

POOLED MONEY INVESTMENT BOARD
915 Capitol Mall, Room 110
Sacramento, CA 95814

Date: December 9, 2010

To: Pooled Money Investment Board
Bill Lockyer, Chair
John Chiang, Member
Cynthia Bryant, Member

From: *for* *Jeff Wilson*
Bettina Redway, Executive Secretary
Pooled Money Investment Board

Subject: Surplus Money Investment Fund Participation Request

The State Treasurer's Office asked the staff of the State Controller's Office to review a request from the Department of Health Care Services to allow the following to participate in the Surplus Money Investment Fund:

Children's Health and Human Services Special Fund
Fund Number 3156

The State Controller's Office staff notified the State Treasurer's Office that they had determined this request was consistent with the statutory requirements of Section 16470, et seq., of the Government Code and recommended approval by the Pooled Money Investment Board. The State Treasurer's Office staff concurs with this recommendation. The effect of this action will be to credit interest earnings to these funds rather than the General Fund.

Please indicate your approval by signing below:

Bill Lockyer

Date

John Chiang

Date

Cynthia Bryant

Date

Memorandum

To : Bettina Redway
Executive Secretary
Pooled Money Investment Board

Date: December 7, 2010

From : State Controller's Office
Kathy Perry, Bureau Chief
Division of Accounting and Reporting
Bureau of Accounting



Subject: SURPLUS MONEY INVESTMENT FUND PARTICIPATION REQUEST

I recommend approval for the following fund to participate in the Surplus Money Investment Fund:

Children's Health and Human Services Special Fund
(Fund Number: 3156)


If you have any questions, please contact Al Davis at (916) 322-3009 or Annette Stephenson at (916) 322-4462.

cc: Bill Dowell, State Treasurer's Office
Erica Jones, State Treasurer's Office
Jeffrey Wurm, State Treasurer's Office
Greg Bruss, Department of Finance
Phillip Gee, State Controller's Office
Annette Stephenson, State Controller's Office
Alexis Liakos, State Controller's Office

POOLED MONEY INVESTMENT BOARD
915 Capitol Mall, Room 110
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DATE: December 7, 2010

TO: Kathy Perry, Chief
Division of Accounting & Reporting
State Controller's Office

FROM: *for* 
Bettina Redway
Executive Secretary
Pooled Money Investment Board

SUBJECT: Surplus Money Investment Fund Participation Request

Attached is a request from the Department of Health Care Services, for participation of the following fund in the Surplus Money Investment Fund:

Children's Health and Human Services Special Fund
Fund Number 3156

Please research this request and provide recommendation to this office. I am notifying the Department of Finance of this request by copy of this letter.

Enclosure

cc: Jeff Wurm, State Treasurer's Office
Greg Bruss, Department of Finance
Alan Davis, State Controller's Office



Department of Health Care Services
MEMORANDUM

653-0092

DATE: November 24, 2010

TO: Bill Dowell
State Treasurers Office
915 Capitol Mall, Rm 106
Sacramento, CA 95814

FROM: John Mendoza, Budget Officer *JM*
1501 Capitol Ave., Suite 71.6070
Sacramento, CA 95814

SUBJECT: Request to participate in the Surplus Money Investment Fund

Jeffrey Wurm, TRCS.

The Department of Health Care Services (DHCS) is submitting this written request to your office for approval to add the special fund listed below to the Surplus Money Investment Fund pool:

3156 Children's Health and Human Services Special Fund

Attached is a copy of the Manual of State Funds that reflects pertinent information regarding the legal citation and authority and use of this fund.

Chapter 299, Statutes of 2009 (AB 1568), Section 4 (a) created the Children's Health and Human Services Special Fund into which shall be deposited the revenues, net of funds, derived from the imposition of tax on Medi-Cal managed care plans. Moneys in this fund shall be used exclusively for the purposes set forth in Section 12201 of the Revenue and Taxation Code. Revenue and Taxation Code 12201 (a) states that every insurer and Medi-Cal managed care plan doing business in this state shall annually pay to the state a tax on the bases, at the rates, and subject to the deductions from the tax hereinafter specified.

If you have any questions or require further information, please contact Michelle Kristoff of my staff at (916) 552-8379 or e-mail at michelle.kristoff@dhcs.ca.gov

Attachments

Department of Finance

Fund: 3156

STATE OF CALIFORNIA
MANUAL OF STATE FUNDS

PAGE 1
Renumbered
From:

Legal Title

Children's Health and Human Services Special Fund

Legal Citation/Authority

Chapter 299, Statutes of 2009 (AB 1568), Section 4 (a)
Revenue and Taxation Code Section 12201

Fund Classification

GAAP Basis

Governmental/Special Revenue Funds

Fund Classification

Legal Basis

Governmental/Other Governmental Cost Funds

Purpose

The revenues, net of refunds, derived from the imposition of the tax on Medi-Cal managed care plans shall be deposited into this fund for use as follows:

- (1) To the State Department of Health Care Services for purposes of the Medi-Cal program in an amount equal to 38.41 percent of the total revenues derived.
- (2) To the Managed Risk Medical Insurance Board for purposes of the Healthy Families Program in an amount equal to 61.59 percent of the total revenues derived.

Administering Agency/Organization Code

Department of Health Care Services/Org 4260

Major Revenue Source

Pursuant to Revenue and Taxation Code Section 12201 (a) every insurer and Medi-Cal managed care plan doing business in this state shall annually pay to the state a tax on the bases, at the rates, and subject to the deductions from the tax hereinafter specified.

Disposition of Fund (upon abolishment)

Pursuant to Government Code 16346, in the absence of language that identifies a successor fund, any balance remaining in this fund upon abolishment, shall be transferred to the General Fund.

Appropriation Authority

Notwithstanding Section 13340 of the Government Code, the revenues derived from the imposition of the tax on Medi-Cal managed care plans are continuously appropriated.

State Appropriations Limit

Excluded – Revenues in this fund are not proceeds of taxes, however, when transferred, may become proceeds of taxes. These revenues have a logical, direct relationship with the use or purposes for which they are used.

Comments/Historical Information

This fund was created administratively, with the concurrence of the State Controller's Office, on 10/20/09.