

SAM - BUDGETING

PERSONAL SERVICES

6403

(Revised 9/2010)

The category of Personal Services includes all payments for personal services except: (1) those obtained under contract; and (2) payments for health and welfare benefits for prevailing rate employees as authorized by Government Code Section [19831](#). The category contains two objects of expenditure: (1) salaries and wages, which include all direct payments for personal services; and (2) staff benefits, except for those services obtained under contract. See Government Code Section [19830](#) and SAM Section [6412](#).

Government Code Sections [19130-19134](#) provide criteria and procedures regarding the state's use of personal service contracts. These provisions basically provide for personal services contracts to achieve savings when specific conditions are met and for the State Personnel Board to review the contracts for compliance with the specified standards.