

BUDGET LETTER

		NUMBER:	26-14
SUBJECT:	INFORMATION TECHNOLOGY PROJECT PLANNING BUDGET CHANGE PROPOSAL REPORTING REQUIREMENT	DATE ISSUED:	July 24, 2026
REFERENCES:	2026 BUDGET ACT (CHAPTERS 19 AND 21, STATUTES OF 2026)	SUPERSEDES:	25-14

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

FROM: DEPARTMENT OF FINANCE

Pursuant to Government Code section 11547, the Department of Finance is required to perform fiscal oversight of the state's Information Technology (IT) projects. To this end, departments that received an appropriation in the 2026 Budget Act for the initiation or continuation of an IT project through the [Project Approval Lifecycle](#) (PAL) Stages 1-4 or Project Delivery Lifecycle ([PDL](#)) planning (Chapters 1 and 2) are required to provide Finance quarterly [Planning Expenditure Reports \(DF-576\)](#).

It is each department's responsibility to determine whether a Planning Expenditure 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) at ITCUDocs@dof.ca.gov. A lack of reporting may jeopardize future project funding and all IT projects are subject to audit by Finance's Office of State Audits and Evaluations per [State Administrative Manual Section 4943](#).

Reporting Requirements

The purpose of the DF-576 is to account for all project planning costs throughout the PAL or PDL processes and capture metrics on how planning activities relate to or increase project success. The DF-576 shall include **actual** expenditures related to planning activities for all fiscal year(s), for items including, but not limited to new and redirected staff, consulting services, miscellaneous IT expenses, and new and/or amended contracts. A summary of planning activities, milestones accomplished or in process, and deliverables received must also be included. The DF-576 should align directly with the accounting periods of prior and current fiscal year(s) costs as required in the Financial Analysis Worksheets (FAWs).

Submittal to Finance

Departments are required to complete a Planning Expenditure Report using [Form DF-576](#) which can be found in the [Budget Forms](#) section on Finance's website. A completed report must be emailed to [ITCU](#) by the fifth business day of the month in November, February, May, and August of each fiscal year and reflect expenditure status as of the end of the prior quarter.

For example, the first report is due November 6, 2026, and should include actual expenditures from July through September 2026.

If you have any questions, please contact Rob Trojan, Chief, Information Technology Consulting Unit, at Rob.Trojan@dof.ca.gov.

/s/ Rosanna Nguyen

Rosanna Nguyen
Program Budget Manager

Attachment