 60s and AO-40s in one group and the related encumbrance documents, RM-6s, GSOP-175s, STD 67s, etc., in another.

- Run a calculator tape of the total amounts of each group and determine that tapes are in balance.

- Obtain a batch number from the Batch Control Log for the fiscal month in which you are working and prepare a CALSTARS Batch Header Slip (CALSTARS-25) per CALSTARS Procedures Manual, Volume 1, Chapter IV, pages 33-37.
- Access CALSTARS per CALSTARS Procedures Manual, Volume 3, Chapter III, pages 2-7 and input and determine balance of the prepared batch per CALSTARS Procedures Manual, Volume 1, Chapter VI, pages 38-56, using Transaction Code 211.
- When batch is in balance, initial the ENTERED BY: line and write current date on DATE line.
- Print the batch as per CALSTARS Procedures Manual, Volume 1, Chapter VI, pages 57-59.
- Staple print of batch to back of CALSTARS 25 and file both in appropriate Batch Book.
- Attach Form 60s to front of related encumbering document.
- Prepare separate folder for all except F-66s and AO-40s and place Form 60s and encumbering documents in folders.
- File all except AO-40s in file cabinet in numerical order by document number.
- Forward AO-40s to appropriate DAO-Claims-Region Auditor.

**FORMS AND/OR FORMS SAMPLES: RETURN TO ISSUANCE HOME PAGE FOR FORMS/FORMS SAMPLES SITE LINK.**

[\(see next section\)](#)

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