CAPITAL OUTLAY BUDGET CHANGE PROPOSALS (COBCP) **6818**
(Revised 5/98)

A COBCP is required for all capital projects proposed for the Governor's Budget and for certain capitalized leases which do not have prior legislative authority. This section provides:

1. An overview of the purpose of the COBCP;

2. Under what circumstances a COBCP is required;

3. Timelines for submittal and updating;

4. Instructions for completing COBCPs, including a section on technical notes; and

5. A sample of the required COBCP format in the illustration for this section.

Additional documents which must accompany the COBCP are outlined in Section 6816 and explained in Sections 6820, 6821, and 6822. Terminology, acronyms and forms are defined and indexed in the glossary (Section 6899).

Purpose of the COBCP: In broad terms, the COBCP justifies the funding request. Specifically, the COBCP must:

1. Define the client department's problem and establish its significance;

2. Demonstrate that the client department has explored all reasonable alternatives to solving the problem and offered the most logical solution;

3. Provide detailed documentation for the proposed solution and its cost; and

4. Explain how the project supports the department's strategic plan.

DOF will consider only those proposals which *convincingly* meet all four of these requirements.

A COBCP (or an updated COBCP) is required for:

1. **Any request for a capital outlay appropriation or reappropriation**, whether for acquisition of land or structures or for construction. (Definitions of what cost elements are classified as capital outlay are provided in Section 6806.) A COBCP is also required for project augmentations which exceed PWB's authority (i.e., over 20 percent of the original appropriation). See Section 6861.

2. **Requests for Finance Letters** to adjust an existing project proposal, whether for technical or policy reasons, or to add an urgent new proposal.

3. **Entering into a lease with purchase option**. Although no capital expenditure is made when entering into a lease with a purchase option, the potential for a capital acquisition is created. At the time the client department submits a STD. 9 space action request for DOF review, it must demonstrate that it has analyzed the potential alternatives (state construction, lease-purchase agreement, pure lease) and selected the best alternative. *For projects then seeking statutory authority for the purchase option through the Budget Act, the cost-benefit or economic analysis must be updated and presented as a COBCP*. (A COBCP is required whether or not there is a related support BCP for lease costs.) For projects seeking purchase option authority through special legislation, similar information will be required as part of DOF's review of proposed legislation. For projects under $2 million, DGS has general statutory authority for purchase options (Government Code Section 14669).

4. **Exercising a purchase option on capital assets.** Exercising a purchase option (even a $1 purchase option) requires a capital outlay appropriation. (The exception is for trailers and relocatable or modular buildings.) At the time the acquisition appropriation is requested, the client department submits an updated COBCP with an economic analysis showing that the proposed purchase is still cost-beneficial, considering any changes in program need, lease market conditions, and state construction alternatives.

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CAPITAL OUTLAY BUDGET CHANGE PROPOSALS (COBCP) **6818** (Cont. 1)
(Revised 5/98)

5. **Entering into a lease-purchase agreement for capital assets.** Although no capital expenditure is made under a lease-purchase agreement, a capital acquisition occurs. If the authorization for a lease-purchase is sought through the Budget Act, the department must submit a COBCP comparing alternatives to meeting its space requirements and demonstrating that a lease-purchase agreement is the most cost-beneficial.

6. **Entering into any other lease which meets the definition of *capitalized lease*, and where authority is sought through the Budget Act**. A lease agreement is a capitalized lease (an "in-substance purchase") when substantially all of the risks and benefits of ownership are assumed by the lessee. If a lease meets *any one of the following conditions*, it is a capitalized lease:

   a. Ownership of the leased asset is transferred to the state at the end of the lease period.

   b. The lease gives the lessee the option of purchasing the leased asset at a nominal value at some point during or at the end of the lease period.

   c. The period of the lease (a *single* term of a lease, not including renewals) is 75 percent or more of the estimated useful life of the leased asset.

   d. The present value of the sum of the minimum lease payments is 90 percent or more of the fair market value of the leased asset (i.e., the lease payments over a *single* term of the lease are substantially the same as the purchase price).

   Unless existing statute authorizes a capitalized lease (for example, Government Code Section 14669 for DGS), the lease requires specific authority. If the Budget Act will be used to provide that authority, a COBCP is required whether or not a capital outlay appropriation is needed.

7. **Minor alterations projects authorized by Section 6.00 of the Budget Act**. Section 6.00 projects which require DOF approval and legislative notification (i.e., those between $35,000 and $250,000) must be submitted for review to the DOF Capital Outlay Unit with substantially the same information as required in a COBCP, and no later than April 30 of the year of appropriation availability. See Section 6806.

Additionally, if a support budget increase is needed as a result of a capital outlay project—including for rent increases pursuant to a lease—a support BCP must also be submitted separately to the appropriate DOF support unit.

Timelines for submitting and updating COBCPs. COBCPs are due February 1, seventeen months before the beginning of the budget year, as part of a larger package of documents identified in Section 6816.

Project plans may be affected in timing or scope by enactment of the budget for the intervening fiscal year (i.e., the year prior to the budget year). Therefore, technical project updates are required for COBCPs by September 1, nine months prior to the budget year. However, new projects for the budget year are not accepted as part of this update, unless DOF agrees the program need is urgent. Updated fund condition statements are also due September 1 per Section 6816.

Project costs are adjusted in the fall prior to the budget year, using budget packages prepared by DGS at DOF's request. (See Section 6814 for time-frames.) This information is given directly to DOF by DGS.

Final budget package estimates are sometimes not available in time to include in the *Governor's Budget*. Therefore, DOF annually prepares a Finance Letter for technical adjustments to capital outlay projects which is due to the Legislature by the May 1 before the budget year. Client departments must request technical changes in writing, using a COBCP format, generally no later than mid-February (the specific date is published in a DOF Budget Letter). Finance Letters proposed by the Administration are reviewed by the Legislature in conjunction with the *Governor's Budget*.

The Finance Letter process may also be used to propose scope changes to projects in the *Governor's Budget*, to add new (urgent) projects, or to accelerate project phases. These are termed "policy changes" and are due to the Legislature by April 1. The due date for requests from departments is the same as for technical changes (i.e., mid February). An updated or new COBCP is required for policy Finance Letters.

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CAPITAL OUTLAY BUDGET CHANGE PROPOSALS (COBCP) **6818** (Cont. 2)
(Revised 5/98)

An overview of the project phases—including the budget approval phase—is provided in Section 6809. A timetable for budget preparation and enactment is provided in Section 6814.

Instructions to complete a COBCP. Information required to complete a COBCP is presented as follows in the same order as required on the COBCP (see 6818 Illustration.)

Page 1 of COBCP form:

1. COBCP #: Assigned by department.
2. Priority #: This is the ranking the client department assigns the COBCP in relation to all its other COBCPs. *Only one project per rank is allowed.*
3. Organization code: Use the department's organization code per the Governor's Budget.
4. Department: Use the organization title per the Governor's Budget.
5. Project Title: If the COBCP is for a continuing phase of an existing project, use the same project title as in previous phases.
6. Phases Funded With This Request: The phase(s) to be funded in the budget year by the COBCP. Use the phase codes as defined in Section 6839.
7. Project Identification Code: See Section 6839 for instructions. If the COBCP is for a continuing phase of an existing project, use the same project ID as in previous phases.
8. Project Category: See Section 6839 for project category codes. Only *one* code is permitted. Use the code which is most descriptive of the overall project.
9. Location: The city, county, or other location description typically used by the client department for its capital outlay projects.
10. Congressional, Senate, and Assembly district numbers for the project: District information is available from the client department's legislative office.
11. Problem Statement: A brief synopsis of the problem the department needs to solve, taken from the information provided on Page 4, Part A of the COBCP.
12. Proposal: A brief description of the recommended alternative, taken from Page 4, Part D of the COBCP.

Page 2 of COBCP form:

1. Heading: The following fields should match Page 1: COBCP #, organization code, Department, Project ID code and Project Title.
2. Date: The date this page was prepared.
3. DGS Estimate: DGS job number for budget package, if applicable. This number may not be available for new projects at the time of initial COBCP submittal. However, it should be available for all continuing phases of existing projects managed by DGS.
4. Costs: Provide actual or estimated cost for each phase of the project (in thousands).

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CAPITAL OUTLAY BUDGET CHANGE PROPOSALS (COBCP) **6818** (Cont. 3)
(Revised 5/98)

5. Funding Data: Provide the project's funding history by item of appropriation (or by chapter reference if funded through special legislation). Future year funding must include the balance of the funding necessary to complete the project, not simply the level of funding required for the following year. Costs and funding totals must tie for each column.

6. Schedule: The actual or estimated start or completion date as applicable for each phase of the project.

Page 3 of COBCP form:

1. Heading: The following fields should match Page 1: COBCP #, organization code, Department, Project ID code and Project Title.

2. Date: The date this page was prepared.

3. Project Related: If the COBCP requests funding for any of the following costs in the budget year, attach a detailed list identifying each item and associated cost. If the funding is to be requested in future years provide a descriptive narrative establishing estimated needs. These totals should match the corresponding lines on Page 2.

   a. Construction Detail - Agency Retained;

   b. Construction Detail - Group 2 Equipment (equipment included in construction funding); and

   c. Equipment (Group 2) Phase: (equipment which is to be funded in a separate phase).

4. Impact on State Operations: If the project will cause/necessitate changes to the department's State Operations budget, provide narrative, associated dollars and the fiscal year of impact in each of the following categories: One-time Costs, Future Costs, Future Savings, and Revenue.

Page 4 of COBCP form:

1. Heading: The following fields should match Page 1: COBCP #, organization code, Department, Project ID code and Project Title. The heading should appear on each page of the analysis narrative. (a blank form is attached.)

2. Date: The date this page was prepared.

Purpose of project: What is the problem? What is the underlying program need or infrastructure deficiency?

1. **Explain a program-based need** by relating the infrastructure request to the program that the real property serves. (The Capital Outlay Unit of DOF will verify program-driven needs with the client department's DOF support analyst.) At a minimum, address:

   a. The program change.

   b. The overall infrastructure requirement related to that change.

      (1) *Capacity requirements*: Express capacity (total size) needs in terms of patients housed, inmates, full-time equivalents (FTEs), office space requirements, or other accepted "units" for the program. Some programs are required to use specific DOF-generated data for enrollment or growth, or to use "capacity" measurements approved by DOF and/or the Legislature. If reference is made to any space or cost studies, append these to the COBCP.

      (2) *Special space requirements*: All special purpose rooms and offices must be fully described by purpose, square footage, and need (based on program requirements).

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CAPITAL OUTLAY BUDGET CHANGE PROPOSALS (COBCP) **6818** (Cont. 4)
(Revised 5/98)

c. What the project accomplishes towards that infrastructure requirement. For projects providing an increment towards an overall goal (such as total acreage of wetlands) specify:

(1) What portion of the requirement has already been met;

(2) How much the project would add; and

(3) What the remaining need will be and how the department proposes to meet that need.

2. **If the need is not program related, explain the real property deficiency** in terms of specific mechanical/electrical system inadequacies, code requirements, maintenance/repair difficulties, etc. Include copies of State Fire Marshal citations, Department of Health Services citations, surveys, or other documents to substantiate need.

Relationship of Project to Strategic Plan: Explain the project's relevancy to the department's strategic plan. Projects which lack a clear supporting relationship to the department's strategic plan will be returned.

Alternatives: Present all reasonable alternatives to solve the problem. In developing potential alternatives, address the following questions:

1. Program delivery: are there different ways to achieve the same program outcomes?

2. Is there more than one potential site? What are the required site characteristics?

3. Given a specific site, are there alternative facility solutions? For new construction or capitalized leasing proposals, submit an economic analysis comparing facility alternatives over a 25-year period (i.e., compare straight lease, lease-purchase, new building construction, renovation of existing facility, etc.).

4. What are the alternative funding solutions? Which state funds sources are available? Are funding partnerships feasible with other state agencies or other levels of government?

5. What other management factors are critical in selecting an alternative?

6. For each alternative, provide the following information *in brief*:

   a. Description of alternative;

   b. Overview of scope;

   c. Total cost of all phases of the project (use only approved cost indices, and identify both short term and life-cycle costs);

   d. Funding source, including project eligibility for that source;

   e. Summary of related program benefits and costs (include impacts on the support budget such as personnel years and operating costs specific to the program). Indicate if a support BCP will be required, and when; and

   f. Summary of facility management benefits, such as impact on the department's maintenance budget, extension of the facility's design life, etc.

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CAPITAL OUTLAY BUDGET CHANGE PROPOSALS (COBCP) **6818** (Cont. 5)
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Recommended Solution and Why:

Which is the best alternative, and why? Describe the recommended alternative in detail. This description is the basis on which initial scope will be defined.

1. All factors influencing site selection must be fully justified**. For land acquisition projects where a specific site is already selected**, identify why that site is critical. Address landscape character; existing resource values; existing access, utilities and structures (and how they would be used); and statewide significance.

2. If the recommended solution is not the least expensive, describe the factors/benefits that justify the extra cost. (This justification could address life cycle savings, support budget offsets, or other program/management factors.)

3. Provide a detailed scope description. Include:

   a. Specific program needs to be addressed through the project, including: proposed size (number of stories, gross and usable/assignable square feet, etc.); special features (food service, auditoriums, child care facilities, etc.); special Group 1 or Group 2 equipment needs; types of basic materials to be used if known; and any other items that will allow full understanding of the proposed project. Include any project drawings or renderings if available.

   b. Specific location of the project, including a vicinity map that describes the area served. If the project is for a replacement facility, explain how Group 2 replacement equipment will be funded.

   c. For land acquisition projects, an inventory of existing structures and the approximate appraised value of each parcel (or group of parcels), including the basis for the appraisal (staff appraisals, previous sales, AIA appraisal, etc.). Upon formal request, DGS will assist departments in preparing this information (specifically, parcel values, site selection factors and the economic analysis).

4. Provide a proposed project time schedule that takes into consideration the environmental review process. Section 6846 describes the required format.

5. Provide full cost information.

   a. Approximate cost by phase, indicating the basis on which the estimate was prepared. If costs are based on a previously developed budget package, append that package to the COBCP. Note if costs have been adjusted for inflation and on what basis, (i.e., which specific CCCI).

   b. A proposed funding source for each phase, including identification of any funding partners at the federal, state or local level.

   c. A complete funding history, including all previous submissions and any other data to completely describe past project history and future funding requirements. Section 6845 Illustration 2 describes the required format.

6. Describe the impacts on the support budget.

   a. Include an analysis that identifies future maintenance and operation costs (in operating expenses and personnel years). Identify the proposed source of funds. Note whether a support BCP will be needed concurrently or in the future.

   b. Identify potential cost savings and/or potential revenues or reimbursements with proposed disposition and the basis for calculation.

7. Identify and explain any project risks. If the project was previously rejected by either the Administration or the Legislature for any reason other than lack of funding, explain the basis of the rejection and any significant project changes from the previous submission.

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CAPITAL OUTLAY BUDGET CHANGE PROPOSALS (COBCP) **6818** (Cont. 6)
(Revised 5/98)

8. List coordination responsibilities with other state agencies and levels of government, including any *mandatory reviews and approvals*.

   a. Impacts on other departments.

   b. Required coordination with the State Historic Preservation Officer (see Section 6822).

   c. CEQA requirements as described in Section 6850. Note any probable opposition to CEQA approvals (SAM sections 1000–1099).

   d. Clearances required from planning or review agencies such as the State Fire Marshal, the State Coastal Commission, local jurisdiction general plans, etc.

9. List all items proposed for agency retention. *Agency-retained items* are project elements which the department rather than the architect/engineer or contractor provides. Typical examples include movable equipment, installation, resource protection, etc. DOF approval of a DF-14D (Section 6845, Illustration 1) is required before the department may commence these activities. Identify whether this includes department personnel costs.

Technical Notes:

1. Capital outlay projects which include an information technology (IT) component must also comply with the IT reporting requirements contained in Sections 4800–5953 and Sections 6000–6965 of the State Administrative Manual. Examples of IT activities typically included in capital outlay projects include: the purchase and/or upgrade of IT equipment or software; the installation and/or upgrade of telecommunications equipment (excluding voice only); or the installation and/or upgrade of local area network equipment or software. The Department of Information Technology (DOIT) is responsible for the review and approval of IT activities from a technology feasibility perspective; the Technology Investment Review Unit of DOF reviews IT proposals from a business cost/benefits perspective. In both cases, the review vehicle is the feasibility study report (FSR). Questions regarding DOIT's IT reporting requirements should be directed to DOIT. *All IT reporting requirements must be met before the IT component of a capital outlay project may be approved*.

2. **Group 2 equipment phases of projects**. Group 1, fixed equipment, is incorporated into or attached to the facility and therefore is included in the construction phase of a project. Group 2, movable equipment, is budgeted as a separate phase. For a COBCP requesting the Group 2 equipment phase of a project, provide the project appropriation history, including the project name, budget act items, and project code. Definitions of Group 1 and Group 2 equipment are provided in Section 6855.

   For Group 2 equipment, identify how funding needs were determined. Show *all* items of equipment to be placed in a room, indicating whether the item is to be purchased by the agency or transferred from another building or location. Account for all equipment currently available in buildings to be replaced by the new structure. Final approval of equipment lists generally follows approval of preliminary plans. Exceptions to this rule are discussed in Section 6855.

   Movable equipment which does not meet the definition of capital outlay per Section 6806 is not proposed in a COBCP. These costs are proposed and funded in the state operations appropriation (i.e., they require a support budget change proposal).

3. **Coordination of STD. 9s with COBCPs and BCPs**: Departments submit space action requests (STD. 9s) for:

   a. New or additional space (including swing space), lease extensions, or renewals desired by an agency in noninstitutional buildings—whether state-owned or leased, and

   b. Relocatable buildings and trailers.

   DOF approval of a STD. 9 does not constitute approval for a support budget increase or a capital outlay appropriation, or approval to include authorization language for a lease-purchase, purchase option, or option execution in the Budget Act. If any of these is required, either a support BCP or a COBCP (or both) must be submitted to DOF. SAM Section 6453 provides additional information.

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4. **Architectural and engineering (A&E) fees:** A&E fees (basic and nonbasic) are charged for architectural and engineering work performed either by the department or by consulting professionals. Expenses may also include project-related construction management support, such as construction inspection, travel, bidding expenses, and drawings. Generally, A&E fees do not exceed 13 percent of the proposed construction contract amounts (excluding construction contingencies). *Special items exceeding 13 percent* (such as services related to asbestos or seismic) should be separately identified in the COBCPs. Contact the DGS Customer Account Management Branch for assistance with budgeting A&E fees.

5. **Swing space for capital outlay projects**: Swing space, i.e., temporary accommodations during a facility remodel, is a state operations cost which should be noted informationally on the COBCP but requested separately as a support BCP.

6. **Allowable cost indices:** Departments must use the California Construction Cost Index (CCCI). Use of any other index requires DOF concurrence. Each July, DOF releases a Budget Letter identifying the approved CCCI to be used when updating COBCPs for the following fiscal year (Section 6812).

Page 6818 ILLUSTRATION

STATE OF CALIFORNIA
CAPITAL OUTLAY BUDGET CHANGE PROPOSAL (COBCP)
COVER SHEET
(REV 11/97)
Please report dollars in thousands

Department of Finance
915 L Street
Sacramento, CA 95814
IMS Mail Code: A-15

COBCP #	PRIORITY #	ORG CODE	DEPARTMENT

PROJECT TITLE	PHASES FUNDED WITH THIS REQUEST:

PROJECT ID CODE	PROJECT CATEGORY	LOCATION	LEGISLATIVE DISTRICTS Congress: Senate: Assembly:

PROBLEM STATEMENT

SUMMARY OF PROPOSAL

REQUIRES LEGISLATION	CODE SECTION(S) TO BE AMENDED/ADDED	IMPACT ON STATE OPERATIONS – MARK IF APPLICABLE
☐ YES ☐ NO		☐ ONE-TIME COSTS ☐ FUTURE SAVINGS ☐ FUTURE COSTS ☐ REVENUE

PREPARED BY	DATE	REVIEWED BY	DATE
DEPARTMENT DIRECTOR	DATE	AGENCY SECRETARY	DATE

IF PROPOSAL AFFECTS ANOTHER DEPARTMENT, DOES THE OTHER DEPARTMENT CONCUR?

☐ YES
☐ NO

ATTACH COMMENTS OF AFFECTED DEPARTMENT. COMMENTS MUST BE SIGNED AND DATED BY THE DEPARTMENT DIRECTOR OR DESIGNEE.

DOF ANALYST USE
DOF ISSUE #: POLICY CAT: PROJECT CAT: REQUIRES BUDGET PACKAGE:
ADDITIONAL REVIEW : SUPPORT BUDGET☐ TIRU☐ FSCU☐ OSAE☐ CALSTARS ☐

(Continued)

Page 6818 ILLUSTRATION (Cont. 1)

STATE OF CALIFORNIA
CAPITAL OUTLAY BUDGET CHANGE PROPOSAL (COBCP)
PAGE 2 - FISCAL DETAIL
(REV 11/97)
Please report dollars in thousands

Department of Finance
915 L Street
Sacramento, CA 95814
IMS Mail Code: A-15

COBCP #	DATE	ORG CODE	DEPARTMENT

PROJECT ID CODE	DGS ESTIMATE	PROJECT TITLE

	PRIOR YEARS	BUDGET YEAR	BUDGET YEAR +1	FUTURES YEARS	PROJECT TOTAL
COSTS					
STUDY					
ACQUISITION					
PRELIMINARY PLANS					
WORKING DRAWINGS					
TOTAL CONSTRUCTION (1)					
EQUIPMENT PHASE (GROUP 2)					
OTHER					
TOTAL COSTS	$	$	$	$	$
CONSTRUCTION DETAIL (1)					
CONTRACT					
CONTINGENCY					
A & E					
AGENCY RETAINED					
GROUP 2 EQUIPMENT					
TOTAL CONSTRUCTION	$	$	$	$	$
FUNDING DATA (Chapter/Item) or Executive Order					
FUTURE FUNDING					
TOTAL FUNDING (2)	$	$	$	$	$

SCHEDULE	COMPLETION DATE MM /DD/ YYYY
ACQUISITION APPROVAL	/ /
START PRELIMINARY PLANS	/ /
PRELIMINARY PLAN APPROVAL	/ /
PROCEED TO BID	/ /
CONTRACT AWARD	/ /
OTHER (SPECIFY)	/ /
PROJECT COMPLETION	/ /

(1) Total Construction must tie to the total of the Construction Detail.
(2) Total Funding must match the Total Cost.

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Page 6818 ILLUSTRATION (Cont. 2)

STATE OF CALIFORNIA
CAPITAL OUTLAY BUDGET CHANGE PROPOSAL (COBCP)
PAGE 3 - SUPPLEMENTAL INFORMATION
(REV 11/97)
Please report dollars in thousands

Department of Finance
915 L Street
Sacramento, CA 95814
IMS Mail Code: A-15

COBCP #	DATE	ORG CODE	DEPARTMENT
PROJECT ID CODE			PROJECT TITLE:

IDENTIFY ALL ITEMS WHICH FIT INTO THE CATEGORIES LISTED BELOW. ATTACH A DETAILED LIST IF FUNDING IS INCLUDED IN THIS REQUEST. PROVIDE ASSUMPTIONS FOR FUTURE FUNDING.

PROJECT RELATED		
CONSTRUCTION DETAIL - AGENCY RETAINED		
	TOTAL	$
CONSTRUCTION DETAIL - GROUP 2 EQUIPMENT		
	TOTAL	$
EQUIPMENT PHASE (GROUP 2)		
	TOTAL	$
IMPACT ON STATE OPERATIONS		
ONE-TIME COSTS		
	TOTAL	$
FUTURE COSTS		
	TOTAL	$
FUTURE SAVINGS		
	TOTAL	$
REVENUE		
	TOTAL	$

(Continued)

Page 6818 ILLUSTRATION (Cont. 3)

STATE OF CALIFORNIA
CAPITAL OUTLAY BUDGET CHANGE PROPOSAL
PAGE 4 - ANALYSIS OF PROBLEM
(REV 11/97)

Department of Finance
915 L Street
Sacramento, CA 95814
IMS Mail Code: A-15

COBCP #	DATE	ORG CODE	DEPARTMENT
PROJECT ID CODE			PROJECT TITLE:

USING THE ATTACHED SHEET, EACH BCP MUST FOLLOW THE FORMAT OUTLINED BELOW AND FULLY ADDRESS ALL OF THE ITEMS. USE ADDITIONAL SHEETS AS NECESSARY . REFER TO SAM SECTION 6818 FOR INSTRUCTIONS ON WHAT INFORMATION TO PROVIDE. CERTAIN PROJECTS MAY REQUIRE ADDITIONAL INFORMATION. QUESTIONS SHOULD BE REFERRED TO DOF.

A. PURPOSE OF THE PROJECT: (problem, program need, infrastructure deficiency)

B. RELATIONSHIP TO STRATEGIC PLAN: (relevance of problem/need/deficiency to mission and goals)

C. ALTERNATIVES: (for each, describe the proposed alternative and provide a brief summary of scope, cost, funding source, program benefits, facility management benefits, impact on support budget)

D. RECOMMENDED SOLUTION:
   1. Which alternative and why?
   2. Detail scope description.
   3. Complete description of impact on support budget.
   4. Identify and explain any project risks.
   5. List required interdepartmental coordination and/or special project approval. (including mandatory reviews and approvals, e.g. technology proposals).

STATE OF CALIFORNIA
CAPITAL OUTLAY BUDGET CHANGE PROPOSAL
PAGE 4 - ANALYSIS OF PROBLEM
(REV 11/97)

Department of Finance
915 L Street
Sacramento, CA 95814
IMS Mail Code: A-15

COBCP #	DATE	ORG CODE	DEPARTMENT
PROJECT ID CODE			PROJECT TITLE:

ANALYSIS NARRATIVE - PAGE _____ OF _____