Revisions to SAM sections are provided after the summary table below, and are indicated with the “track changes” display through the revised text on all revised SAM pages. Highlighted content indicates newly added information to the SAM chapter. “Track Changes” are not inserted for format changes.

***\*\* Follow the link to the revised SAM Chapter \*\****

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| **CHAPTER/ SECTION** | **SUMMARY** |
| [**CHAPTER 1800**](http://sam.dgs.ca.gov/TOC/1800.aspx) |
| **1821.6** | Added and strengthened language to emphasize the use of zero emission strategies and equipment for grounds keeping. In accordance with LEED V4, added language to encourage recycled paint use. |
| [**CHAPTER 1900**](http://sam.dgs.ca.gov/TOC/1900.aspx) |
| **1930.10** | Deleted 3rd paragraph that references contracts no longer maintained by CalRecycle, in conformance to change in statute. |
| **1930.11** | Deleted 2nd paragraph that references contracts no longer maintained by CalRecycle, in conformance to change in statute. |
| **1950** | Deleted item 12, and renumbered following, that references contracts no longer maintained by CalRecycle, in conformance to change in statute. |
| [**CHAPTER 3100**](http://sam.dgs.ca.gov/TOC/1800.aspx) |
| **AT-1** | Updated the link to the “Complete Depository Libraries.” |
| [**CHAPTER 4800**](http://sam.dgs.ca.gov/TOC/4800.aspx) |
| **4833.2** | Replaced “biannually” with “biennially” in the first sentence of the first paragraph. |
| **4819.2** | Change: Per TL 19-01, new definitions of “Metadata” and “Open Data” added. |
| **4833.2** | Change: The website accessibility certification requirement submittal information was corrected from “biannually”to legislative mandate of “biennially”. |
| [**CHAPTER 5100**](http://sam.dgs.ca.gov/TOC/4800.aspx) |

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| **5160** | Added: Per TL 19-01, new section was added to introduce the Open Data policy which promotes moreaccessible, discoverable, and usable data and enhances the impact it can have for economic development, improved government services, support for research and scientific discoveries, transparency, and accountability and increasedpublic participation in democratic dialogue. |
| **5160.1** | Per TL 19-01, new subsection was added to outline Agency/state entity requirements for the Open DataPolicy. |
| **5160.2** | Per TL 19-01, new subsection was added to provide exceptions to the Open Data Policy. |
| **5190** | Change: Correction to document properties to ensure users utilizing searching tools are not misdirected |
| [**CHAPTER 5300**](http://sam.dgs.ca.gov/TOC/5300.aspx) |
| **5315** | Per Policy/Guidelines Update PG003, updated policy to enhance statewide minimum email threat protections standards. |
| **5355** | Per Policy/Guidelines Update PG 19-004, updated policy to include reference to Endpoint Protection Standard (SIMM 5355-A). |
| [**CHAPTER 6000**](http://sam.dgs.ca.gov/TOC/6000.aspx) |
| **6400** | This is a re-write of several sections (6506, 6509, 6512, 6515, 6518, 6521 & 6527) incorporating changes in processes, forms, names and responsibilities. These updates also eliminated sections that no longer apply, providing links instead of actual forms and clarifying responsibilities. |
| [**CHAPTER 7300**](http://sam.dgs.ca.gov/TOC/7300.aspx) |
| **7340** | Revised to change the “California Victim Compensation and Government Claims Board” to the “California Victim Compensation Board” per Senate Bill 836, effective on July 1, 2016. |
| [**CHAPTER 8000**](http://sam.dgs.ca.gov/TOC/8000.aspx) |
| **8041.1** | Changed immediate reporting requirement to 30 day reporting per SAM 20080 and added SAM 20080 reference. |
| **8048** | Added reference to SAM 20080 and report name. |

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| **8080** | Update to reflect change in legislation title from Financial Integrity and State Manager’s Accountability Act to State Leadership Accountability Act. |
| **8080.1** | Update to reflect change in legislation title from Financial Integrity and State Manager’s Accountability Act to State Leadership Accountability Act. |
| [**CHAPTER 8300**](http://sam.dgs.ca.gov/TOC/8300.aspx) |
| **8340** | Revised to change the Victim Compensation and Government Claims Board to the California Victim Compensation Board with minor edits. |
| [**CHAPTER 8400**](http://sam.dgs.ca.gov/TOC/8400.aspx) |
| **8400.1** | Revised to change the California Victim Compensation and Government Claims Board to the California Victim Compensation Board. |
| **8422.1** | Revised to change the Victim Compensation and the Government Claims Board to Victim Compensation Board with minor edits. |
| **8422.104** | Revised to correct the quoted Victim Compensation and Government Claims Board section 677(f) to the California Code of Regulations, title 2, division 2, chapter 1, article 7, section 677(f). |
| **8422.202** | Revised to correct the quoted State Board of Control Rule 622.1 to the California Code of Regulations, title 2, division 2, chapter 1, article 3, section 622.1(a). |
| [**CHAPTER 8600**](http://sam.dgs.ca.gov/TOC/8600.aspx) |
| **8643** | Updated paragraph 3 to reflect updates to SAM 20080. Updated the website from <https://www.cio.ca.gov/government/IT_Policy/SIMM.html>to <https://cdt.ca.gov/polciy/simm/>. |
| [**CHAPTER 8700**](http://sam.dgs.ca.gov/TOC/8700.aspx) |
| **8777.1** | Delete the section and move to newly created section 2456.1. |
| **8777.2** | Delete the section and move to newly created section 2456.2 with minor edits. |
| [**CHAPTER 10600**](http://sam.dgs.ca.gov/TOC/10600.aspx) |
| **10608** | Revised to change the Victim Compensation and Government Claims Board to the California Victim Compensation Board. |

**MAINTENANCE OF BUILDING EXTERIORS, ROOFS,**

**HARDSCAPE, LANDSCAPE AND EXTERIOR PAINTING 1821.6**

(New ~~10/2015)~~11/2018)

To reduce the harmful effects of chemicals and air pollution on the local environment and to promote water and energy conservation during exterior maintenance activities, departments are required to develop a maintenance program consistent with the guidelines outlined in Sustainable Site Credit 2: Building Exterior and Hardscape Management Plan of LEED 2009 or the Sustainable Sites Prerequisite of LEED v4 for Existing Buildings Operations and Maintenance and in accordance with the additions and modifications described in this policy. Use[PB1] this link for more ~~comprehensive details:~~ [~~http://www.usgbc.org/Docs/Archive/General/Docs5545.pdf~~Departments are required](http://www.usgbc.org/Docs/Archive/General/Docs5545.pdfDepartmentsarerequired) to amend service contract documents as necessary to support the policy requirements.

1. Chemicals: The use of harsh chemicals is not usually necessary for most building exterior maintenance activities. The strength of the cleaning solutions should approximate the level sufficient to obtain satisfactory results. Do not use cleaning solutions stronger than necessary for the particular task. Cleaning solutions for exterior maintenance should be Green Seal certified or equivalent and should conform to Environmentally Preferable Purchasing (EPP) guidelines as stated in ~~SAM 1850.~~[SAM 1850](https://www.dgs.ca.gov/Resources/SAM) .
2. Exterior Maintenance*:* Sweeping or raking are~~is~~ the preferred methods of exterior cleaning; blowing is allowed when appropriate and when authorized by facilities management[RD2][PB3]sweeping[RD4] or raking is not practical. When using a blower, electric or battery powered equipment should[RD5][PB6] be used. Engine powered blowers may be utilized in compelling circumstances and with the prior authorization of facilities management[RD7]. Departments are to adopt building exterior maintenance programs that conserve water. These programs include using manual cleaning methods over those that require high volume water spraying equipment. Water use, while sometimes necessary to carry out certain cleaning activities, should be carefully monitored to avoid excessive waste and runoff. If pressurized washing equipment is necessary, use equipment at the lowest output settings necessary to achieve satisfactory results. When power washing equipment is needed, use electric powered or battery- powered equipment to reduce air and noise pollution. Gasoline powered equipment should only be used in unusual ~~or compelling~~ circumstances and only with the prior authorization of facilities management.the building maintenance supervisor[DC8][PB9]. Departments are to replace gasoline-powered equipment ~~(including pruning equipment)~~with zero-emission [BD10]strategies[DC11] including

propane

[PB12]

[DC13]

allow

(but not limited to) electric, battery powered or manual, or -

~~powered~~ equipment non-emitting [BD14][DC15]as equipment replacement schedules

[RD16][PB17].

1. Hardscape: Water should never be used for general sweeping of hardscape

although pressurized water use for purposes of specific removal of stains or grime from pavement, or for hygienic reasons, is considered reasonable use. State facility childcare centers with playgrounds and patios where food can be consumed should also be hygienically and routinely maintained. The monitored use of pressurized water would be appropriate for these areas aswell.

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# MAINTENANCE OF BUILDING EXTERIORS, ROOFS,

**HARDSCAPE, LANDSCAPE AND EXTERIOR PAINTING 1821.6** (Cont. 1) (New ~~10/2015~~11/2018)

1. Landscape: Landscaping tasks should be done with manual equipment whenever possible. For tasks that require power equipment, electric or battery powered equipment should [RD18]be used ~~first~~ whenever possible. Equipment in this category includes, but is not limited to, mowers, leaf blowers, string trimmers, hedge trimmers, chainsaws, pole saws, and tillers. Electric equipment ~~should~~shall be charged with grid electricity and never with a portable generator. Engine powered lawn and garden equipment may only be used in compelling circumstances with the prior authorization of facilities management.

Departments are to replace gasoline-powered equipment ~~(including pruning equipment)~~with zero-emission strategies[DC19] [PB20]including (but not limited to) electric, battery powered or manual~~, or propane-powered~~ equipment non-

allow

emitting[BD21] [DC22]as equipment replacement schedules [RD23][PB24].

~~D.~~E. Roofing Cleaning*:* Roofs should be maintained on a periodic basis consistent with the roof type (built-up, single-ply, metal, cool roof, etc.); manufacturers’ warranty requirements; location environment (coastal, urban, desert, mountain, etc.); and other external factors that affect roof performance, reflectivity and longevity. Department maintenance programs should establish roof cleaning methods and frequencies specific to the needs of each building roof to avoid unnecessary cleaning and overuse of water and cleaning solvents. Simple hand removal of debris from roofs, drains, gutters, downspouts, and overflows is often sufficient. Unwarranted frequent cleaning with powered equipment can reduce the lifespan of the roof by wearing down protective coatings and roofing materials. When powered roof cleaning equipment is necessary, equipment with a water recovery/recycle system should be considered in the maintenance program for the appropriate roof type. Refer to local municipalities for additional requirements.

~~E.~~F. Exterior Painting: Building maintenance often requires the repainting of exterior walls. Paints shall~~ould~~ either be no or low volatile organic compound

(VOC) [RD25][PB26][RD27][PB28][RD29][PB30] contain recycled content when

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| --- | --- | --- |
| and | or | [PB31] |

obtainable, meeting industry performance standards (see [Green Seal GS-43](https://www.greenseal.org/green-seal-standards/gs-43/) [Standard](https://www.greenseal.org/green-seal-standards/gs-43/)), unless prior authorization is obtained from facilities management to use something else. Use water-based paints over those containing oils. When spray equipment is used, ensure that care is exercised to prevent overspray and runoff, particularly near people, vegetation, waterways, and storm drains.

~~F.~~G. Training*:* Departments are responsible for providing training and instruction to maintenance personnel and contractors on the proper use, handling, recycling and/or~~and~~ disposal of all solvents and paint products. (Refer to SAM Section 1930.9.) Personnel should be directed to use manual methods of cleaning and painting whenever possible and to avoid the risk of excessive discharge with powered equipment.

**PAPER 1930.10**

(Revised ~~1~~11/~~2015~~2018)

Paper and paperboard products make up around 20% of office or business disposal in California. State agencies should reduce the amount of paper consumed by implementing paper waste prevention activities such as the use of electronic filing systems, setting printer defaults to duplex printing mode, and establishing paper reuse areas for one-sided paper. Many State agencies already have paper and cardboard recycling programs, because paper products comprise the greatest volume of recyclables for the typical office. The most common paper types generated in state offices are: white ledger (copier and printer paper), colored paper, newsprint, magazines, phone books and directories, paper bags, and cardboard. Mixed paper is what occurs when these commodities are not sorted. Sorting white paper from other types could produce revenue depending on the amount generated, market prices, and how well it is sorted. Some facilities mix paper and other recyclables into a single bin that is sorted at a material recovery facility. The single bin concept creates convenience for staff, but produces a lower grade of recycled paper that will produce little or no revenue. Recycling paper, even mixed paper, avoids disposal costs and helps agencies meet their 50% diversion requirement. These recycling programs also support the State of California’s 75% statewide waste diversion goal, in accordance with the provisions of [AB 341 (2011)](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201120120AB341&amp;amp%3Bsearch_keywords). For recycling non-confidential records, the shredded paper should be bagged to avoid litter.

For more information on paper waste prevention, reuse, and recycling: <http://www.calrecycle.ca.gov/Paper/>

~~CalRecycle manages a paper and beverage container recycling contract that provides free service to participating state agencies in the Sacramento area. For more information on CalRecycle’ s recycling contracts:~~ [~~http://www.calrecycle.ca.gov/StateAgency/Assistance/Contracts.htm~~](http://www.calrecycle.ca.gov/StateAgency/Assistance/Contracts.htm)

For more information on Confidential Records Destruction, see [SAM 1600](http://sam.dgs.ca.gov/TOC/1600.aspx)

# SCRAP METAL 1930.11

(Revised ~~12~~11/~~2013~~2018)

Scrap metal recycling is common and has a mature, extensive infrastructure. Depending on the quantity and quality of scrap metal generated, state agencies may receive revenue from recycling ferrous (sticks to a magnet, like steel & iron) and non- ferrous (aluminum, copper, brass, etc.) metal. Types of common scrap metal include: used wire, pipes, signs, posts, appliances, tin (steel) cans, empty aerosol and paint cans, rails and fencing, and some types of furniture. Agencies that generate significant amounts of scrap metal may choose to either sort out the most valuable types, or to commingle all types into one bin before sale to a scrap metal recycler. Metals are among the most valuable recycled commodities and they should be protected from theft.

~~CalRecycle manages two scrap metal contracts in Southern California that are available to state facilities in Los Angeles, Ventura, Orange, Riverside and San Bernardino counties. To reference these contracts:~~ [~~http://www.calrecycle.ca.gov/StateAgency/Assistance/Contracts.htm~~](http://www.calrecycle.ca.gov/StateAgency/Assistance/Contracts.htm)

When it is recycled, scrap metal is generally exempt from hazardous waste regulations under both federal and state law. Scrap metal is not exempt from regulations under either federal or State Law when disposed, especially if it exhibits a characteristic of hazardous waste or is contaminated with a listed hazardous waste. Such situations may include metals covered with old, leaded paint, or motor parts covered with oil and grease. In these cases, metal may need to be managed as a hazardous waste under federal law [40 CFR 261.6(a)(3)(ii)](http://www.gpo.gov/fdsys/pkg/CFR-2011-title40-vol26/pdf/CFR-2011-title40-vol26-sec261-6.pdf) and state law [22 CCR 66261.6(a)(3)(B)](https://govt.westlaw.com/calregs/Document/IA288BF50D4BA11DE8879F88E8B0DAAAE?contextData=(sc.Search)&amp;amp%3Brank=5&amp;amp%3BoriginationContext=Search%2BResult&amp;amp%3BnavigationPath=Search%2fv3%2fsearch%2fresults%2fnavigation%2fi0ad70f76000001493e72116ea6448dc0%3fstartIndex%3d1%26Nav%3dREGULATION_PUBLICVIEW%26contextData%3d(sc.Default)&amp;amp%3Blist=REGULATION_PUBLICVIEW&amp;amp%3BtransitionType=SearchItem&amp;amp%3BlistSource=Search&amp;amp%3BviewType=FullText&amp;amp%3Bt_T1=22&amp;amp%3Bt_T2=66261&amp;amp%3Bt_S1=CA%2BADC%2Bs).

# STATE AGENCY RESPONSIBILITIES 1950

(Revised ~~9~~11/~~2015~~2018)

These activities are the primary operational components of a state agency’s program to comply with the requirements of AB 75 ([PRC Sections 40148-42928](http://leginfo.legislature.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=PRC&amp;amp%3Bdivision=30.&amp;amp%3Btitle&amp;amp%3Bpart&amp;amp%3Bchapter&amp;amp%3Barticle)), AB 341 (PRC Sections [42649](http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=42649.&amp;amp%3BlawCode=PRC) & [42926](http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=42926.&amp;amp%3BlawCode=PRC)), and AB 1826, (PRC Sections [42649.8 - 42649.86](http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=PRC&amp;amp%3Bdivision=30.&amp;amp%3Btitle&amp;amp%3Bpart=3.&amp;amp%3Bchapter=12.9.&amp;amp%3Barticle)). Each state agency shall:

1. Designate a Recycling Coordinator for each facility and provide the name and phone number of that person to CalRecycle. The facility/office Recycling Coordinator is responsible for ensuring that all discarded materials generated in sufficient quantity are source separated and collected for recycling to the extent feasible, and facilitates waste prevention practices such as double sided printing and copying or use of electronic files when possible.
2. For new state agencies, request CalRecycle approval to establish a recycling program on a site-by-site basis.
3. Secure a site management agreement before implementing a recycling program.
4. Provide for collection of recyclables, including, but not limited to, office paper, corrugated cardboard, newsprint, beverage containers, plastics, glass, used oil, metals, toner cartridges, paint, carpet, mattresses, sharps, electronic and universal waste, construction and demolition, organics (food waste, greenwaste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste) and other materials as applicable and where feasible.
5. Determine persons at the site that will collect recyclables and ensure that they will collect the recyclables on a regular basis.
6. Purchase recycling equipment to facilitate the collection and recycling of materials. Set up collection bins, desk side containers, and a collection schedule.
7. Place recycling containers in work and common areas that meet approval by the State Fire Marshal.
8. Encourage all employees to use recycling containers to collect recyclables.
9. When initiating a new recycling program issue a "kick-off memo” to all staff announcing a new recycling effort, materials that will be recycled, management support for it, and the time and place of orientation meetings. Utilize various forms of outreach i.e. internal internet, newsletters, staff meetings, and bulletin boards (electronic/physical).

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**STATE AGENCY RESPONSIBILITIES 1950** (Cont. 1)

(Revised 9/2015)

1. Work with CalRecycle Local Assistance and Market Development staff assigned to your agency/department/facility to implement an employee information and education program to ensure their continued participation and cooperation in separating recyclables. A recycling education program should be part of a new employee orientation and should be periodically reviewed and updated for employees.
2. For state-owned and leased facilities, each respective state entity responsible for the planning and development of facilities to house state operations shall consider providing adequate, accessible, and convenient areas for collecting, storing, and loading recyclable materials.
3. ~~Request CalRecycle’s approval to establish a recycling program in an area serviced by a CalRecycle contract:~~ [~~http://www.calrecycle.ca.gov/StateAgency/Assistance/Contracts.htm~~](http://www.calrecycle.ca.gov/StateAgency/Assistance/Contracts.htm)

~~13.~~12. At least annually, review the adequacy and condition of recycling containers, and associated signage.

~~14.~~13. Ensure that CalRecycle receives annual reports summarizing its progress in reducing solid waste as required in [PCC Section 12167](http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=12167.1.&amp;amp%3BlawCode=PCC).1 at each facility, including information on annual disposal, explain changes in waste generated or disposed, a status of diversion programs. Also, ensure CalRecycle receives annual reports for State Agency Buy Recycled Campaign ([SABRC](http://www.calrecycle.ca.gov/buyrecycled/stateagency/)) and their requirement to comply with [PCC Section 12200-12217](http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=PCC&amp;amp%3Bdivision=2.&amp;amp%3Btitle&amp;amp%3Bpart=2.&amp;amp%3Bchapter=4.&amp;amp%3Barticle=4).

~~15.~~14. Utilize surplus property. See [Management Memo 11-01](http://www.documents.dgs.ca.gov/osp/sam/mmemos/MM11_01.pdf).

SAM – PUBLICATIONS AND DOCUMENTS

\*\* CALIFORNIA STATE DOCUMENT DEPOSITORY LIBRARIES \*\*

Under the provisions of the Library Distribution Act (Government Code sections 14905, 14906, and 14907), the libraries listed have contracted with the Department of General Services to serve as complete or selective depositories. They agree to provide adequate facilities for the shelving and use of the publications deposited with them, render reasonable service without charge to qualified patrons, and retain all publications received until authorized to dispose of them.

There are 108 depository libraries: 16 complete depositories and 92 selective depositories. Click the link for the [Complete Depository Libraries](http://www.library.ca.gov/government-publications/state-document-depository-program/depositories/) listing.

**Rev. 443 AT-1 DECEMBER 2013**

**DEFINITIONS 4819.2**

(Revised 09/2018)

The following definitions of administrative and technical terms are provided to assist Agencies/state entities in their application of information technology (IT) policy.

The primary source for technical definitions is the Information Processing Systems Technical Report, American National Dictionary for Information Processing Systems, developed by the American National Standards Committee, X3 Information Processing Systems. In some cases, the definitions have been modified to meet state needs.

**Accessibility/Accessible**: Individuals with disabilities are able to acquire the same information, engage in the same activities, perform the same functions, and access the same content and services as individuals without disabilities, with similar ease.

**Agency:** This term refers to one of the state's umbrella Agencies. Umbrella Agencies include the Natural Resources Agency, California Environmental Protection Agency, Government Operations Agency, Business Consumer Services and Housing Agency, California Department of Corrections and Rehabilitation, California State Transportation Agency, Labor Agency and the California Health and Human Services Agency.

**Agency-affiliated State Entities:** This term refers to State Entities that are governed by one of the state's umbrella Agencies. See definition of Agency.

**Agency Information Management Strategy:** An Agency/state entity’s information management strategy is the Agency/state entity’s comprehensive plan for using IT to address its business needs, i.e., to successfully carry out its programmatic mission. Ideally, the Agency/state entity’s information management strategy represents one aspect of a well-defined overall Agency/state entity business strategy and is therefore closely aligned to its business strategy. If the Agency/state entity has not established a business strategy, Agency/state entity staff that are responsible for the Agency/state entity information management strategy must make assumptions based on their knowledge of the Agency/state entity’s overall mission, its program resources and priorities, and the changing nature of its environment.

**Ancillary Solicitation:** An acquisition that may be necessary to achieve and/or support the primary procurement activities and objectives of an IT project. An IT project may be supported by many Ancillary Solicitations.

**Assistive Technology**: Any item, piece of equipment, software, or system that is designed to increase, maintain, or improve the functional capabilities of individuals with disabilities.

(Continued)

(Revised 09/2018)

**Business Strategy:** An Agency/state entity’s business strategy is its overall plan for accomplishing its mission in a changing environment with the resources it can reasonably expect to be available. Such a strategy typically addresses the Agency/state entity’s statutory mission and historical role, the expectations of its key stakeholders (individuals and organizations that affect the Agency/state entity or that the Agency/state entity affects), the factors that are critical to its success as an organization, the Agency/state entity’s internal strengths and weaknesses, and the political, social, economic, and technological forces in its environment that support or constrain its programs. Business strategies articulate the key issues that must be successfully addressed by the Agency/state entity and identify the priorities and required resources for proposed actions. A strategy may have a time frame that is as short as a few months. However, most Agency/state entity business strategies present a three- to five-year perspective, with some Agencies/state entities finding it useful to extend their strategic vision as much as ten to twenty years into the future. Strategic planning is not a one-time effort; it is a fundamental, continuing management process that allows the Agency/state entity to respond in an effective manner to a changing environment.

**California Project Management Framework:** The California Project Management Framework (CA-PMF) is a collection of project management best practices and scalable resources, tools, and templates to be used by project management practitioners to effectively plan and manage projects. The CA-PMF is based on the Project Management Body of Knowledge (PMBOK® Guide), as well as project management lessons learned in the State of California.

**Cloud Computing:** A model for enabling ubiquitous, convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction.

**Cloud Software as a Service (SaaS):** The capability provided to the consumer is to use the provider’s applications running on a cloud infrastructure. The applications are accessible from various client devices through a thin client interface such as a web browser (e.g., web-based email). The consumer does not manage or control the underlying cloud infrastructure including network, servers, operating systems, storage, or even individual application capabilities, with the possible exception of limited user- specific application configuration settings.

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**Cloud Platform as a Service (PaaS):** The capability provided to the consumer is to deploy onto the cloud infrastructure consumer-created or acquired applications created using programming languages and tools supported by the provider. The consumer does not manage or control the underlying cloud infrastructure including network, servers, operating systems, or storage, but has control over the deployed applications and possibly application hosting environment configurations.

**Cloud Infrastructure as a Service (IaaS):** The capability provided to the consumer is to provision processing, storage, networks, and other fundamental computing resources where the consumer is able to deploy and run arbitrary software, which can include operating systems and applications. The consumer does not manage or control the underlying cloud infrastructure but has control over operating systems; storage, deployed applications, and possibly limited control of select networking components (e.g., host firewalls).

**Commercial Off-the-Shelf (COTS):** A computer hardware or software product that is ready-made for specific uses and available for sale to the general public. COTS products are designed to be installed without requiring custom development. For example, Microsoft Office is a COTS product that is a packaged software solution for businesses and individuals. The set of rules for COTS is defined by the Federal Acquisition Regulation(FAR).

**Computer Accessibility:** In human-computer interaction, computer accessibility (also known as accessible computing) refers to the accessibility of a computer system to all people, regardless of ability.

**Confidential Information:** Information maintained by Agencies/state entities that is exempt from disclosure under the provisions of the California Public Records Act (Government Code Sections [6250-6265](http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&amp;amp%3Bamp%3Bamp%3Bamp%3Bdivision=7.&amp;amp%3Bamp%3Bamp%3Bamp%3Btitle=1.&amp;amp%3Bamp%3Bamp%3Bamp%3Bpart&amp;amp%3Bamp%3Bamp%3Bamp%3Bchapter=3.5.&amp;amp%3Bamp%3Bamp%3Bamp%3Barticle=1)) or other applicable state or federal laws. See SAM Section [5320.4](http://www.sam.dgs.ca.gov/TOC/5300.aspx).

**Continuing Costs:** Costs associated with the operation and maintenance of an IT system or application after development and implementation of the system.

**Critical Application:** An application that is so important to the state that the loss or unavailability of the application is unacceptable. With a critical application, even short- term unavailability of the information provided by the application would have a significant negative impact on the health and safety of the public or state workers; on the fiscal or legal integrity of state operations; or on the continuation of essential Agency/state entity programs.

**Data:** A representation of facts, concepts, or instructions in a formalized manner suitable for communication, interpretation, or processing by humans or by automated means.

(Continued)

**Data Processing:** The systematic performance of operations upon data, e.g., handling, merging, sorting, computing. Synonymous with information processing.

**Data Processing System:** A system, including computer systems and associated IT personnel, that performs input, processes storage, output, and control functions to accomplish a sequence of operations on data.

**Data/Information Storage:** The retaining of data/information on any of a variety of mediums (i.e., magnetic disk, optical disk, or magnetic tape) from which the datacan be retrieved.

**Data Transmission:** The conveying of data from one functional unit to one or more additional functional units through the transmission of signals by wire, radio, light beam, or any other electromagnetic means. (Voice or video transmissions are not considered data transmission for the purposes of state policy.)

**Delegated Cost Threshold:** See SAM Section 4819.39

**Development:** Activities or costs associated with the analysis, design, programming, staff training, data conversion, acquisition, and implementation of new IT applications.

**DGS Delegated Purchasing Authority:** Through Statutory Authority, the Department of General Services (DGS) may grant delegated purchasing authority to Agencies/state entities to procure non-information technology goods and information technology goods and services with a total cost equal to or less than the delegated purchasing authority amount under each category, as defined within the State Contracting Manual (SCM), Volume 3, Chapter 1.

**Domain Name Service:** A series of computer databases that resolve or link Internet Protocol (IP) addresses with an alphanumeric domain name. Domain names are divided into hierarchical fields separated by a period. The field to the farthest right is the top-level (or first-level) domain, in “ca.gov” for example, "gov" is the top-level domain. In the same example, "ca" is the second-level within the domain, and the field to the left of the second-level domain is the third-level domain (e.g., cdt.ca.gov). Names that fall to the right of the domain following a "/" are subdirectories of the domain (e.g., ca.gov/services).

**Electronic and Information Technology (EIT or E&IT):** Includes IT and any equipment or interconnected system or subsystem of equipment that is used in the creation, conversion, or duplication of data or information. The term electronic and IT includes, but is not limited to, telecommunications products (such as telephones, cell phones, smart phones, and radio receivers), information kiosks and transaction machines, World Wide Web sites, multimedia, and office equipment such as copiers and fax machines.

**Emergency:** A sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services”. SAM Section [6560](http://www.sam.dgs.ca.gov/TOC/6000.aspx) specifies that when the Governor declares an emergency, expenditures cannot exceed $25,000, unless approved by the Department of Finance.

**Hardware:** See Information Technology equipment.

**Information Processing:** The systematic performance of operations upon data, e.g., handling, merging, sorting, computing. Synonymous with data processing.

**Information Technology:** Information technology (IT) means all computerized and auxiliary automated information handling, including systems design and analysis, conversion of data, computer programming, information storage and retrieval, voice, video, data communications, microwave, light ware, routers, network equipment, requisite systems controls, and simulation.

**Information Technology Activities:** Any activity listed below, or any combination of these activities for a single IT project, is to be considered an "IT activity."

1. IT facility preparation, operation and maintenance.
2. Information management planning.
3. Feasibility determination, development and implementation of application systems or programs, or changes to application systems or programs to meet new or modified needs, or maintenance, including: Project Approval Lifecycle Stage/Gate deliverable preparation, systems analysis, systems design, purchase and installation of software, programming, conversion of data or programs, documentation of systems and procedures, and project appraisal or assessment.
4. Operation of application systems or programs including handling, assembling, or editing of input-output data or media where IT equipment or IT personnel are used.
5. Information Technology Procurement.
6. Installation, operation, and maintenance of data processing equipment, IT equipment, goods and services, and software.

(Continued)

1. Other installation management activities including performance measurement, system tuning, and capacitymanagement.
2. Preparation and administration of requests for proposals or bid solicitations for contracts for any of the above activities.
3. Preparation of contracts, interagency agreements, and purchase estimates for any of the above activities.
4. Employment of personnel in support of, or directly related to, any of the above activities, including: administration, technical services, clerical services, travel, training, and preparation of periodic and special reports.
5. Control functions directly related to any of the above activities.

**IT Equipment:** Information Technology devices used in the processing of data electronically. The following are examples of IT equipment:

1. Mainframes and all related features and peripheral units, including processor storage, console devices, channel devices, etc.;
2. Minicomputers, midrange computers, personal computers, laptop, tablets, smart phones and all peripheral units associated with suchcomputers;
3. Special purpose systems including word processing, Optical Character Recognition (OCR), bar code readers/scanners, and photocomposition;
4. Communication devices used for transmission of data such as: modems, data sets, multiplexors, concentrators, routers, switches, local area networks, private branch exchanges, network control equipment, or microwave or satellite communications systems; and
5. Input-output (peripheral) units (off-line or on-line) including: display screens, optical character readers, magnetic tape units, mass storage devices, printers, video display units, data entry devices, plotters, scanners, or any device usedas a terminal to a computer and control units for these devices.

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**Information Technology Expenditure:** The expenditure of funds regardless of source by any Agency/state entity for IT activities, equipment, facilities, personnel, services, supplies and the automated processing of information.

**Information Technology Infrastructure:** An Agency/state entity’s IT infrastructure is the base or foundation for the delivery of information to support the Agency/state entity’s programs and management. The infrastructure contains elements upon which an Agency/state entity’s IT activities are dependent. An Agency/state entity must therefore define, implement, and manage these infrastructure elements to successfully employ IT.

The desirable characteristics of this infrastructure are efficient support for the exchange of information within the Agency/state entity and between the Agency/state entityand other organizations; reliable availability of information processing capabilities whenever and wherever they are needed; preservation of the integrity and confidentiality of information maintained by the Agency/state entity; sufficient flexibility to allow the timely and efficient addition of new information management capabilities and modifications of established capabilities; and consistency with a coherent set of technical and managerial standards for the employment of IT.

Typical elements in an IT infrastructure include:

**Application Systems**. The applications that an Agency/state entity purchases and/or develops to achieve personal productivity and program support benefits.

**Architecture**. The guidelines or blueprints that an Agency/state entity follows in designing, acquiring, and implementing IT solutions. Organizationally approved definitions, specifications, and standards are the primary components in an Agency/state entity’s IT architecture.

**Communications**. Local area and wide area network components, including linkages with other organizations.

**Equipment**. An Agency/state entity’s hardware platforms and components ranging from individual personal computers to mainframes and associated peripherals.

**Facilities**. The electrical, ventilation, fire suppression, physical security, wiring, and other components required to support an Agency/state entity’s IT capability, including the physical structure itself.

**Funding**. Current and projected funding for IT planning, acquisition, development, and operations activities.

(Continued)

**Partnerships**. Relationships with other public and private sector organizations that support and enable the Agency/state entity’s pursuit and use of IT.

**People**. An Agency/state entity’s technical staff, user community groups, and executive steering and oversight committees that are charged with IT planning, approval, development, management, operations, and security responsibilities.

**Plans**. Detailed designs or methods for aligning IT activities with Agency/state entity business strategies and accomplishing business objectives. Typical Agency/state entity IT plans includes strategic, risk management, and operational recovery.

**Policies**. The rules, conventions, and protocols adopted by the Agency/state entity to govern the pursuit and use of IT.

**Processes and Procedures**. The defined steps for planning, approving, acquiring, developing, operating, maintaining, enhancing, and using IT within the Agency/state entity.

**Service Definitions**. The types of services provided, accepted service levels, and service delivery time frames established for an Agency/state entity’s IT support organization.

**Software**. The set of operating system, utility, communications, user interface, and management programs that enable users to operate and control computers and develop application systems.

The infrastructure includes elements owned by the Agency/state entity and available under contract or through interagency agreement. For Agencies/state entities that employ the services of a consolidated data center, for example, the required data center resources are considered part of the Agency/state entity’s infrastructure.

**Reengineering the Business Process**. The search for, and implementation of, radical changes in business processes that result in dramatic efficiencies, reductions in turnaround time, improvements in quality, or improvements in customer service.

**Strategic Planning Process for Information Technology**. The process of aligning Agency/state entity plans for, and uses of, IT with the Agency/state entity’s business strategies.

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**Information Technology Procurement:** Any process to obtain IT goods/services through competitive, non-competitive, purchase or lease, for the benefit of the State. Sometimes referred to as contracting, purchase or acquisition.

**Information Technology Project:** A unique endeavor involving activities required to plan, design, develop, implement, operate and maintain an Information Technology (IT) solution that meets a specific and measurable policy or programmatic objective. IT projects include the entire systems development lifecycle from project initiation through the normalized operational cycle. IT activities related to the refresh of non- data center hardware required to operate an IT project shall not be considered an IT project. See SAM Section 4819.37 for Project Delegation Criteria.

**Information Technology Project Oversight Framework:** Minimum requirements for IT project management, risk management and IT project oversight activities for Agencies/ state entities. Description of control agency project reporting requirements and processes for assessing Agency/state entity project management and oversight activities. See [SIMM Section 45](http://www.cio.ca.gov/Government/IT_Policy/SIMM.html).

**Information Technology Personnel:** All state personnel employed in IT or telecommunications classifications as defined by the Department of Human Resources or by the Trustees of the California State University and Colleges, and all personnel of other classifications in Agencies/state entities who perform IT activities for at least 50 percent of their time. Users of personal computers and office automation are not included in this category unless they are in IT classifications or spend at least 50 percent of their time performing IT activities.

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**Information Technology Supplies:** All consumable items and necessities (excluding equipment defined as IT equipment) to support information technology activities and IT personnel, including:

* 1. Documents (such as standards and procedures manuals, vendor-supplied systems documentation, and educational or training manuals);
	2. Equipment supplies (such as printer cartridges and magnetic tape); and
	3. Furniture (such as terminal tables and printer stands).

**Input-Output Unit/Device:** A unit or device in an IT system by which data may be entered into the system, received from the system, or both.

**Life Cycle:** The anticipated length of time that the IT system or application can be expected to be efficient, cost-effective and continue to meet the Agency/state entity’s programmatic requirements. Synonymous with operational life.

**Maintenance:** Activities or costs associated with the ongoing upkeep of operational applications of IT. Maintenance includes correcting flaws, optimizing existing systems or applications, responding to minor changes in specified user requirements, renewal of equipment maintenance agreements, software or hardware upgrade or refresh to maintain the health of the systems, and meeting normal workload increases using substantially the same applications, facilities, IT personnel, supplies and software.

**Metadata:** Information about a [dataset](https://data.ca.gov/open-data-glossary#dataset) that makes it easier to find, understand and use. Metadata may describes the dataset’s structure, elements, creation, access, format, and content. Metadata may also include the title and description, method of collection, limitations, author, publisher, area and time period covered, license, date and frequency of release.

**Mobile Web:** Mobile web refers to access to the Internet or Web applications using a mobile device, such as a smart phone, connected to a wireless network.

**Network Equipment:** Equipment facilitating the use of a computer network. This includes routers, switches, hubs, gateways, access points, network bridges, modems, firewalls, and other related hardware and software.

**Non-affiliated State Entities:** This term refers to State Entities that are not governed by an Agency. See definition of Agency.

**Non-Delegated Project:** An IT Project that meets one or more of the criteria listed in SAM Section 4819.37. Non-Delegated Projects must be formally approved by the Department of Technology through the Project Approval Lifecycle. Agency/state entity directors are delegated approval authority for IT Projects that do not meet any of the criteria listed in SAM Section 4819.37.

**One-Time Costs:** Costs associated with the analysis, design, programming, verification and validation services, staff training, data conversion, acquisition, and implementation of new IT applications. See SIMM Section 19F (Financial Analysis Worksheets).

**Open Data:** Data is open if it can be freely accessed, used, modified and shared by anyone for any purpose (<http://opendefinition.org/>). For [Data.ca.gov](https://data.ca.gov/), open data is regularly updated and comes from an authoritative source.

**Open Source Software:** Software that includes distribution terms that comply with the following criteria provided by the Open Source Initiative: (The open source definition used here is from the Open Source Initiative and is licensed under a Creative Commons Attribution 2.5 License (<http://creativecommons.org/licenses/by/2.5/>)

1. Free Redistribution: The software can be given as part of a package with other applications;
2. Source Code: The code must either be distributed with the software oreasily accessible;
3. Derived Works: The code can be altered and distributed by the new authorunder the same license conditions as the product on which it isbased;
4. Integrity of the author's source code: Derived works must not interfere with the original author's intent or work;
5. No discrimination against persons or groups;
6. No discrimination against fields of endeavor: Distributed software cannot be restricted in who can use it based on their intent;
7. Distribution of license: The rights of the program must apply to all to whom the program is re-distributed without need for an additional license;
8. License must not be specific to a product; Meaning that an operating system product cannot be restricted to be free only if used with another specific product;
9. License must not contaminate other software; and
10. License must be technology-neutral.

**Operational Life:** See Life Cycle.

**Operations:** Activities or costs associated with the continued use of applications of IT. Operations includes IT personnel associated with computer operations, including network operations, job control, scheduling, key entry, and the costs of computer time or other resources for processing.

**Peripheral Unit/Device:** With respect to a particular processing unit or device, any equipment that can communicate directly with that unit or device.

**Power Management:** A feature of some electrical appliances, especially copiers, computers and computer peripherals such as monitors and printers, which turns off the power or switches the system to a low-power state when in active.

**Previously Approved Effort/Project:** An IT activity or project previously approved by the California Department of Technology or the Agency/state entity’s executive officer in accordance with SAM Section [4819.3](http://www.sam.dgs.ca.gov/TOC/4800.aspx). Qualification of an activity as a previously approved effort requires an approved Stage 4 Project Readiness and

Approval AND an approved Post-Implementation Evaluation Report (PIER). Applicable activities include meeting modified needs, improving the effectiveness of the activity, program or system maintenance, or extension of existing services to new or additional users performing essentially the same functions as those that the project was designed to support. A previously approved effort/project must use substantially the same equipment, facilities, technical personnel, supplies and software to meet substantially the same requirements or to meet normal workload increases. (Note: "Substantially the same equipment" does not include the addition, upgrade or replacement of a central processing unit.)

**Primary Solicitation:** The acquisition that will procure and obtain the main IT Goods and/or Services for an IT project solution. An IT Project may only have one Primary Solicitation, but may be supported by many Ancillary Solicitations.

**Procurement Oversight:** An independent review and analysis to determine if the procurement methodology is sound and feasible. Procurement Oversight includes coaching, guidance and direction in all aspects of IT procurement. Oversight activities may include procurement planning, assistance in developing deliverables, review and approval of procurement documents and the execution and award of contracts.

**Program:** A sequence of instructions suitable for processing. See Information Processing or Data Processing.

**Programming:** The designing, writing, testing, debugging, and documentation of programs.

**Project:** See Information Technology Project.

**Project Approval Lifecycle (PAL):** The policy, procedures and templates that make up the State of California’s process for gaining approval of IT projects. The Project Approval Lifecycle is divided into four stages, separated by gates. Each stage consists of a set of prescribed, cross-functional, and parallel activities to develop deliverables used as the inputs for the next gate. The gates provide a series of “go/no go” decision points that request only the necessary and known information needed to make sound decisions for that particular point in time. The four stages, which document the business analysis, alternatives analysis, solution development and project readiness analysis, must be approved by the Department of Technology prior to the encumbrance or expenditure of funds, including the use of staff resources, on any IT project beyond the Project Approval Lifecycle.

**Project End Date:** The proposed project end date should reflect the conclusion of project activities; the last date that proposed project activities are estimated to be completed. This should exclude any activities related to the Post Implementation Evaluation Report (PIER).

**Project Oversight:** An *independent* review and analysis to determine if the project is on track to be completed within the estimated schedule and cost, and will provide the functionality required by the sponsoring business entity. Project oversight identifies and quantifies any issues and risks affecting these project components.

**Project Planning Start Date:** The project planning start date is the date an Agency/state entity begins a Stage 2 Alternatives Analysis. The planning phase of an IT project proposal begins with the Stage 2 Alternatives Analysis and ends at the conclusion of Stage 4 Project Readiness and Approval (Gate 4).

**Project Planning End Date:** The project planning end date should reflect the conclusion of project planning activities; the last date that project planning activities are estimated to be completed at the conclusion of Stage 4 Project Readiness and Approval (Gate 4).

**Project Start Date:** The project start date is the date an IT project proposal is both approved and funded. For most projects dependent on a funding request, this datewill be July 1st of the year the project funding is approved. For projects without this dependency, the project start date is the project approval date (Gate 4 approval).

**Proprietary Software:** Computer programs which are the legal property of one party, the use of which is made available to a second or more parties, usually under contract or licensing agreement.

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**Public Facing Applications:** Applications available to the broadest base of potential users as well as designed and delivered with the intent of access by all individuals or organizations over the public internet.

**Public Information:** Any information prepared, owned, used or retained by an Agency/state entity and not specifically exempted from the disclosure requirements of the California Public Records Act (Government Code Sections [6250-6265](http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&amp;amp%3Bamp%3Bamp%3Bamp%3Bdivision=7.&amp;amp%3Bamp%3Bamp%3Bamp%3Btitle=1.&amp;amp%3Bamp%3Bamp%3Bamp%3Bpart&amp;amp%3Bamp%3Bamp%3Bamp%3Bchapter=3.5.&amp;amp%3Bamp%3Bamp%3Bamp%3Barticle=1)) or other applicable state or federal laws.

**Sensitive Information:** Information maintained by Agencies/state entities that requires special precautions to protect it from unauthorized modification or deletion. See SAM Section [5320.4](http://www.sam.dgs.ca.gov/TOC/5300.aspx). Sensitive information may be either public or confidential (as defined above).

**Server Room:** Any space that houses computer operations. Such computer operations could utilize mainframes, servers, or any computer resource functioning as a server.

**Shutdown:** Turning the power off in a controlled manner.

**Software:** Programs, procedures, rules, and any associated documentation pertaining to the operation of a system. (Contrast with hardware.)

**Staff Augmentation Procurement:** The acquisition of contracted services to address state staff resource constraints or skill gaps for IT project activities.

**Staff Redirection:** The redirection of existing Agency/state entity staff resources to support IT project activities or backfill behind existing staff redirected to support IT project activities. Contracted services are not considered Staff Redirection.

**Stage/Gate Deliverables:** The formal deliverable documents that support the Project Approval Lifecycle. Stage/Gate deliverables are the Stage 1 Business Analysis, Stage 2 Alternatives Analysis, Stage 3 Solution Development and Stage 4 Project Readiness and Approval. Formal project approval occurs upon approval of the Stage 4 Project Readiness and Approval.

**State Entity:** Includes every state office, officer, department, division, bureau, board, and commission, including Constitutional Officers. “State entity” does not include the University of California, California State University, the State Compensation Insurance Fund, the Legislature, or the Legislative Data Center in the Legislative Counsel Bureau.

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**Statewide Information Management Manual (**[SIMM](http://www.cio.ca.gov/Government/IT_Policy/SIMM.html)**):** The Statewide Information Management Manual ([SIMM](http://www.cio.ca.gov/Government/IT_Policy/SIMM.html)) as structured by the Department of Technology that contains standards, procedures, instructions and guidelines, as well as samples,

models, forms and communication documents that Agencies/state entities either must use, or will find helpful to use, in complying with established state policy relating to

IT. For clarity, references in SIMM to "Department of Finance" that are not related to budget documents such as Budget Change Proposals or Finance Letters, should be read as references to the "California Department of Technology".

**State Telecommunications Management Manual (**[STMM](http://www.dts.ca.gov/stnd/resources/stmm-online.asp)**):** The State Telecommunications Management Manual (STMM) as structured by the Department of Technology contains state telecommunications policies and procedures based on SAM [4500-4555](http://sam.dgs.ca.gov/TOC/4500.aspx) and Government Code Section [11534-11543](http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&amp;amp%3Bamp%3Bamp%3Bamp%3Bdivision=3.&amp;amp%3Bamp%3Bamp%3Bamp%3Btitle=2.&amp;amp%3Bamp%3Bamp%3Bamp%3Bpart=1.&amp;amp%3Bamp%3Bamp%3Bamp%3Bchapter=5.5.&amp;amp%3Bamp%3Bamp%3Bamp%3Barticle=2). The STMM is continually updated to reflect current telecommunications policies and practices, and links to helpful outside resources are included throughout the STMM.

**System Standby:** A low power mode for electronic devices such as computers, televisions, and remote controlled devices (aka “sleep mode”). These modes save significant electrical consumption compared to leaving a device fully on and idle but allow the user to avoid having to reset programming codes or wait for a machine to reboot.

**Technology Letter:** Letters issued by the Department of Technology conveying official communications regarding state IT, announcing new or changes to existing IT policies and procedures, or announcing new or changes to existing state IT services or standards.

**Telecommunications:** Includes voice and data communications, the transmission or reception of signals, writing, sounds, or intelligence of any nature by wire, radio, light beam, or any other electromagnetic means.

**Tenant Managed Services:** Centralized Tier III-equivalent data center space providing participating state Agencies/state entities the ability to operate their own environment with a degree of independence in the overall management of their server infrastructure. Additionally, Agencies/state entities can plan utilization of the Tenant Managed Services (TMS) as a disaster recovery site.

**Tier III-Equivalent Data Center:** Data Center facility consisting of multiple active power and cooling distribution paths; however, only one path is active. The facility has redundant components and is concurrently maintainable providing 99.982% availability.

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# DEFINITIONS

(Revised 09/2018)

**4819.2** (Cont. 15)

**Total Planning Cost:** The total planning cost is the sum of all costs associated with the planning activities conducted in Stage 2 Alternatives Analysis through Stage 4 Project Readiness and Approval.

**Total Project Cost:** The total project cost is the sum of ALL costs associated with the project planning phases (Stage 2 through Stage 4) and the project execution phase (design, development and implementation), plus one full year of maintenance and operations costs.

**Validation:** The process of evaluating software during or at the end of the development process to determine whether it satisfies specified requirements. [IEEE-STD-610]

**Verification:** The process of evaluating software to determine whether the products of a given development phase satisfy the conditions imposed at the start of that phase. [IEEE-STD-610]

**Virtualization:** A framework or methodology of dividing the resources of a computer into multiple execution environments, by applying one or more concepts or technologies such as hardware and software partitioning, time-sharing, partial or complete machine simulation, emulation, quality of service, and many others.

**Workload Increase:** Employing substantially the same resources (equipment, facilities, IT personnel, supplies, software) to process a greater volume of the same or similar information. The results of the processing are the same or similar outputs distributed to comparable users.

**WEBSITE ACCESSIBILITY CERTIFICATION 4833.2**

(~~New 07/2018~~Rev. 03/2019)

Before July 1, 2019 and ~~biannually~~ biennially thereafter, each Agency/state entity shall post on the home page of the Agency/state entity’s internet website a signed certification from the Agency/state entity’s Director and Chief Information Officer certifying that they have determined that the Agency/state entity’s internet website is in compliance with Government Code Sections 7405 and 11135, and the Web Content Accessibility Guidelines 2.0, or a subsequent version, published by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success criteria.

The California Department of Technology (CDT) has adopted the Department of Rehabilitation’s Accessibility toolkit to serve as the standard form that each Agency/state entity’s Chief Information Officer shall use to determine whether the Agency/state entity’s internet website is in compliance with the accessibility standards specified above.

To meet the certification requirements of this policy, each Agency/state entity may use the optional Website Accessibility Certification form in [SIMM Section 25B](https://cdt.ca.gov/policy/simm/) or develop an Agency/state entity specific form that satisfies the statutory requirements.

# OPEN DATA POLICY REQUIREMENTS 5160.1

(New 03/2019)

Effective July 1st, 2019, as part of the Open Data policy, each Agency/state entity shall:

1. Build or modernize Information Technology (IT) solutions in a way that maximizes interoperability and information accessibility. Although this policy does not require Agency/state entities to modernize existing IT solutions, it does require data considerations identified in this section be applied when a state entity undertakes a modernization effort that substantially modifies an existing IT solution.
	1. Exercise forethought when architecting, building, or substantially modifying an IT system to facilitate data distribution to the public, where appropriate.
	2. Use machine-readable and open formats for information as it is collected or created. Where applicable, machine-readable and open formats must be used in conjunction with electronic or paper-based information collection efforts.
	3. Prioritize the use of open formats that are non-proprietary, publicly available, and that place no restrictions upon their use.
	4. Apply open licenses, such as Creative Commons Zero (CC0), to information as it is collected or created so that if data are made public there are no restrictions on copying, publishing, distributing, transmitting, and adapting.
	5. Systems must be scalable, flexible, and facilitate extraction of data in multiple formats and for a range of uses as internal and external needs change, including potential uses not accounted for in the original design (e.g. leveraging standards and industry best practices for information sharing, separation of data from the application layer to maximize data reuse opportunities.)
2. Whenever feasible, make data broadly available to the public through the Agency/state entity’s open data site or portal, pursuant to the limited exceptions outlined in SAM Section 5160.2.
3. Describe information using standard metadata as the data is collected or created.
	1. Open Data shall include Project Open Data Catalog Vocabulary (DCAT) standards modified for California, see [Open Data Handbook](https://handbook.data.ca.gov/) for specifications and formats.
	2. Agencies/state entities may expand upon metadata and data dictionaries based on standards, specifications, or formats developed within different communities (e.g., financial, health, geospatial, law enforcement). Groups

that develop and promulgate these metadata specifications must review them for compliance with DCAT specifications and formats.

* 1. Metadata and data dictionaries shall be in a machine-readable format to provide users the ability to export when needed.
1. Adopt effective governance and data asset portfolio management approaches, including data management and release practices to ensure consistency.
	1. Create and maintain an Agency/state entity enterprise data inventory, see [Open Data Handbook](https://handbook.data.ca.gov/) for inventory specifications and formats.
	2. The inventory shall indicate, as appropriate, if the Agency/state entity has determined that the individual datasets may be made publicly available (i.e., release is permitted by law, subject to all privacy, confidentiality, security, Agency/state entity has ownership of data, and other valid requirements) and whether they are currently available to the public.
	3. The inventory shall list any datasets that can be made publicly available at the Agency/state entity’s open data site or portal in a format that enables automatic aggregation by Data.ca.gov and other services (known as “harvestable files”), to the extent practicable. See [Open Data Handbook](https://handbook.data.ca.gov/) for best practices, tools, and schema to implement the public data listing and harvestable files.
	4. Public data listing should include, to the extent permitted by law and existing terms and conditions, datasets that were produced as a result of legislative mandates, state grants, contracts, and cooperative agreements (excluding any data submitted primarily for the purpose of contract monitoring and administration), and, where feasible, be accompanied by standard citation information, preferably in the form of a persistent identifier.
	5. Assign a Data Coordinator to coordinate and maintain Agency/state entity’s public data. The Data Coordinator’s contact information must be identified in the enterprise data inventory.
2. Prioritize the collection of data sets.
	1. Agencies/state entities shall identify and engage stakeholders as part of the intake process.
	2. Create a process to engage with customers to solicit help in identifying data sets of value to the public, in prioritizing the release of public datasets and determining the most usable and appropriate formats for release. Agencies/state entities should make public data available in multiple file formats according to their customer needs (e.g. high-volume datasets of interest to developers should be released using bulk downloads as well as Application Programming Interfaces (APIs)).
3. Ensure that privacy and confidentiality are fully protected, and that data is properly secured.
	1. Leverage an internal data governance process to determine if information collected or created can be made publicly available or is subject to restrictions (e.g. privacy, confidentiality, security, trade secret, contractual). See [Open Data Handbook](https://handbook.data.ca.gov/) for additional information.
	2. If the Agency/state entity determines that information should not be made publicly available on one of these grounds, the Agency/state entity must document this determination through its internal data governance process.
	3. Consider security-related restrictions including National Institute of Standards and Technology (NIST) Federal Information Processing Standard (FIPS) Publication 199 “Standards for Security Categorization of Federal Information and Information Systems,” which includes guidance and definitions for confidentiality, integrity, and availability.
	4. Collect or create only that information necessary for the proper performance and evaluation of Agency/state entity functions and which has practical utility. Limit the collection or creation of information which identifies individuals to that which is legally authorized and necessary for the proper performance of Agency/state entity functions.
	5. Limit the sharing of information that identifies individuals or contains proprietary information to that which is legally authorized and impose appropriate conditions on use where a continuing obligation to ensure the confidentiality of the information exists. [Data sharing agreements](https://chhsdata.github.io/dataplaybook/resource_library/#datasharing) must be created to exchange information across Agencies/state entities and with research institutions in compliance with the State’s information security and privacy policy and standards, see SAM Section 5300 and Statewide Information Management Manual (SIMM) Section 5305-A.
	6. Ensure that information is protected commensurate with the risk and magnitude of the harm that would result from the loss, misuse, or unauthorized access to or modification of such information. Agencies/state entities shall consider the standard for information classification detailed in SIMM Section 5305-A and other publicly available information when determining whether information should be considered Personally Identifiable Information.

# OPEN DATA EXCEPTIONS 5160.2

(New 03/2019)

The Information Practices Act (IPA) of 1977 (Civil Code Section 1798, et seq.) provides measures to assure fair treatment of individuals who are the subject of state entity records, providing specific requirements for the collection, use, maintenance and dissemination of information relating to individuals. Nothing in SAM Section 5160 shall be construed to require Agencies/state entities to make data available to the public, if, on the facts of the particular case, disclosure of that data would increase the potential to harm an Agency/state entity or the public. The exceptions provided below may be applied, in specific instances, to exempt an Agency/state entity from sharing data with the public. Any exceptions used must be approved through the Agency/state entity’s internal data governance process and documented in the enterprise data inventory for the purposes of ensuring effective oversight and management of information assets.

Applicable exceptions are as follows:

1. The sharing of the data is restricted by statute, practice or legal precedent, including—but not limited to—patent or intellectual property law, the Export Asset Regulations, the International Traffic in Arms Regulation, and the Federal laws and regulations governing classified information;
2. The sharing of the data would create an identifiable risk to the detriment of national security, confidentiality of Government information, or individual privacy;
3. The sharing of the data would create an identifiable risk to the stability, security, or integrity of the Agency/state entity’s systems or personnel;
4. The sharing of data would create an identifiable risk to the Agency/state entity’s mission, programs, or operations.

# OPEN DATA POLICY INTRODUCTION 5160

(New 03/2019)

The Public Records Act, Government Code (GC) Sections 6250- 6270, provides public access to information that is collected and maintained by state and local entities, mindful of the right of individuals to privacy. The State of California is committed to unlocking the value of government data to propel innovation, improve the delivery of public services and empower the people of California while protecting privacy.

Information is a valuable resource and a strategic asset to State Government, its partners, and the public. Managing government information as an asset will increase operational efficiencies, enhance performance planning, improve services, support mission needs, inform policy decisions, safeguard personal information, and increase public access to valuable government information. Open data helps ensure that all public datasets are discoverable and fuels entrepreneurship, economic development and scientific discovery. To ensure that State Government is taking full advantage of its information resources, Agencies/state entities shall manage their data as an asset from the start and, wherever possible, release it to the public in a way that makes it open, discoverable and usable.

**SAM – INFORMATION SECURITY**

**(Office of Information Security)**

**INFORMATION SECURITY INTEGRATION 5315**

(Revised ~~6~~10/~~14~~18)

**Policy:** Each state entity is responsible for the integration of information security and privacy within the organization. This includes, but is not limited to, the designing of appropriate security controls in new systems, or systems that are undergoing substantial redesign, including both in-house and outsourced solutions. Each state entity shall ensure its ISO, and where applicable its Privacy Program Coordinator and Technology Recovery Coordinator, are actively engaged with the owners of information, and project, procurement and technical personnel involved with information asset acquisition, development, operations, maintenance and disposal to:

* 1. Ensure information security is considered throughout the asset lifecycle, from acquisition and development through maintenance and operations, to retirement.
	2. Integrate information security design requirements into both manual information handling and information processing functions, and information technology activities, including throughout the system development lifecycle (SDLC);
	3. Create system security plans outlining key information security controls to mitigate risks;
	4. Create and maintain residual risk documentation consistent with the State Information Management Principles, Record of Decisions (SAM Section 4800);
	5. Integrate information security (confidentiality, integrity, and availability) requirements into contracts for outsourced products and services, and any agreements with state and non- state entities;
	6. Create, maintain, and enforce information security policies, standards, procedures, and guidelines;
	7. Create secure configuration standards for hardware, software, and network devices, in compliance with state published standards, including the Email Threat Protection Standard (SIMM 5315-A); ~~and~~
	8. Implement administrative, technical, and physical controls for the protection of information assets as part of the system engineering process; and.
	9. Share Threat Information, as defined in National Institute of Standards of Technology (NIST) Special Publication ( SP) 800-150, with the California Department of Technology via direct electronic means.

**Implementation Controls:** NIST SP 800-53: System and Services Acquisition (SA), Email Threat Protection Standard (SIMM 5315-A), NIST SP 800-150: Guide to Cyber Threat Information Sharing

**SAM – INFORMATION SECURITY**

**(Office of Information Security)**

**ENDPOINT DEFENSE 5355**

(Revised ~~6/14~~01/2019)

**Policy:** Each state entity shall be responsible for protecting information on computers that routinely interact with untrusted devices on the internet or may be prone to loss or theft.

Each state entity shall develop and implement capabilities, methods and techniques to manage processes and tools to:

* + 1. Detect malicious software;
		2. Permit only trusted software to run on a device, commonly referred to as white listing;
		3. Prevent certain software from running on a device, commonly referred to as blacklisting;
		4. Identify unauthorized changes to secure configurations; ~~and~~ 5. Encrypt confidential and sensitive data;. And

~~5.~~6. Comply with the Endpoint Protection Standard (SIMM 5355-A)

**Implementation Controls: Endpoint Protection Standard (SIMM 5355-A);** NIST SP 800-53: [System and Information Integrity (SI)](http://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-53r4.pdf#page%3D371)

**Rev. 426 JUNE 2014**

**~~PERSONAL SERVICES 6506~~**

~~(Revised 9/2010)~~

~~Personal services are administered in the operating year by:~~

~~1. Reconciling the personnel roster to the number of positions authorized by the Legislature. 2. Establishing and abolishing positions as necessary to stay within budget authorizations. 3. Certifying the continuance of authorized positions to the Department of Finance.~~

1. ~~Making position changes to support authorized program changes.~~
2. ~~Supervising and controlling employment practices to stay within budgeted totals.~~

**PERMANENT POSITIONS 6509**

(Revised 11~~9~~/~~2010~~2018~~7~~)

The budgetary definition of a permanent position is any position authorized by the Legislature for indefinite continuation within ~~any~~ a specific classification established by a salary setting authority. They may be full-time, fractional time, or intermittent.

Permanent positions must be certified for continuation at the beginning of each fiscal year. ~~See SAM Section 6521.~~

The continuation of permanent positions is accomplished by reconciling the Schedule 8 with the Final Budget . Permanent positions are equivalent to the Current Year Regular/Ongoing Positions line on the Salaries and Wages (Schedule 7A), which is comprised of the Schedule 8, Supplemental Schedule 8, and any position changes (STD. 607) not included in those reports. See SAM Section 6521.~~and comparing it with the State Controller’s Office roster of established positions. The amount shown in Column 11 of Schedule 8, after verification and correction, represents the encumbrance of salaries for which continuance is approved. Following certification for continuation at the beginning of the fiscal year, no further documentation is required to encumber such positions.~~

As a matter of clarification, the appointment process is a method of filling positions. A permanent appointment is any appointment which continues for any length of time exceeding the probationary period for that class.

**NEW POSITIONS 6512**

(Revised ~~9~~11/~~2010~~20~~17~~18)

A new position is one which has been newly authorized for establishment in the approved budget. Normally these are presented in the ~~Governor's~~ Enacted Budget (“Changes In Authorized Positions” section) as Workload and Administrative Adjustments and/or Proposed New Positions.

Proposed new positions (other than in the California State University ~~System~~system) that are likely to be approved by the Legislature ~~should~~ may be administratively established ~~as soon as possible~~in advance, as soon as the legislative intent and the Governor's vetoes are known, for recruitment purposes~~if they are to become effective on July 1~~. Departments should prepare the forms STD. 607 and 625 (if necessary) and submit to the State Controller’s Office by the June pay period document cut-off date, as administratively established positions are eliminated after June 30 unless approved by the Legislature. For new administratively established positions above the Control Section 31.00 threshold, the STD. 607 will require Department of Finance approval.

~~The documentation should be submitted to reach the State Controller’s Office (SCO) by the June pay period document cut-off date. Departments should prepare the forms STD. 607 and 625 (if necessary) in advance and release those as soon as the legislative intent and the Governor's veto actions are known.~~ The certification in SAM Section 6527 may be used and will be accepted by the SCO for new positions established under the threshold. Documents reaching the SCO after the June pay period document cut-off date will not be included in the Schedule 8 Tabulation and the initial galley (Schedule 7A) of the Salaries and Wages Supplement.

New positions with a maximum salary under the Control Section 31.00 threshold approved by the Legislature in the latest Budget Act, can be established on or after July 1st by submitting a STD. 607 to the State Controller’s Office using the certification language in SAM Section 6527. These authorized new positions do not require Department of Finance approval.

**LIMITED-TERM POSITIONS 6515**

(Revised 11~~9~~/~~2010~~2018~~7~~)

A **limited-term position** is any position ~~which~~ that has been authorized for a specific length of time. Limited-term positions are footnoted in the Salaries and Wages (Schedule 7A) publication.

As a policy, the Department of Finance does not approve limited-term positions. However, t~~T~~he authority for limited-term appointments is still available pursuant to Government Code Section 19080.3. ~~Limited-term positions are footnoted in the Salaries and Wages (Schedule 7A) publication.Limited-term positions may be authorized during the budget process or in transactions approved by the Department of Finance. The limitation will be stated in the document establishing the authorization.~~

**TEMPORARY HELP OR OVERTIME BLANKETS 6518**

(Revised ~~9~~11/~~2010~~201~~7~~8)

~~Most of the positions listed in the Salaries and Wages Supplement are defined in terms of the staffing authorized for various organizational units by classes established by the appropriate salary setting authority. This is the preferred method of presentation and provides for a clear understanding of staffing needs by the Administration and the Legislature. The second type of legislative authorization is the blanket position (or blanket authorization). Blanket authorizations in the approved budget must be reviewed annually or established by the submission or approval of STD. 607 in accordance with the provisions of SAM Section 6527.~~

**Temporary help ~~Blanket~~ blanket positions** are ~~authorizations in the approved budget (Salaries and Wages Supplement) in terms of full-time equivalent personnel years and amount of salaries and wages (but not by class) that may be spent for~~ for short-term or intermittent uses when it would be ~~impracticable~~ impractical to ~~express the needs in terms of classified~~use permanent positions. ~~Such~~ Blanket positions are intended to be ~~uses~~ used ~~are characterized as being~~for temporary, seasonal, or intermittent workload, whereas ~~contrasted to the classified~~permanent positions ~~which~~ are normally used for longer-term, more permanent, staffing needs. Any type of blanket position ~~may~~ must be paid from ~~a blanket position in~~ the approved budget appropriation authority at the discretion of the department. Blanket authorizations in the approved budget must be reviewed annually or established by the submission or approval of STD. 607 in accordance with the provisions of SAM Section 6527 and Control Section 31.00. ~~as long as the restrictions established for the use of blanket positions in this section and SAM Section 6527 are met.~~

**~~Temporary help blankets~~** ~~are authorizations to be used only for payment of employees~~ **~~for a limited duration of time~~**~~.~~ Continuing monthly or periodic payments may not be made to any person for an indefinite period (on a permanent basis). Employees, who are employed on a full year basis, whether full-time or part-time, should be paid from ~~a classified~~an authorized position rather than a blanket authorization. Temporary help blankets may be used for the following purposes.

* + **Position overlaps.** This includes filling ~~in~~ behind:
1. Employees on temporary or extended leaves of absence, sick leave, military leave, etc.
2. An employee for training purposes. This may be necessary ~~to einsure~~for the continuity of operations when an employee in a key role leaves a department.
3. Payment to a separating employee for unused, accrued leave.
	* **Employment of limited duration or intermittent use.** Such usage would include, but not be limited to, the hiring of additional employees for the following uses:
4. Special consultant studies.
5. Student assistants. ~~(Continued)~~
6. Special projects or contracts of a limited nature such as compilation of statistical

data or purge of files.

1. Seasonal workload such as processing income tax forms, or inspection of produce before shipment.
2. Overtime peak workloads that are anticipated in program and administrative areas.
3. Special uses may be established for blankets to keep track of funds expended for limited purposes such as escapes and emergencies and other differentiations meaningful to the department.

**Overtime blankets** are authorizations used to pay employees for compensable, authorized time worked in excess of the regularly scheduled workweek. At the discretion of the department and in accordance with personnel rules of the salary setting authority, overtime may be used in place of temporary help to meet peak workload requirements where feasible and economically advantageous.

If a temporary help blanket has been established, but an overtime blanket has not, it may be more economical to make minor payments for overtime of short duration from the temporary help blanket than to establish a separate overtime blanket for a relatively small total amount.

~~Approval of the~~ Department of Finance approval is required for the establishment of a permanent position ~~by transfer of funds~~ from a blanket authorization. ~~Departments may submit a net-zero Budget Change Proposal (BCP) to request additional authorized positions without additional funding.~~

**~~TEMPORARY HELP OR OVERTIME BLANKETS~~CERTIFICATION FOR CONTINUED PAYMENT OF ESTABLISHED POSITIONS 6521**

(Revised ~~9~~11/~~2010~~2018~~7~~)

It is the responsibility of each department to certify to the Department of Finance that existing positions established on the State Controller’s Office (SCO) position roster, as amended by appropriate department payroll and position documents (STD. 607), reflect the approved program. Each department must reconcile (see SAM Section 6448) the existing positions as reported in the Schedule 8 prepared by the SCO and the positions authorized in the department's Final Budget. The STD. 607s to adjust to authorized staffing need to be prepared and sent to the SCO.

This certification shall meet the following broad criteria:

1. The positions have been established in accordance with approved program, legislative intent, and Administration policy.
2. The positions in the roster have been established in accordance with pertinent statutory and administrative regulations including, but not limited to, ~~the following:~~ the control sections of the current Budget Act, pay scales, Department of ~~Personnel Administration~~Human Resources (~~DPA~~CalHR) rules, State Personnel Board (SPB) rules (CEA established only), and prior approvals such as that of ~~the DPA~~CalHR, SPB, or Finance.

~~The following certification will be included on the Personnel Years System Worksheet which is distributed to each department with the Schedule 7A galley.~~

*~~"I hereby certify that the positions in the SCO’s position roster as amended by documentation submitted to the SCO and recorded on the Schedule 8 and 7A submission to Finance are in accordance with the broad criteria established in SAM Section 6521.”~~*

~~The authority to sign the certification is limited to those officers who have been duly authorized by the agency head to execute this certification and whose names and position titles are on record with the SCO. The certifying department will maintain a record of all officers who have been authorized to sign the certification. Finance grants blanket approval to the SCO to use existing positions established on the position roster as amended by actions taken under the authority of Government Code Section 12439 as the basis for payrolls for the July and August pay periods only.~~

**BUDGETARY APPROVAL OF POSITION-RELATED TRANSACTIONS 6527**

(Revised ~~69~~11/~~2008~~2018~~7~~)

Establishment, amendment, or abolishment of positions, blanket positions, and other position-related transactions are documented by the use of the "Change in Established Positions form," STD. 607.

~~The temporary downgrading of positions through the use of the STD. 607 shall not be permitted, except when extraordinary situations occur that require such downgrading. In those situations, STD. 607 must be submitted with appropriate justification and lead time to be evaluated and approved by the DOF prior to the effective date.~~

~~Form~~ STD. 607s which meet the following four criteria are exempt from review and approval of ~~DOF~~ Finance, provided budgetary review is not otherwise mandated for that transaction.

1. The position has been: (a) specifically identified in the Governor’s Budget and approved by the Legislature and is under the threshold in Control Section 31.00 or;

(b) approved by the Legislature and identified ~~specifically documented~~ in the Final Change Book or enacted legislation and is under the threshold in Control Section 31.00.

1. The purposes are consistent with the approved program, ~~with~~ legislative intent, and ~~with~~ Administration policy. The STD. 607 does not provide for new or expanded programs in this or any subsequent fiscal year nor require supplemental financing.
2. The position transaction is in accordance with a staffing plan for the program or a change to the staffing plan which has been approved by ~~DOF~~ Finance as part of the department proposal approved by the Legislature either before or after enactment by the Legislature. The departmental staffing plan and amendments will be maintained as part of departmental records.
3. All pertinent statutory and administrative regulations, such as those of ~~DPA~~CalHR, SPB, ~~BOC,~~and SCO have been applied and prior approvals secured, when necessary.

Notwithstanding the general criteria for exemption listed above, budgetary review by ~~DOF~~ Finance is mandated for the types of transactions listed below.

* + ~~a.~~ Administrative establishment of positions not authorized by the Legislature.,
	+ Reclassification to positions with a maximum step per month as specified in Control Section 31.00 of the Budget Act.
	+ Reclassification to a Career Executive Assignment (CEA) from a non-CEA classification must be within the delegated authority approved by the Department of Human Resources (CalHR) and must be approved by Finance. Departments establishing new CEA positions are required to go through the standard CEA approval process with CalHR.

 ~~b. Reclassification to positions with a minimum maximum step per month as~~ ~~specified in~~

~~Control Section 31.00 of the Budget Act.~~,

* + ~~c.~~ Establishment of permanent positions out of the blanket ~~authorizations~~., ~~and~~
	+ ~~d.~~ Temporary downgrading of positions with a maximum salary as specified in Control Section 31.00 of the Budget Act~~through the use of STD. 607~~.

No STD. 607 executed for the above purposes will be exempt from review by Finance under the provisions of this manual or any special exemptions heretofore granted.

**Departments shall not reclassify positions above statutory thresholds set annually in Control Section 31.00—and cannot make appointments under any circumstances to those positions—before Finance approval has been received**. Departments entering position changes into the payroll system prior to Finance approval could be subject to audits, loss of delegated authority, reduced appropriation authority, and/or other administrative actions.

All departments ~~that are members of the Uniform State Payroll System, except those to which Section 31.00 is not applicable, as stated in Section 13332.16 of the Government Code,~~ should conform to Control Section 31.00 of the latest Budget Act. ~~Departments~~ Position-related transactions that are exempt ~~per~~ from Control Section 31.00 of the Budget Act per this this section must place the required certificate on each copy of STD. 607 prepared in accordance with the instructions in this section.

The officer or employee signing on behalf of the department shall use the following certification, which shall appear on all copies of the STD. 607.

*"I hereby certify that all conditions for exemption set forth in SAM Section 6527 have been complied with and this action is exempt from review by ~~DOF~~Finance.”*

The authority to sign this certification is limited to those officers who have been duly authorized by the department head to execute STD. 607s and whose names and position titles are on record with SCO and maintained in the department records for audit purposes.

~~No STD. 607 executed for the above purposes will be exempt from review by DOF under the provisions of this manual or any special exemptions heretofore granted unless it meets the preceding criteria.~~

~~All STD. 607s with justification as deemed appropriate, will be forwarded for review and approval to DOF if they do not bear this certificate.~~ The STD. 607s ~~with this~~that qualify for this certificate may be forwarded directly to SCO ~~without further reference to DOF~~.

All proposed establishment of positions and reclassification of positions with a ~~minimum~~ maximum salary step per month as specified in Control Section 31.00 of the Budget Act require full justification and explanation on the personnel document. ~~If changes to Budget~~

~~Act appropriations are involved, the personnel document is to be accompanied by a Budget Revision (BR) form, STD. 26. See SAM Section 6542~~Any additional costs are to be absorbed within existing appropriation authority.

Transactions documented under the provisions of this section shall be subject to audit by representatives of ~~DOF~~Finance, and a copy of such documents shall be retained for this review.

**SAM—ORGANIZATION FOR FISCAL MANAGEMENT**

**DEPARTMENT OF GENERAL SERVICES 7340**

(~~Renamed and~~ Revised ~~06~~10/20~~16~~18)

Pursuant to Government Code section 14659 et al., as of July 1, 2016, the responsibilities listed below will be transferred from the California Victim Compensation Board ~~and Government Claims Board~~ to the Department of General Services (DGS).

Presentation and audit of claims against the state for which (1) an appropriation has been made or a state fund is available and which the claims have been rejected by the Controller;

(2) the appropriation made or fund designated is exhausted; (3) no appropriation has been made or no fund is available but the settlement of which has been provided for by statute or constitutional provision; and (4) settlement is not otherwise provided in statute or constitutional provision. Also, claims against the state will be presented to DGS for any other injury for which the state is liable.

Website: <http://www.dgs.ca.gov/orim>

**Rev. 443 JUNE 2016**

# SAM - CASH

**EXAMINATION OF PAID CHECKS FOR ALTERATION**

**OR FORGERY 8041.1**

(Revised 08/2018~~06/2013~~)

ALTERATION—When departments find check amount and/or payee name has been altered, the State Treasurer’s Office (STO), Item Processing Section, will be immediately notified. Tthe Department of Finance ~~(Finance)~~, Office of State Audits and Evaluations [(OSAE)](http://www.dof.ca.gov/osae/), and the California State Auditor’s Office Investigations Division ([State Auditor)](https://www.auditor.ca.gov/) ~~, Investigations Division, and the State Treasurer's Office (STO), Item Processing Section,~~ will be ~~immediately~~ notified within 30 days. Alterations will generally be discovered when the monthly reconciliation of the bank and the centralized State Treasury accounts is performed. See SAM sections [**Error! Hyperlink reference**](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap7900/7923.pdf)[**not valid.**](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap7900/7923.pdf)7923, [**Error! Hyperlink reference not valid.** ~~and~~ 8060](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap8000/8060.pdf), and [20080](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap20000/20080.pdf)..

FORGERY—It is the department’s responsibility to review checks for possible fraudulent endorsements. An endorsement is a signature or stamp on the back of a negotiable instrument, such as a check. ~~Therefore,~~ D~~d~~epartments will at least test check endorsements for possible deviations. The purpose of this examination is to determine whether the name of the payee appears as the first endorsement and to attempt to detect fraud. Attention will be given to deviations from the normal, such as the following:

1. Endorsements in similar writing on several checks payable to different payees.
2. The same subsequent endorser on several checks.
3. A department employee being a subsequent endorser.
4. Effacement (erasing or wiping out) of endorsements.
5. Manual endorsements where stamped endorsements would be normal.

Departments that detect deviations from normal will investigate them and will notify ~~Finance,~~ OSAE ~~,~~ and the State Auditor within 30 days ~~, Investigations Division, immediately~~ of any indication of fraud or errors determined by their investigation. See SAM section [20080](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap20000/20080.pdf).

A letter also will be sent to the payee in duplicate requesting acknowledgment of payment if there is a reasonable question concerning the propriety of the endorsement.

If a department has been notified by a payee that a duly issued check has been lost, stolen, or not received, and the check in question is determined to have been paid by the STO, the issuing department will then initiate the following action:

1. Obtain the Forged Endorsement Affidavit, Form STO–CA–0034, from the STO, Item Processing Section at Item.Processing@Treasurer.ca.gov. Complete the section titled Description of Warrant/Check under item number (1). In the ~~―~~*Name of Payee*~~‖~~ block, type the name exactly as typed on the check. If initials were used, type in parentheses the full name, if known. For example, if the check is made payable to J. Doe, type ―J. Doe (John Doe).~~‖~~ Whenever possible, a street address should be indicated in addition to a post office box. On the top of the form, the department will indicate the department’s address to which the payee will return the form.

(Continued)

# ~~Rev. 422~~

**SAM - CASH**

(Continued)

# EXAMINATION OF PAID CHECKS FOR ALTERATION

**OR FORGERY 8041.1** (Cont. 1)

(Revised 08~~6~~/2018~~3~~)

1. The department will then forward the three copies of the Form STO-CA-0034, with a full and legible copy (front and back) of the alleged forged check attached to the top of each copy of the form to the payee to be signed. All three copies must be signed in ink. The payee’s signature must be either witnessed by two disinterested parties or notarized. All three copies must be signed by witnesses; one notarized copy will suffice. The payee is to return all three copies to the department.
2. The department accounting officer or designee should review and compare the payee’s signature with the endorsement on the check; the alleged forged endorsement should also be compared with any other material on file in the payee's handwriting. The department will, with reasonable justification and proper notice to the payee, refuse acceptance of the forgery affidavit if it is determined beyond reasonable doubt that any statement on the affidavit is perjured.
3. Acceptable affidavits, with copies of the alleged forged check, will be forwarded in triplicate to: STO, Item Processing Section, P.O. Box 942809, Sacramento, CA, 94209–0001.
4. Upon receipt by the STO, the first copy of the Form STO–CA–0034 will be charged back to the applicable bank. The second copy will be returned to the department with the date of charge-back indicated on the front. The third copy will be retained by the STO.
5. The bank will be given 30 days from the date of charge-back in which to protest. Departments will be immediately notified by the STO as to any such action by the bank. Reissuance by the department prior to 30 days from the date of charge-back to the bank is at the department’s own risk. See SAM section [8427](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap8400/8427.pdf) for procedures for handling forged warrants.

# ~~Rev. 422~~

**SAM - CASH**

**LOSS OF BLANK CHECK STOCK 8048**

(Revised 08~~6~~/2018~~3~~)

Whenever any blank check stock is determined to be missing, departments will immediately notify the State Treasurer's Office of the missing check number(s), the account used, and the date the check(s) determined to be missing. If there is any indication that the check(s) might have been stolen, departments will notify the Department of Finance, Office of State Audits and Evaluations, the California State Auditor’s Office (see SAM section [20080](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap20000/20080.pdf)), and the [California Highway](https://www.chp.ca.gov/home/) [Patrol.,](http://www.chp.ca.gov/index.php) Report Crime or Damage on State Property (STD [99](https://www.chp.ca.gov/notify-chp/crime-incident-reporting-system)).

# ~~Rev. 422~~

**SAM - CASH**

**SEPARATION OF DUTIES AUTOMATED SYSTEMS 8080.1**

(Revised 08~~2~~/2018~~1998~~)

The ~~Financial~~ State Leadership Accountability Act ~~Integrity and State Manager's Accountability Act of 1983~~ (Government Code s~~S~~ections [13400–13407)](http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&amp;division=3.&amp;title=2.&amp;part=3.&amp;chapter=5.&amp;article) requires that the head of each state department~~agency~~ establish and maintain an adequate system of internal control within their ~~agencies~~departments. A key element in a system of internal control is separation of duties. This section provides the appropriate level of separation of duties for departments~~agencies~~ with automated accounting processes. Employees of units other than the accounting/data processing units should be used, when necessary, to provide separation of duties.

No one person will perform more than one of the following types of duties:

1. Designing s~~S~~ystems
2. Programming
3. Maintaining records file and operating mechanized equipment
4. Initiating disbursement document
5. Approving disbursement document
6. Inputting disbursement information
7. Receiving and depositing remittances
8. Inputting receipts information
9. Controlling blank check stock
10. Reconciling input to output
11. Initiating or preparing invoices

# ~~Rev. 363~~

**SEPARATION OF DUTIES 8080**

(Revised 08~~9/1991~~2018)

The State Leadership Accountability Act ~~Financial Integrity and State Manager's Accountability Act of 1983~~ (Government Code s~~S~~ections [13400–13407)](http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&amp;division=3.&amp;title=2.&amp;part=3.&amp;chapter=5.&amp;article) requires that the head of each State ~~agency~~ department establish and maintain an adequate system of internal control within their ~~agencies~~departments. A key element in a system of internal control is separation of duties. This section provides the appropriate level of separation of duties for ~~agencies~~ departments with manual accounting processes.

Employees of units other than the accounting unit should be used, when necessary, to provide separation of duties.

Members of the same family (husband, wife, brother, or sister) are considered one person. No one person will perform more than one of the following seven types of duties:

1. Receiving and depositing remittances
2. Authorizing disbursements
3. Preparing checks
4. Operating a check signing machine\*
5. Comparing machine-signed checks with authorizations and supporting documents (or signing checks manually after personally comparing them with authorizations and supporting documents).\* ~~(See below for instructions as to which position is to be assigned this duty.)~~
6. Reconciling bank accounts and posting the General Ledger or any subsidiary ledger affected by cash transactions\*
7. Initiating, or preparing invoices

(\*Will not have access to or control blank check stock)

The person who prepares checks will mark authorizations and supporting documents with the check number in ink in such a manner as to prevent their reuse.

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(Continued)

**SEPARATION OF DUTIES 8080** (Cont. 1)

(Revised 08/2018~~9/1991~~)

Preferably, no books of original entry concerning cash receipts, cash disbursements, or invoices should be kept by ~~employees~~ any person assigned duties 1, 2, 3, 4, 5, or 7 ~~above~~. However, persons receiving or depositing remittances may keep the cash receipts register, persons preparing checks may keep the cash disbursements register, and persons preparing invoices may keep the invoice register. Any p~~P~~erson~~s~~ assigned duties 1, 2, 3, 4, 5, or 7 ~~above~~ will not keep more than one of the books of original entry concerning receipts, disbursements or invoices.~~, but persons assigned duty 6 above may do so~~. These books of original entry are: General Cash Receipts Register, General Cash Disbursements Register, Trust Cash Receipts Register, Trust Cash Disbursements Register, Revolving Fund Cash Book, and Invoice Register.

The paid checks will be delivered unopened to the person charged with the bank reconciliation function and will be safeguarded by him/her until the reconciliation is completed.

~~Agencies~~ Departments having an office management, office services, or cashiering section independent from the accounting office will assign to such duties, 1, 3, 4, and 5 ~~listed above~~. Such section ~~also~~ will be custodian of check stock, but accountability records for such stock will be kept by the accounting office.

Duty 5 should be performed by staff with appropriate authority and responsibility. When separation of duties is not possible due to small size and limited staffing, compensating controls such as management supervision and review of cash disbursement should be implemented. ~~is a very responsible disbursing operation. Preferably, it will be performed by a Business Service Officer I or higher classification in an office management, office services, or cashiering section independent from the accounting office if the agency has such a section and it is so staffed. Otherwise duty 5 will be performed by the accounting section unless the volume is very small and it is practical to have it done by~~

~~an administrative services officer, business manager, or other officer who supervises the chief of the accounting section. If it is performed in the accounting section, it will be done by the chief of the accounting section or by the person designated by the one who supervises the chief of the accounting section.~~

(Continued)

(Continued)

**SEPARATION OF DUTIES 8080** (Cont. 2)

(Revised 08/2018 ~~9/1991~~)

Checks will not be routed for mailing or distribution through the person who authorized the disbursement or prepared the check.

The person who prepares checks will maintain a daily log of checks written. If the checks are to be signed by check signing machine, it will be in the form shown in SAM s~~S~~ection 8081. If the checks are signed by hand, the following form will suffice:

|  |  |  |  |
| --- | --- | --- | --- |
| Date | BeginningCheck Number | EndingCheck Number | Numbers of Voided Checks |
| 10/1 | 101 | 203 | 157,192 |
| 10/2 | 204 | 255 | 231 |

The person who records checks written in the books of original entry (General Cash Disbursements Register, Trust Cash Disbursements Register, and Revolving Fund Cash Book) will assure that only those checks shown on the daily log of checks written are recorded therein.

Organizational units cited above will perform the duties outlined only when the nature of services provided by such units permit. It is not the intention of this instruction to

include office service units in separation of duties if, for example, the unit is providing duplicating services only or similar activities not related to accounting functions.

**SAM – FISCAL AFFAIRS**

**ALLOTMENT – EXPENDITURE ACCOUNTING**

**ENCUMBRANCES**

**8340**

(Revised ~~12~~10/20~~05~~18)

Encumbrances are commitments for expenditure and are estimated carefully to reserve the amount of the expected expenditures. Departments will consider the necessity for encumbering small transactions that comprise a small percentage of total expenditures. For example, individually encumbering small purchases can be time consuming; therefore, the average amount of small purchases outstanding may be included in "the lag." (See SAM Section [8342.1](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap8300/8342.1.pdf).)

Appropriations are encumbered by purchase estimates (provided the Department of General Services ([DGS](https://www.dgs.ca.gov/dgs/home.aspx)) Purchase Order is dated prior to the date the appropriation encumbrance availability ceases), printing requisitions, payroll estimates, leases, standard agreements, Public Works Project Authorization and Transfer Requests, lag encumbrances, sub purchase orders, or other documents.

The ~~Victim Compensation and Government Claims Board~~ [California Victim](https://victims.ca.gov/) [Compensation Board](https://victims.ca.gov/) Rule 610 provides that the issue date of an agreement determines the fiscal year appropriation to which the encumbrance/expenditure for goods or services is charged. The issue date of an agreement is the date it is “made and entered into.” Any required control agency approvals are retroactive to that date. However, departments must meet the deadlines for submitting procurement documents as specified by the DGS.

For support and local assistance appropriations, encumbrances/expenditures are charged to the fiscal year in which the agreement was issued when the delivery date of the goods/services is in the same fiscal year or the delivery date is construed to mean as soon as possible. As soon as possible includes a delivery date that is:

* + Not identified or specific
	+ Specific but not a requested delay in delivery
	+ Specified as 10 days, 30 days, or the like

The following exceptions may apply:

* + Encumbrances/expenditures are charged to the fiscal year that the goods/services are received when the purchase agreement stipulates that goods/services be delayed until requested or delayed until on or after a specific date (e.g., agreement issued in June for which the department requests equipment maintenance during the next fiscal year).
	+ Goods purchased and received in the months of May or June for use during the subsequent fiscal year may be paid from the appropriation for such subsequent fiscal year. Invoices covering such purchases shall be marked as follows:

# SAM – FISCAL AFFAIRS ALLOTMENT – EXPENDITURE ACCOUNTING

(Continued)

**ENCUMBRANCES 8340** (Cont. 1)

(Revised 10/2018)

* + - “Purchased in F.Y. for use in F.Y.” Payments for such invoices may not be made until enactment of the subsequent fiscal year Budget.

# ~~SAM – FISCAL AFFAIRS~~

**~~ALLOTMENT – EXPENDITURE ACCOUNTING~~**

~~(Continued)~~

# ENCUMBRANCES 8340

~~(Cont. 1)~~

~~(Revised 1210/200518)~~

* + Multi-year Agreements – Agreements which span more than one fiscal year maybe charged (1) totally to the first year of appropriation covered by the agreement, or (2) to more than one fiscal year’s appropriation, depending on the:
		- Appropriation authority – Sufficient spending appropriation authority must exist.
		- Details of the agreement.

Departments will determine the budgetary plan for charging the encumbrance and subsequent expenditure when issuing a multi-year agreement. The budgeted amount will be reflected in the funding strip of the agreement. Departments have discretion as to which fiscal year appropriation to charge; however, the budgetary plan is the predominant factor in making this determination.

The certificate of funds availability must be signed by the accounting officer or a delegate after such person has ensured that funds are available.

Encumbrances will be recorded individually in the ~~Allotment Expenditure~~Encumbrance Ledger ~~(AEL) or operating file~~of the Procurement Module (~~CALSTARS~~ [FI$Cal](http://www.fiscal.ca.gov/) departments) for the appropriation. ~~This entry will increase the unliquidated encumbrance amount and decrease the unencumbered balance.~~

As expenditures are recorded on claims, amounts will be posted to reduce the related encumbrance amount. For partial orders, many automated systems will liquidate the encumbrance for the same amount as the expenditure. However, if it is determined that encumbrance amounts are materially misstated, either over or underestimated, adjustments will be recorded to more accurately reflect the expected expenditure. The encumbrance is fully liquidated when the order is fully satisfied.

~~Estimated decreases will be recorded as a minus amount. This will decrease the unliquidated encumbrance amount and increase the unencumbered balance.~~

Encumbrances will be recorded in the General Ledger accounts as prescribed in SAM Section [10502](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap10500/10502.pdf).

~~Rev. 392~~

**SAM - DISBURSEMENTS**

**GENERAL 8400.1**

(Revised ~~3~~10/~~2013~~2018)

Rules and Regulations of the [California Victim Compensation Board](https://victims.ca.gov/)~~and Government Claims Board~~ prescribe the method of filing claims for disbursement of moneys from the State Treasury. This section is confined to procedures relating to the preparation and accounting of such claims.

State disbursements normally consist of: (1) expenditures, (2) refunds to payers, (3) advances for office revolving funds, (4) purchases of investments, (5) transfers between funds for non- expenditure purposes, and (6) withdrawals of trust deposits. The following illustration shows the normal flow for the authorization, incurrence, and payment of State expenditures.



# (8400.1 Illustration)

**INVOICES AND VOUCHERS 8422.1**

(Revised ~~2~~10/~~2015~~2018)

Original invoices will be included in claims presented to the State Controller's Office ([SCO](https://www.sco.ca.gov/)). If departments cannot obtain original invoices, the SCO will accept photocopies. Invoices marked as copies will include the same detailed information as provided on the original invoice, such as items purchased, quantity, delivery address, etc. In addition, the copies will be accepted by the SCO only if the following information is placed on the copy:

This bill has been checked against our records and found to be the original one presented for payment and has not been paid. We have recorded this payment so as to prevent a later duplicate payment.

Signed: \_

Accounting Officer

The first step in the claim procedure is determining that invoices are proper for submission to the SCO for payment. Invoices will comply in form and content with the Victim Compensation ~~and Government Claims~~ Board regulations found in the [California Code of](https://govt.westlaw.com/calregs/Search/Index) [Regulations](https://govt.westlaw.com/calregs/Search/Index), ~~T~~title 2, ~~D~~division 2, ~~C~~chapter 1, ~~A~~article 7, ~~S~~section 677. Also, the department will determine that:

* + Items or services invoiced have been received or provided, as evidenced by stock received reports or similar documents or employee verification.
	+ Payment has not previously been made (this may be accomplished by referring to the department's remittance advice file or other department records).
	+ Invoices comply with provisions of purchase orders, sub-purchase orders, contracts, leases, service agreements, grants, etc.
	+ Cash discounts have been taken, if applicable.
	+ Authority exists to obtain the goods or services.
	+ Freight charges of more than $50 must have supporting prepaid freight bills included in the claim schedule to the SCO.
	+ Freight charges of more than $500 have been approved by the Department of General Services ([DGS](https://www.dgs.ca.gov/dgs/home.aspx)), Transportation Management Unit (see SAM section [3851](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap3800/3851.pdf)).

Departments will verify the calculation of discounts, if applicable, price extensions, and sales tax and the arithmetical accuracy of totals on all invoices, including travel expense claims.

(Continued)

**INVOICES AND VOUCHERS 8422.1** (Cont. 1)

(Revised ~~2~~10/~~2015~~2018)

The document number providing the purchase authority (e.g. purchase order number, contract number, sub-purchase order number, lease number) will be shown on original invoices submitted to the SCO.

The department may notify the vendor/claimant of any corrections to invoices by a Notice of Correction of Invoice, [STD. 107](http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std107.pdf). However, the department must send an Invoice Dispute Notification, [STD. 209](http://www.dgs.ca.gov/ofam/Forms.aspx), as described in SAM section 8474.1.

Utility services invoices may contain a service period that overlaps two calendar months. This billing procedure does not cause any problems except at the end of a fiscal year. For uniformity, departments will charge utility invoices to the fiscal year in which the majority of the service falls. For example, if the service period is from June 10 through July 9, the total amount of the invoice will be charged to the fiscal year just ended. If the service period is from June 21 through July 20, the total amount of the invoice will be charged to the new fiscal year. If the period of service is of equal duration in each fiscal year, the invoice may be charged to either fiscal year.

Fleet services are billed by DGS on a calendar month basis. Occasionally minor amounts representing adjustments and delayed billings of the prior year are included in an invoice for the current year. Under these circumstances, the entire invoice may be charged to the current year appropriation.

For additional information, see the following SAM sections:

* + [0700](http://sam.dgs.ca.gov/TOC/700.aspx) et seq. for travel
	+ [3800](http://sam.dgs.ca.gov/TOC/3800.aspx) et seq. for transportation management (including freight charges)
	+ [8113](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap8100/8113.pdf) for additional information on discount invoices
	+ [8780.1](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap8700/8780.1.pdf) for additional information on Workers' Compensation invoices

(Revised ~~6~~10/~~2014~~2018)

Invoices for contractual services and space rental will show the applicable contract or lease number, or other data, to allow positive identification of an existing contract or lease. The State Controller's Office ([SCO](https://www.sco.ca.gov/)) will examine the contracts to determine whether the payments are in accordance with the contract terms. All contracts are filed with the SCO upon execution in accordance with SAM Chapter [1200](http://sam.dgs.ca.gov/TOC/1200.aspx).

Original authorizations by lessors to make payments to someone other than the lessor will be forwarded to the SCO prior to scheduling invoices requiring such payment. Leases subject to Department of General Services ([DGS](https://www.dgs.ca.gov/dgs/home.aspx)) approval will secure its notification of approval before scheduling invoices to the new payee.

Departments will attempt to obtain invoices in advance for all payments to be made under contracts or leases which provide for fixed monthly or quarterly payments, other than for space rentals. As each payment becomes due, the applicable invoice will be removed from the file and scheduled for payment. If the lessor or contractor's names are not on printed billheads, the invoice should be checked for signatures of the lessor or contractor. Remove remaining invoices for canceled contracts or leases.

~~Victim Compensation and Government Claims Board~~ [California Code of Regulations](https://govt.westlaw.com/calregs/Search/Index), title 2, division 2, chapter 1, article 7, section 677(f) permits space rental lease payments without an accompanying invoice if the applicable lease is on file with the SCO. A listing of the lease payments to be made may be submitted instead of individual invoices. The listing must include the lease number, name of lessor/assignee, location of leased property, amount, period covered by payments, and due date of the payment. The listing format must be approved by the SCO, Audits Division prior to submitting the listing for payments.

Changes (payee, amount, address, etc.) to a space rental lease must be received by the SCO, Audits Division by the 22nd of the month in order to make the change effective by the first of the succeeding month.

Invoices for payment on oral agreements should describe fully the nature of the services rendered and the terms or conditions under which payment is to be made and a notation that there is no written agreement.

For one-time payment contracts, a copy of the contract will be attached to the invoice at the time the claim schedule is sent to the SCO. This will facilitate the audit and expedited payment of the claim.

(Revised 10/2018) (Renumbered from 8422.203 7/1988)

~~State Board of Control Rule 622.1~~ [California Code of Regulations](https://govt.westlaw.com/calregs/Search/Index), ~~T~~title 2, ~~D~~division 2, ~~C~~chapter 1, ~~A~~article 3, section 622.1(a) permits ~~State~~ state ~~agencies~~departments, upon approval of the State Controller, to submit claims recorded on electronic tape. Claims which have the following characteristics ordinarily will be considered for submittal in this manner:

* + Large volume of payees;
	+ Similar in nature or purpose;
	+ Subject to repetitive handling and processing.

~~Agencies~~Departments should contact the [State Controller's Office](https://www.sco.ca.gov/), Division of Audits for additional information and assistance.

**SAM – PROPERTY ACCOUNTING**

**LOST, STOLEN, OR DESTROYED PROPERTY 8643**

(Revised 08~~3~~/2018~~4~~)

Whenever property is lost, stolen, or destroyed, departments will prepare a Property Survey Report form, [STD. 152.](http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std152.pdf) The department will adjust its property accounting records and retain the Property Survey Report as documentation. The report will contain:

1. A description of the events.
2. Precautions to be taken to prevent repeat situations.
3. A statement that the California Highway Patrol has been notified (Government Code s~~S~~ection [14613.7)](http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV&amp;sectionNum=14613.7).

Losses of state property due to misuse, theft, damage, employee misconduct, error, or other improper activities ~~fraud or embezzlement~~ will be reported to the

Department of Finance ~~(Finance)~~, Office of State Audits and Evaluations and the [California State Auditor’s Office.](https://www.auditor.ca.gov/) See SAM section [20080.](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap20000/20080.pdf) Employees will be charged with any loss and damages to state property due to their negligence or unauthorized use.

Department management must promptly investigate incidents involving loss, damage, or misuse of information assets. Departments shall ~~immediately~~ notify the California Highway Patrol upon discovery of all Information Technology security incidents and computer related crimes. See SAM s~~S~~ections [5340.1 through 5340.4.](http://sam.dgs.ca.gov/TOC/5300.aspx)

Each department having ownership responsibility for information must complete an Information

Security Incident Report. The ~~Security Incident~~ r~~R~~eport, part of the State Information Management Manual, is available at <https://cdt.ca.gov/policy/simm/>. [~~http://www.cio.ca.gov/Government/IT\_Policy/SIMM.html.~~](http://www.cio.ca.gov/Government/IT_Policy/SIMM.html) The report must be submitted to the California Information Security Office within ten working days of the department’s becoming aware of an incident involving the theft of such information, including information stolen in conjunction with the theft of a computer or data storage device.

**BILLING FOR SERVICES OF EMPLOYEES PAID ON MONTHLY BASIS**

(Revised 0~~1~~2/201~~8~~9)

# 8740

This section provides the methodology and formula for determining the hourly billing rate when a department bills for the services of employees paid on a monthly basis on or after January 1, 201~~8~~9. As outlined below, the hourly billing rate is computed using the total actual working time per year and the state’s staff benefit contribution percentage.

Total actual working time per year is determined by deducting the number of hours for Saturdays, Sundays, holidays, and other absences from total hours for the calendar year. To determine other absences, departments will compile and average absences such as vacation leave, annual leave, personal leave program, sick leave, bereavement leave, informal time off, jury duty leave, military leave, furlough leave, and professional development leave.

This formula only provides billing for hours actually worked. The formula does not include an amount for such costs as identifiable operating expenses incurred in rendering the service, charges for other than incidental use of equipment, overhead, and other costs. In addition, Workers’ Compensation, Industrial Disability, Unemployment Compensation, and Life Insurance benefits are not included in the formula since these expenses can vary substantially among departments. However, such costs should be included in billing for services in accordance with SAM sections 8752.1 and 8758.

(Continued)

(Continued)

# BILLING FOR SERVICES OF EMPLOYEES PAID ON MONTHLY BASIS

(Revised 0~~1~~2/201~~8~~9) **8740 (Cont.**

# ~~2~~1)

**HOURLY BILLING RATE CALCULATION – TOTAL ACTUAL WORKING TIME PER YEAR**

|  |  |  |
| --- | --- | --- |
| CALENDAR YEAR | 365 days x 8 hours = | 2920 hrs. |
| LESS DEDUCTIONS |  |  |
| Saturdays Sundays | 52 days x 8 hours =52 days x 8 hours = | 416 hrs.416 hrs. |
| Holidays:New Year’s DayMartin Luther King Jr. Day President’s DayCesar Chavez DayMemorial Day Independence Day Labor Day Veteran’s Day Thanksgiving DayDay After Thanksgiving Christmas Day Personal Holiday | 12 days x 8 hours = | 96 hrs. |

Other Absences (averages): Vacation/Annual Leave\* Personal Leave Program (PLP)\* Miscellaneous – Sick,

Bereavement, Informal Time Off, Jury Duty, Military, Furlough Off, Professional Development Leave\*

Subtotal of Other Absences (Vacation, PLP, and Miscellaneous)

TOTAL DEDUCTIONS

(Include all amounts calculated under deductions)

TOTAL ACTUAL WORKING TIME PER YEAR

(2920 hrs. less Total Deductions)

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\*Statewide data is not available. Each department, based on previous experience and expertise, must compile the information for Other Absences. Remember to calculate a separate average for each type of Other Absences (i.e. average vacation/annual leave, average PLP, and average miscellaneous absences).

(Continued)

(Continued)

# BILLING FOR SERVICES OF EMPLOYEES PAID ON MONTHLY BASIS

(Continued)

(Revised 0~~1~~2/201~~8~~9)

# 8740 (Cont. ~~3~~2)

STATE’S STAFF BENEFIT CONTRIBUTION PERCENTAGES

(Effective January 1, 201~~8~~9)

|  |  |
| --- | --- |
| Employee’s Retirement | ~~28.33~~29.40 |
| OASDI | 6.20 |
| Medicare | 1.45 |
| Health, Vision, and Dental Benefits | ~~14.83~~14.94 |
| TOTAL PERCENT | ~~50.81~~51.99 1/ |

# FORMULA FOR CALCULATING THE HOURLY BILLING RATE:

(Monthly Salary Rate x ~~1.5081~~1.5199) divided by (“Total Actual Working Time per Year” divided by 12)

Note: Monthly Salary Rate should be adjusted as necessary to reflect (average) salary reductions for PLPs and furloughs.

# Formula for calculating daily rate for 2,000 hours or less per year:

The number of working hours per month is not appropriate for employees not expected to work 2,000 hours per year, less vacation and sick leave. In such instances, an estimate of actual working time per month or year, considering average holiday, vacation, and sick leave should be used. For example, billing rates for academic year employees, such as college instructors, would be computed on the basis of the number of workdays in a year, less the average of sick leave usage. (Holidays and vacation are not considered in this instance since they are considered in determining the number of workingdays.)

Daily Rate = (Annual Salary Rate x ~~1.5081~~1.5199) divided by (Working Days per Year - Average Sick Leave Days Used per year)

Hourly Rate = Daily Rate divided by 8

(Continued)

# REV. 443

(Continued)

**BILLING FOR SERVICES OF EMPLOYEES PAID ON MONTHLY BASIS 8740 (Cont. ~~4~~3)**

(Revised 0~~1~~2/201~~8~~9)

Note: The ~~50.81~~51.99 percent rate is applicable only to employees who are Miscellaneous Tier 1 members of the Public Employees' Retirement System. For those employees who are not Miscellaneous Tier 1 members, but who still belong to Social Security, their appropriate retirement contribution rate will be substituted for the ~~28.33~~29.40 percent rate. Those employees who are not Miscellaneous Tier 1 members and who do not belong to Social Security will include their appropriate Medicare and retirement rates, and health, vision, and dental benefit rates. For example, the appropriate total rate for members of the Safety Retirement Category who do not belong to Social Security is ~~35.68~~37.92 percent consisting of:

|  |  |
| --- | --- |
| Employee’s Retirement (State Safety) | ~~19.40~~21.53 |
| Medicare |  1.45 |
| Health, Vision, and Dental Benefits | ~~14.83~~14.94 |
| TOTAL PERCENT | ~~35.68~~37.92 |

This ~~35.68~~37.92 percent figure will be used in lieu of the ~~50.81~~51.99 percent figure shown above. State departments with employee members in different retirement categories may use a composite employer contribution rate, based on department experience. Also, any department may use other rates for [OASDI,](https://www.ssa.gov/policy/docs/quickfacts/prog_highlights/index.html) Medicare, and health, vision, and dental benefits if more accurate rates can be determined from the actual experience of their operations.

# REV. 443

**~~SAM-MISCELLANEOUS ACCOUNTING PROCEDURES~~**

**GENERAL 8777.1**

~~(Revised 1/85)~~

~~The Office of Risk and Insurance Management of the Department of General Services takes action to recover for most State agencies the cost of damage done to State vehicles by third parties. A few State agencies undertake their own collection activities under statutory authority or upon approval of the Office of Risk and Insurance Management. This section applies only to those agencies for which the Office of Risk and Insurance Management undertakes collection activity.~~

**Rev. 417 MARCH 2012**

 **~~SAM-MISCELLANEOUS ACCOUNTING PROCEDURES~~**

**PROCEDURES 8777.2**

~~(Revised 1/85)~~

1. ~~An agency forwards a Report of Vehicle Accident, STD. 270, to the Office of Risk and Insurance Management in accordance with SAM Chapter 2400.~~
2. ~~The Office of Risk and Insurance Management makes the necessary review and notifies the third party if it is indicated that the third party is liable for the cost of repairing the State vehicle.~~
3. ~~When the Office of Risk and Insurance Management notifies the third party, it also requests the agency to forward to the Office of Risk and Insurance Management two copies of the approved invoice for repairs plus any disapproved estimates. It is imperative that the agency forward these invoice copies as soon as the invoice is received by the agency. If the agency has decided that repairs will not be made, the agency should notify the Office of Risk and Insurance Management immediately so needless collection activity will not occur. The Office of Risk and Insurance Management in these cases will notify the agency if it is still advisable to proceed with the claim and whether collection may be made on the basis of an estimate only.~~
4. ~~The Office of Risk and Insurance Management will notify the agency of the amount demanded from the third party. The agency will then recognize the claim as a contingent receivable. In the event a contingent receivable is closed without recovery, or closed with recovery of a lesser amount received than that which was claimed, the Office of Risk and Insurance Management will notify the accounting office of the State agency concerned~~
5. ~~The Office of Risk and Insurance Management will notify the agency when a claim against a third party becomes a valid receivable. In the event that a valid receivable becomes uncollectible, the State agency is required by Government Code Sections 13940–42 to seek relief of accountability from the State Board of Control. The Office of Risk and Insurance Management will not notify the agency when an insurance company gives notice that they will be forwarding a check for payment of damages. Although this might be considered a promise to pay, it is not expedient to classify such claims as valid receivables because payment will be received in ten to fifteen days.~~

~~(Continued)~~

**~~SAM-MISCELLANEOUS ACCOUNTING PROCEDURES~~**

~~(Continued)~~

**PROCEDURES 8777.2** (Cont. 1)

~~(Revised 1/85)~~

1. ~~Collections of damage recovery claims will normally be received by the Office of Risk and Insurance Management of the Department of General Services. The accounting office will forward to the agency a cash State check for the amount of the collection and a copy of the cash receipt containing pertinent information. If an agency happens to receive a payment directly from a third party or its agent, it is important that the agency notify the Office of Risk and Insurance Management immediately so that Office of Risk and Insurance Management files can be updated.~~
2. ~~The agency will be responsible for reconciling its records to those of the Office of Risk and Insurance Management. Yearly a list of open departmental claims will be forwarded to the Office of Risk and Insurance Management, Department of General Services, which will advise as to their status. Agency records will consist of items recorded in the accounting records as well as a pending file of items which have been determined to be contingent receivables when the repair costs are paid.~~

**ENTRY NO. A–8, ACCOUNTS PAYABLE ARE ACCRUED 10608**

(Revised ~~6~~10/~~14~~2018)

**Nature of Transaction:**

The A-8 entry accrues expenditures for valid encumbrances (commitments) and obligations for the fiscal year just ended. This entry is dated and posted as of June 30.

**Journal Entry for General Ledger Account:**

Debit:

5350 Reserve for Encumbrances a/ 9000 Appropriation Expenditures b/

9893 Prior Year Appropriations Adjustments c/ Credit:

3010 Accounts Payable d/ 3114 Due to Other Funds e/

3115 Due to Other Appropriations, Within the Same Fund f/ 3210 Due to Federal Government g/

3220 Due to Local Government h/

3290 Due to Other Governmental Entities i/ 6150 Encumbrances a/

a/ Balance of Accounts No. 5350 and 6150 as of June 30.

b/ Amount of valid encumbrances and obligations as of June 30 payable from appropriations available for encumbrance during the fiscal year just ended.

c/ Amount of valid encumbrances and obligations as of June 30 payable from prior year appropriations not available for encumbrance during the fiscal year just ended.

d/ Amount of obligations in b and c due to private entities and the total encumbrances in b and c.

e/ Amount of obligations in b and c due to other funds.

f/ Amount of obligations in b and c due to other appropriations, within the same fund

g/ Amount of obligations in b and c due to the federal government. h/ Amount of obligations in b and c due to local governments.

i/ Amount of obligations in b and c due to other governmental entities.

In addition, if any encumbrances will be funded by a reimbursement, the reimbursement may be accrued in one asset account, Accounts Receivable – Reimbursements, General Ledger Account 1312. See SAM section [7952.](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap7900/7952.pdf)

**ENTRY NO. A–8, ACCOUNTS PAYABLE ARE ACCRUED 10608** (Cont. 1)

(Revised ~~6~~10/~~14~~2018)

**Source Document:**

Encumbrance documents (e.g., contracts, purchase orders, purchase estimates, Public Works Project Authorization and Transfer Requests, etc.)

**Explanation:**

This entry is made to accrue the amounts for (1) valid encumbrances (goods/services not received/performed as of June 30), and (2) obligations (goods/services received/performed as of June 30 but not yet scheduled for payment).

To determine the amounts for valid encumbrances and obligations, all unliquidated encumbrances are reviewed to identify whether they are valid encumbrances or obligations of the year just ended, as defined by the ~~Victim Compensation and Government Claims Board~~ [California Victim Compensation Board](https://victims.ca.gov/) Rule 610 and described in SAM section [8340](https://www.documents.dgs.ca.gov/sam/SamPrint/new/sam_master/sam_master_file/chap8300/8340.pdf).

Contracts and purchase orders will be analyzed to determine that the amounts approximate the actual expenditures that will be incurred. Amounts will be adjusted at this time if appropriate, e.g., purchase estimates adjusted to amounts of related purchase orders, contract balances liquidated when final payment has been made on a contract, etc.

For multi-year agreements, departments must determine by June 30 the amount to encumber against the first fiscal year, in accordance with the budget plan when the agreement was issued. Any amounts not encumbered and not accrued to an appropriation during the period of encumbrance availability shall be paid from an appropriation that is available for encumbrance.

Many support and local assistance encumbrances remaining at year-end should be liquidated within a few months of the new fiscal year. Capital outlay encumbrances generally require more time to liquidate. Departments are instructed to closely monitor encumbrances to effect prompt delivery of requested goods or services and to ensure timely disencumbrances in instances where it is determined the goods or services will not be received/performed or will cost less than originally estimated.

Even though the unencumbered balance is not formally reverted in the appropriation accounts of the State Controller's Office, the remaining two years prior to actual reversion are strictly for the liquidation of encumbrances accrued as of the last date the appropriation was available for encumbrance and the payment of obligations, which are chargeable only to a prior year appropriation.

**SAM—STANDARD ENTRIES (Cont.d)**

(Continued)

**ENTRY NO. A–8, ACCOUNTS PAYABLE ARE ACCRUED 10608** (Cont. 2)

(Revised ~~6~~10/~~14~~2018)

Any obligations that were not previously encumbered will be accrued. Any obligations of prior fiscal year appropriations that have not yet reverted will be accrued to the applicable fiscal year. In addition, any obligations of reverted appropriations will be accrued to a like appropriation of the fiscal year just ended. These procedures permit all valid obligations of state funds to be reflected in year-end financial reports.

Once the encumbrances and obligations have been determined, these amounts are recorded as (1) expenditures in the applicable appropriation accounts and (2) liabilities in the accounts which identify to whom the amount is due. See above detailed journal entry.

Accrual entry amounts will, at a minimum, be supported by the following: vendor name, document number or other reference (contract number, purchase order number, etc.), and entry date. Departments must retain supporting documentation and reports for audit purposes.

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