

BUDGET LETTER

	NUMBER: 18-23
SUBJECT: INFORMATION TECHNOLOGY PROJECT PLANNING BUDGET CHANGE PROPOSAL REPORTING REQUIREMENT	DATE ISSUED: August 6, 2018
REFERENCES: BUDGET ACT OF 2018 (CHAPTERS 29 AND 30, STATUTES OF 2018)	SUPERSEDES:

TO: Agency Secretaries
Agency Information Officers
Department Directors
Department Chief Information Officers
Departmental Budget and Accounting Officers
Department of Finance Budget and Accounting Staff

FROM: DEPARTMENT OF FINANCE

The Department of Finance (Finance), pursuant to Government Code § 11547, is requiring departments that received an appropriation in the Budget Act of 2018 for the initiation of an IT project through the Project Approval Lifecycle (PAL) Stages 1-4 to provide Finance a quarterly Planning Expenditure Report (DF-576).

It is each department's responsibility to determine whether a Report is required. If the reporting requirements are not clear for any given project, the department should contact Finance's Information Technology Consulting Unit (ITCU). Departments should be aware that a lack of reporting could jeopardize future project funding. All IT projects are subject to audit by Finance's Office of State Audits and Evaluations per State Administrative Manual 4943.

Reporting Requirements

The purpose of the Planning Expenditure Report is to account for all project planning expenditures throughout the PAL process and capture metrics on how planning relates to or increases project success. The Report shall include actual expenditures for current and prior fiscal year(s) planning activities including but not limited to new and redirected staff, consulting services, miscellaneous IT expenses, new and/or amended contracts, a summary of planning activities, milestones accomplished or in process, and deliverables received. The Report aligns directly with the accounting of prior and current fiscal year(s) costs as required in the PAL Financial Analysis Worksheets.

Submittal to Finance

Departments are required to submit the completed [Planning Expenditure Report \(DF-576\)](#) to the [ITCU mailbox](#) by the fifth business day of the month in October, January, April, and July and should reflect status as of the end of the prior quarter.

If you have any questions, please contact Erica Gonzales, Chief, Information Technology Consulting Unit, at (916) 445-1777, extension 3256.

/s/ Erika Li

Erika Li
Program Budget Manager

Attachment