

BUDGET LETTER

	NUMBER: BL 06-36
SUBJECT: CALIFORNIA AUTOMATED TRAVEL EXPENSE REIMBURSEMENT SYSTEM	DATE ISSUED: December 22, 2006
REFERENCES: GOVERNMENT CODE SECTION 19822.3	SUPERSEDES:

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

FROM: DEPARTMENT OF FINANCE

The California Automated Travel Expense Reimbursement System (CalATERS) provides a comprehensive statewide solution for state departments to effectively manage processing of their travel claims. The State Controller's Office (SCO) CalATERS was designed to achieve efficiency through automation and to significantly reduce the time required to process travel advance and expense reimbursement payments. Pursuant to Government Code Section 19822.3 (AB 1806, Chapter 69, Statutes of 2006), all state departments and agencies are required to implement and use CalATERS by July 1, 2009, unless an exemption is recommended by the SCO and approved by the Department of Finance (Finance).

The SCO indicates implementation periods for CalATERS will vary among departments, generally taking around 10 to 12 weeks, although large departments may take longer. The SCO will send departments a letter with further implementation information including a form for departments to identify their desired implementation timeframe.

If a department or agency can present a compelling case for not using CalATERS, it can request an exemption from the SCO no later than July 1, 2007. The exemption must contain documentation that fully substantiates that the implementation of CalATERS is not feasible or cost-effective. The exemption request must include, but not be limited to, the following:

- A description of the department's business needs that CalATERS does not meet and an explanation of why CalATERS is not capable of meeting these needs.
- A description of the department's current business processes and technology, including an explanation of why the department's business processes cannot be adapted to enable the use of CalATERS.
- A description of the fiscal and programmatic consequences of using CalATERS.
- An explanation of whether or not the department intends to continue its current processes. If the department does not intend to continue its current processes, fully describe any other alternative that has already been approved for implementation.

The SCO will submit recommendations for exemptions, including the basis for the recommendation, along with the department's request for exemption and back-up documentation to the Finance within 60 days of receipt of the department's request, but not later than September 1, 2007. Final approval of the exemption

request will be subject to the Finance's determination, with SCO concurrence, that the department or agency has fully justified that implementation of CalATERS is not feasible or cost-effective.

Approval of exemptions would allow departments to continue using the current travel expense process, or an alternative process only if it has been approved at the time the exemption request is approved. The exemption process is not to be used to request new or modified processes or for additional resources.

If you need further information on CalATERS, please contact Eleanor Alvarez at the SCO at (916) 324-7148 or visit www.calatERS.ca.gov.

/s/ Stephen W. Kessler

STEPHEN W. KESSLER
Chief Operating Officer