



May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 7320-001-0001, Support, California Public Employment Relations Board

It is requested that Item 7320-001-0001 be increased by \$22,000 in fiscal year 2023-24, and ongoing, to provide a necessary position upgrade within the California Public Employment Relations Board's Division of Administrative Law (Division). This request realigns the Division's structure to provide better mentorship and supervision.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Danielle Brandon, Principal Program Budget Analyst, at (916) 445-3274.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Steve Padilla, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Wendy Carrillo, Chair, Assembly Budget Subcommittee No. 4
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Stewart Knox, Secretary, Labor and Workforce Development Agency
Jay Sturges, Deputy Secretary, Fiscal Policy and Administration Labor and Workforce
Development Agency
Susan Davey, Deputy Executive Director, Public Employer Relations Board



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Amendment to Budget Bill Item 7501-001-0001 and Addition of Item 7501-490, Support, Department of Human Resources

California State Payroll System (CSPS) Project—It is requested that Item 7501-001-0001 be increased by 9 positions and \$2,892,000 in fiscal year 2023-24, \$1,821,000 in 2024-25, and \$2,007,000 in 2025-26 and ongoing, to support the California State Payroll System project as it transitions from planning to implementation, maintenance, and operation. Resources in the California Department of Human Resources (CalHR) support labor relations, data management and conversion, human resources training, classification and pay, marketing and outreach, and web development.

Legal Accounting and Work Management System (LAWS) Project Reappropriation—It is requested that Item 7501-490 be added to extend the encumbrance or expenditure availability of \$1,697,000 General Fund in 2023-24 (see Attachment 1). This reappropriation allows CalHR to complete the Legal Accounting and Work Management System project approved in the 2022 Budget Act.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Danielle Brandon, Principal Program Budget Analyst, at (916) 445-3274.

JOE STEPHENSHAW

Director

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/s/ Erika Li

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Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Amy Tong, Secretary, Government Operations Agency
Justyn Howard, Deputy Secretary, Fiscal Policy and Administration,
Government Operations Agency
Eraina Ortega, Director, California Department of Human Resources
Monica Erickson, Chief Deputy Director, California Department of Human Resources
Helen Fairchild, Chief, Administrative Services Division,
California Department of Human Resources

7501-490—Reappropriation, Department of Human Resources. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2024:

0001—General Fund

(1) Up to \$1,697,000 in Item 7501-001-0001, Budget Act of 2022 (Chs. 43 and 45, Statutes of 2022), for the Legal Accounting and Work Management System project.

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Honorable Nancy Skinner, Chair
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Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 7502-001-0001, and Addition of Items 7502-001-0890 and 7502-490, Support, California Department of Technology

OIS Cal-Secure UIRM Project—It is requested that Item 7502-001-0001 one-time be increased by \$700,000 to provide planning and consulting services to develop a statewide Unified Integrated Risk Management System (UIRM). The UIRM is necessary to manage information security risk more effectively across the State. It is also requested that provisional language be added (see Attachment 1).

FI\$Cal Onboarding—It is requested that Item 7502-001-0001 be increased by \$2,244,000 one-time to support year one of California Department of Technology's (CDT) onboarding to the Financial Information System for California.

New Federal Expenditure Item—It is requested that Item 7502-001-0890 be added to allow CDT to receive and expend federal grant funds, (see Attachment 2).

State Digital Equity Grant Reappropriation—It is requested that Item 7502-490 be added to extend the encumbrance or expenditure availability of \$4,002,000 Federal Trust Fund until June 30, 2024, (see Attachment 3). CDT received the State Digital Equity Grant in December 2022, with 12 months to develop the State Digital Equity Plan. Extending the encumbrance period will allow CDT access to these federal funds throughout the grant period.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Danielle Brandon, Principal Program Budget Analyst, at (916) 445-3274.

JOE STEPHENSHAW
Director
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/s/ Erika Li

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Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Amy Tong, Secretary, Government Operations Agency
Justyn Howard, Deputy Secretary, Fiscal Policy and Administration,
Government Operations Agency
Liana Bailey-Crimmins, Director and State Chief Information Officer, California
Department of Technology
Miles Burnett, Chief Administrative Officer, California Department of Technology

Add Provision 2 to Item 7502-001-0001 as follows:

2. Of the amount appropriated in Schedule (1), \$700,000 is available for planning and consulting services to develop a statewide Unified Integrated Risk Management System.

7502-001-0890—For support of California Department of Technology, payable from the Federal Trust Fund.....0

Schedule:

(1) 6230-Department of Technology 0

Provisions:

1. Upon approval of the Director of Finance, this item may be augmented by the amount of any federal grants received by the California Department of Technology.

7502-490—Reappropriation, California Department of Technology. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2024:

0890—Federal Trust Fund

(1) Up to \$4,002,000 in Item 7502-011-0890, Budget Act of 2022 (Chs. 43 and 249, Stats. 2022). for support of the California Department of Technology.

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Honorable Nancy Skinner, Chair
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Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to and Addition of Various Budget Bill Items, and Statutory Changes, Support and Local Assistance, Department of General Services

Human Resources and Project Billing Legacy Platform Replacement—It is requested that Item 7760-001-0001 be increased by \$1,050,000 in fiscal year 2023-24, and \$600,000 in 2024-25 and 2025-26. This request allows the Department of General Services (DGS) to replace its legacy project billing and human resources platform, used by the Department and its client agencies.

Funding Realignment to Support Natural Gas, Emergency Management, and Business Services—It is requested that Item 7760-001-0026 be decreased by \$359,000 and 2 positions ongoing and Item 7760-001-0666 be increased by \$359,000 and 2 positions ongoing. It is also requested that Schedule (1) of Item 7760-001-9746 be decreased by \$1,171,000 and 4 positions ongoing and Schedule (4) of Item 7760-001-9746 be added in the amount of \$1,171,000 and 4 positions ongoing. This request supports a net-zero special fund realignment of existing resources and programmatic functions to improve operational efficiencies within DGS.

Deferred Maintenance Reappropriation for Ronald M. George State Office Complex Repairs—It is requested that Item 7760-490 be added to extend the encumbrance or expenditure date of up to \$3.9 million, and to repurpose those funds for repairs to the Ronald M. George State Office Complex (see Attachment 1). The Ronald M. George State Office Complex houses the Supreme Court of California and requires urgent repairs.

Department of General Services: Technical Adjustment to Shift Reversion of 2021 and 2022 Balances—It is requested that Item 7760-495 be added to revert the unexpended balance of appropriations made in the 2021 and 2022 Budget Acts for the Water Conservation Grant Program and for Deferred Maintenance (see Attachment 2). The Governor's Budget reverted these funds in statewide Control Section 4.06. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

Extend Encumbrance Date for the STEM Teacher Recruitment Grant Program—It is requested that statutory changes be added to extend the encumbrance date for the STEM Teacher Recruitment Grant Program in the School Facilities Aid Program, which is appropriated pursuant to Provision 2 of Item 7760-101-0001, Budget Act of 2021, from June 30, 2022, to June 30, 2024. This shall include any funds appropriated for this item that are used, or were transferred to be used, for both local assistance costs and administrative costs. The requested statutory changes will be posted on the Department of Finance website.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Danielle Brandon, Principal Program Budget Analyst, at (916) 445-3274.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

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Honorable Steve Padilla, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Wendy Carrillo, Chair, Assembly Budget Subcommittee No. 4
Honorable John Laird, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable Kevin McCarty, Chair, Assembly Budget Subcommittee No. 2
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Amy Tong, Secretary, Government Operations Agency
Justyn Howard, Deputy Secretary, Fiscal Policy and Administration, Government Operations Agency
Ana Lasso, Director, Department of General Services
Jennifer Osborn, Chief Deputy Director, Department of General Services
Katherine Minnich, Deputy Director of Administration, Department of General Services
Barbara Kampmeiner, Deputy Executive Officer, Office of Public School Construction
Heather Sherman, Budget Officer, Department of General Services

7760-490—Reappropriation, Department of General Services. The amount specified in the following citations are reappropriated for repairs and maintenance for the Ronald M. George State Office Complex for encumbrance or expenditure until June 30, 2027:

0001—General Fund

(1) \$3,900,000 in Schedule (1) of Item 7760-001-0001, Budget Act of 2022 (Chs. 43 and 249, Stats. 2022). Notwithstanding Provision 2, these funds shall be available for repairs and maintenance for the Ronald M. George State Office Complex.

7760-495—Reversion, Department of General Services. As of June 30, 2023, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

- (1) Item 7760-001-0001, Budget Act of 2021 (Chs. 21 and 69, Stats. 2021 and Ch. 44, Stats. 2022). \$25,310,000 of the amount appropriated for the Department of General Services Water Conservation Grant Program in Program 6330082—Office of Sustainability.
- (2) Item 7760-001-0001, Budget Act of 2021 (Chs. 21 and 69, Stats. 2021 and Ch. 44, Stats. 2022). \$7,000,000 of the amount appropriated for deferred maintenance in Program 6324046—Facilities Management Division.
- (3) Item 7760-001-0001, Budget Act of 2022 (Chs. 43 and 249, Stats. 2022). \$81,600,000 of the amount appropriated for deferred maintenance in Program 6324046—Facilities Management Division.

May 12, 2023

Honorable Nancy Skinner, Chair
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Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Various Budget Bill Items and Statutory Changes, Support and Local Assistance, California Public Employees' Retirement System

Operational Budget—It is requested that various items be amended to reflect the changes to the California Public Employees' Retirement System' (CalPERS) fiscal year 2023-24 operational budget, which was approved by the CalPERS Board of Administration on April 18, 2023. The budget proposed by CalPERS reflects a net increase of \$225,841,000, primarily attributed to external investment management fees and investment operating costs. The request is comprised of the following changes:

- Item 7900-003-0830 be increased by \$213,817,000
- Item 7900-015-0815 be increased by \$206,000
- Item 7900-015-0820 be increased by \$99,000
- Item 7900-015-0830 be increased by \$10,170,000
- Item 7900-015-0833 be increased by \$1,051,000
- Item 7900-015-0849 be increased by \$25,000
- Item 7900-015-0884 be increased by \$423,000
- Item 7900-015-9251 be increased by \$50,000

The Budget Bill items noted above are displayed for informational purposes to reflect the corresponding changes in CalPERS' continuous appropriation authority.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Evelyn Suess, Assistant Program Budget Manager, at (916) 445-3274.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

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Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Michele Nix, Acting Chief Financial Officer, California Public Employees' Retirement System
Willem (Will) Schaafsma, Chief, Division of Financial Planning, Policy and Budgeting, California Public Employees' Retirement System
Stacy Guzman, Budget Manager, California Public Employees' Retirement System



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Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 7920-011-0001, Support, California State Teachers' Retirement System

It is requested that Item 7920-011-0001 be increased by \$8,811,000 ongoing to reflect an increase in the state's contributions to the California State Teachers' Retirement System's Defined Benefit (DB) Program and Supplemental Benefit Maintenance Account (SBMA), as required in statute. The state's contributions to the DB Program and SBMA are calculated using creditable compensation provided by the Teachers' Retirement Board (Board) for the fiscal year immediately preceding June 30; the report is published annually by the Board by October 25, with a subsequent report due by April 15, displaying necessary revisions to creditable compensation. Based on the Board's April 10, 2023 creditable compensation report, the DB contribution will be increased by \$6,777,000 and the SBMA contribution will be increased by \$2,034,000, as compared to the Governor's Budget.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Evelyn Suess, Assistant Program Budget Manager, at (916) 445-3274.

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Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Justyn Howard, Deputy Secretary, Fiscal Policy and Administration, Government
Operations Agency
Julie Underwood, Chief Financial Officer, California State Teachers' Retirement System
Art Martinez, Director of Financial Planning and Reporting, California State Teachers'
Retirement System
Anela Hanohano-Kjer, Budget Officer, California State Teachers' Retirement System