

**SAM – REVISION SUMMARY 431**

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

**\*\* Follow links to SAM chapters \*\***

<b>CHAPTER/ SECTION</b>	<b>SUMMARY</b>
<b><u><a href="#">CHAPTER 1</a></u></b>	
<b>30</b>	Updated contact information for SAM Chapter 1200
	Updated contact information for SAM Chapter 3500, 3600 and 5200
<b><u><a href="#">CHAPTER 700</a></u></b>	
<b>723</b>	Reviewed; content still current
<b>728-745</b>	
<b>748-750</b>	
<b>753</b>	
<b>755-756</b>	
<b>758-759</b>	
<b>760-765</b>	
<b>Travel Guide</b>	
<b><u><a href="#">CHAPTER 1300</a></u></b>	
<b>1321.17</b>	Per <u><a href="#">MM15-05</a></u> , revised content.
<b><u><a href="#">CHAPTER 1700</a></u></b>	
<b>1720</b>	Added citation to SAM 1745
<b>1745</b>	Defined savable requirements for state online forms.
<b><u><a href="#">CHAPTER 1800</a></u></b>	
<b>1805.1</b>	Added hyperlinks to corresponding Management Memos
<b>1810.1</b>	
<b>1815.1</b>	
<b>1825.1</b>	
<b>1835.1</b>	
<b><u><a href="#">CHAPTER 1900</a></u></b>	
<b>1930.5</b>	The revisions include new requirements from Assembly Bill 1826 ( <u><a href="#">PRC Sections 42649.8 - 42649.86</a></u> ) that was passed in September 2014 requiring businesses, including state agencies, which generate certain amounts of organic waste per week to have organic waste recycling programs.
<b>1930.8</b>	
<b>1950</b>	

**SAM – REVISION SUMMARY**

<b><u>CHAPTER 5300</u></b>	
<b>5305.1</b>	Per <a href="#">TL 15-03</a> , policy was updated to include the Plan of Action and Milestone process and standardized reporting tool for addressing program deficiencies for information security program management.
<b>5330.2</b>	Per <a href="#">TL 15-03</a> , policy was updated to include the Plan of Action and Milestone process and standardized reporting tool for addressing program deficiencies for compliance reporting.
<b>5340.3</b>	Per <a href="#">TL 15-03</a> , policy was updated to include the Plan of Action and Milestone process and standardized reporting tool for addressing program deficiencies for incident handling.
<b><u>CHAPTER 7900</u></b>	
<b>7923</b>	Updated “bank statement” to “CTS statement” to be consistent with SAM 8060. Also, updated STO contact information, and minor edits.
<b>7975</b>	Updated “Book balance of account as of June 30” to “Bank balance of account as of June 30” to be consistent with STD. 445 (Rev 9/2014) form. Updated illustration to the latest version of STD. 445 (Rev 9/2014) form.
<b><u>CHAPTER 8000</u></b>	
<b>8023</b>	Revised to clarify acceptance of checks and money orders.
<b>8032.1</b>	Revised to clarify depositing procedures.
<b>8032.2</b>	Updated STO contact information, and minor edits
<b>8032.3</b>	Minor edits
<b>8033.3</b>	Revised the adjustment instruction for deposits (both physical and electronic), and minor edits.
<b>8034.5</b>	Revised to add physical endorsements are not required for items that are remotely deposited.
<b>8035</b>	Revised to clarify responsibility on the fault of lost checks, and the handling procedures.
<b>8035.1</b>	Added a new section to clarify retention of checks and files for electronic deposits.
<b>8045</b>	Revised to add that either CTS statements or STO’s Agency Paid System can be used to determine if agency checks were previously paid before processing stop payments, and minor edits.
<b>8060</b>	Revised to add SCO as the contact for any unidentified item on the CTS statement, request departments to notify STO (not the bank) for any error identified on the statement, provide two STO email links for departments to submit information to resolve discrepancy found on the statement, and minor edits.

**SAM—INTRODUCTION**

**SAM PUBLICATIONS AND CONTACTS**  
(Revised 8/2015)

**0030**

<b>CHAPTER/ SECTIONS</b>	<b>DEPT.</b>	<b>RESOURCES</b>	<b>CONTACT INFORMATION</b>
1200-1233 Contracts	General Services, Legal Services (OLS)	<a href="http://www.dgs.ca.gov/ols">www.dgs.ca.gov/ols</a>	Richard Goldberg <a href="mailto:Richard.Goldberg@dgs.ca.gov">Richard.Goldberg@dgs.ca.gov</a> 916-376-5108
3500-3515, 3522.1-3590.5, and 3600 Purchases	General Services, Procurement	<a href="http://www.dgs.ca.gov/pd">www.dgs.ca.gov/pd</a>	Shannon Keller 916-375-4606 <a href="mailto:Shannon.keller@dgs.ca.gov">Shannon.keller@dgs.ca.gov</a>
			Martin Reynaga 916-375-4354 <a href="mailto:Martin.reynaga@dgs.ca.gov">Martin.reynaga@dgs.ca.gov</a>
5200 Information Technology	General Services, Procurement	<a href="http://www.dgs.ca.gov/pd">www.dgs.ca.gov/pd</a>	Shannon Keller 916-375-4606 <a href="mailto:Shannon.keller@dgs.ca.gov">Shannon.keller@dgs.ca.gov</a>
			Martin Reynaga 916-375-4354 <a href="mailto:Martin.reynaga@dgs.ca.gov">Martin.reynaga@dgs.ca.gov</a>

## **SAM - TRAVEL**

### **NONCOMMERCIAL ALLOWANCE**

**0723**

**(Reviewed 7/2015)**

This rate may be claimed by employees for out-of-pocket expenses incurred when staying with friends or relatives, when using their personal travel trailers, camping equipment, vans, or other noncommercial facilities. The employee may claim the noncommercial rate, beginning on the first day of travel. Partial days of noncommercial travel are paid as follows: Less than 12 hours- one half the noncommercial rate; 12-24 hours- full noncommercial rate. This rate is for meal and incidental allowances only.

## SAM - TRAVEL

### OVERTIME MEALS

0728

(Reviewed 7/2015)

Nonrepresented employees may be paid for an overtime meal when they are required to work before or after a regularly scheduled work day and can't be expected to return home for the meal. Represented employees may be paid for an overtime meal in accordance with the MOU. The overtime meal allowance is to enable employees to continue working overtime. Agencies may either provide the meal or grant a meal allowance. An added meal allowance may be granted for each additional six hours worked to a maximum of three overtime meal allowances in any 24-hour period.

## SAM - TRAVEL

### TRANSPORTATION (Reviewed 7/2015)

0730

Travel should be done in the most efficient and least costly manner. An employee may use a more costly form of transportation, but they are paid at the less costly rate. In such cases a cost-comparison must be done to determine the least costly rate.

## SAM - TRAVEL

### TRAVEL EXPENSES OUTSIDE WORKING HOURS

0731

(Reviewed 7/2015)

Per CALHR Rule [599.626](#), Represented employees may claim travel expenses related to call-back for overtime work which requires more than one trip to the assignment on a normal work day or any call-back on an employee's normal day off. Pre-scheduled work on an employee's normal day off is not considered to be a call-back. Refer to the applicable MOU for provisions that may supersede this regulation.

Per CALHR Rule [599.626.1](#), Excluded employees may claim travel expenses related to call-back to work which requires more than one trip to the assignment on a normal work day or any call-back or pre-scheduled work on an employee's normal day off.

## **SAM - TRAVEL**

### **TRAVEL BY AIRCRAFT** **(Reviewed 7/2015)**

**0740**

Employees should travel by aircraft when it is the most efficient and least costly method for conducting official State business.

## SAM - TRAVEL

### COMMERCIAL AIR TRAVEL (Reviewed 7/2015)

0741

Employees will travel by the least costly class and take advantage of discounts whenever possible. Refer to the current Department of General Services Management Memo for Discounted Air Fares for Official Business. If an employee travels in other than the least costly class, full explanation must be submitted with the claim. See SAM Section [8422.115](#).

Frequent Flier Points/Premiums/Vouchers received by the employee because of travel on official State business are the property of the employee.

Departments that currently have programs in place which require employees to turn these premiums back to the State for future use may continue to do so.

## SAM - TRAVEL

### USE OF AGENCY OWNED/LEASED AIRCRAFT

0742

(Reviewed 7/2015)

Use is limited to official State business. Do not use aircraft for executive travel if the destination is within two hours driving time or a regular commercial airline serves the location.

Section 0748 outlines exceptions to this policy. Agencies may adopt more strict guidelines. Agency Secretaries ensure that the interpretation and application of the policy is consistent throughout their agencies.

When feasible, agency aircraft may be used on a charter basis by other state State agencies or for official governmental activities. This is billed by the agency at full cost, including the expense of the pilot. The agency's policies regarding passengers apply.

## SAM - TRAVEL

### PRIVATELY-OWNED AIRCRAFT

0743

(Reviewed 7/2015)

Privately-owned aircraft may be used for official travel when it is the least costly means or is in the best interest of the State. Employees must obtain approval of the agency.

Aircraft must have Federal Aviation Agency ([FAA](#)) certification and approved equipment. Aircraft must have adequate insurance. This is certified by the employee on an Insurance Verification and Authorization to Operate Privately-Owned/Rented/Leased Aircraft on State Business form, [STD. 265](#). See Appendix A-2 for preparation instructions. Employees who pilot aircraft on official business must meet pilot qualifications outlined in SAM Section 0747.

## SAM - TRAVEL

### REIMBURSEMENT FOR USE OF PRIVATELY-OWNED AIRCRAFT

0744

(Reviewed 7/2015)

The reimbursement rate for employee privately-owned aircraft is 50 cents per statute mile. Mileage is computed on the shortest air route from origin to destination, using airways whenever possible. Enter "Air Miles" and mileage on the TEC. For expenses other than mileage, substantiate the expense with a voucher. Landing and parking fees are paid except at the site where the aircraft is normally stored.

## SAM - TRAVEL

### **AGENCY-RENTED AIRCRAFT** **(Reviewed 7/2015)**

**0745**

When necessary or in the best interest of the State, an aircraft may be rented. This requires approval of the head of the agency. Obtain advance approval by the Cabinet Section of the Governor's Office in any of these situations: the aircraft is multi-engined; the aircraft is single engined with power exceeding 250 h.p.; the aircraft is of a special type helicopter, seaplane, etc.; or the aircraft is rented with a pilot. Use a memo to the Cabinet Section as an approval request. Clearly explain the nature, cost, and necessity for the rental of the aircraft. If one of the official travelers is the pilot, they must meet the requirements of SAM Section 0747.

## SAM - TRAVEL

### TRANSPORTATION SELECTION AUTHORIZATION AND ACCOUNTABILITY

0748

(Reviewed 7/2015)

Transportation Selection Criteria:

1. Select the least costly method of transportation. Consider direct expense and employee time away from the office. Commercial transportation will be used whenever its total cost is less than agency provided aircraft. Agency aircraft may be used when it proves to be the least costly method. Consider and document these criteria when deciding:
  - a) The cost of personnel hours lost in travel.
  - b) Total commercial travel costs (airlines, rental vehicle, taxi, etc.).
  - c) Added per diem costs.
  - d) Accessibility and/or urgency of the situation.
  - e) Scheduling demand and limitations.
  - f) Driving time to location would exceed two hours one way.
  - g) Commercial airline service and schedules between points of origin and destination including any intermediate stops or layovers.
  
2. To find the cost of agency aircraft include the following estimates:
  - a) Pilot cost (wages and benefits) per hour.
  - b) Total operational costs of the aircraft per hour.

Authorization:

The agency director or designee is solely responsible for authorizing flights.

(Continued)

## SAM - TRAVEL

(Continued)

### TRANSPORTATION SELECTION AUTHORIZATION AND ACCOUNTABILITY

0748 (Cont. 1)

(Reviewed 7/2015)

Accountability:

1. Submit approval request in writing to the agency approval authority as soon as possible but not less than 24 hours before the flight.
2. Immediate or unanticipated requests can be made verbally. File a confirming written request within 24 hours of trip completion.
3. Requests will contain:
  - a) Date, time, and name/title of requester.
  - b) Date(s) and itinerary of requested flight(s).
  - c) Purpose of trip.
  - d) Passengers (include title and organization).
  - e) Transportation selection criteria justification.
4. Administrative units that provide aircraft services shall evaluate requests for compliance with the transportation selection criteria. They will maintain a record of the aviation activities and prepare a monthly report. The report will be sent to the director or authorized designee and will include the following:
  - a) Dates of flight.
  - b) Pilot (or company if chartered).
  - c) Hours flown.
  - d) Type of aircraft.
  - e) Rate.
  - f) Total cost.
  - g) Short explanation of purpose.
  - h) Destination and stopovers.
5. Maintain a flight log for each State-owned or leased aircraft. Include in the log the use of the aircraft, passenger names, dates, destinations, and purposes of flights. Retain logs for four years or until audited, whichever occurs first.

## SAM - TRAVEL

### VEHICLE USE

0750

(Reviewed 7/2015)

Agencies determine who will drive on official State business and the vehicle types to be used: State-owned, privately-owned, or commercially-owned vehicles.

**State Vehicles.** These may be authorized when two or more employees are traveling together. The trip includes intermediate stops not feasible for public transportation; the schedule of public carriers does not fit the itinerary; transportation is not available at the destination; an employee must carry specialized tools, books, etc.

**Rental Vehicles.** You may rent a vehicle when a State vehicle is not available and automobile travel is essential. Refer to the current [DGS Rental Car](#) contract in order to ensure adherence to State policy.

**Privately-Owned Vehicles.** Employees may use their privately-owned automobiles on official State business if this is approved by the agency. If the use is not less costly, the supervisor may authorize the use, but the payment will be for the less costly alternative. No agency will require an employee to use their privately-owned vehicle unless this is a formal condition for employment.

## SAM - TRAVEL

### AUTHORIZATION TO USE PRIVATELY-OWNED VEHICLE

0753

(Reviewed 7/2015)

Agencies are responsible for determining who will be authorized to drive privately-owned vehicles while conducting official State business.

See Appendix A-3 for instructions on preparing Authorization to Use Privately-Owned Vehicle form, [STD. 261](#). An employee must certify in writing the vehicle will always be covered by liability insurance at the following levels: \$15,000 for personal injury to, or death of, one person; \$30,000 for personal injury to two or more persons in one accident, and \$5,000 for property damage. The vehicle is adequate for the work. The vehicle is equipped with operating safety belts. The vehicle is in safe mechanical condition.

Complete the certification on STD. 261. The authorizing supervisor retains STD. 261. Each year the form must be verified and resigned. Supervisors verify that there is a current STD. 261 on file for an employee before signing a Travel Expense Claim.

Employees should be aware that the insurance maintained by the state is for the liability above the amount of the employees' policies. Mileage rates paid to employees include an amount that reimburses employees for maintaining minimum insurance coverage.

## SAM - TRAVEL

### REIMBURSEMENT FOR PARKING CHARGES

0755

(Reviewed 7/2015)

Employees using State-owned vehicles or privately-owned vehicles on official State business may be reimbursed for certain parking charges. These charges are:

1. For day parking when on trips away from their headquarters office and residence.
2. For overnight public parking when on trips away from the headquarters city and city of residence. Claims are not allowed if expense-free overnight parking is conveniently available.
3. For day parking next to their headquarters, provided they have other reimbursable vehicle expenses for the same day or are using a State vehicle. This is for employees who spend most of their time on field assignments and report to their headquarters offices occasionally. Other examples of payable expenses are expenses due to a call-back or scheduled overtime on a normal day off.

Employees parking at airports must use the less expensive peripheral parking, or adequately justify excessive parking charges.

Submit claims for parking on a TEC. Attach a receipt to claims exceeding 10 dollars for one continuous period. Regardless of the cost, the appointing authority may require submission of receipts for parking costs claimed.

## SAM - TRAVEL

### REIMBURSEMENT FOR POOL VEHICLE EXPENSES (Reviewed 7/2015)

0756

If a traveler pays for emergency repairs or items included in the pool vehicle rental charges, the traveler can be paid. See SAM Chapter [4100](#).

## SAM - TRAVEL

### REIMBURSEMENT FOR DAMAGE TO COMMERCIAL VEHICLE RENTAL 0758 (Reviewed 7/2015)

An employee cannot be reimbursed for the collision damage waiver costs for a rental vehicle. Should a rental vehicle sustain damages and the rental company makes demand against the employee, submit the claim in the manner described in Section 0780. Insert the following in TEC, Remarks Section: "I hereby certify that this expense was incurred by me as a result of damage to a commercial rental vehicle used on official State business by me. This expense is not reimbursable through the insurance coverage of any of the parties involved in the accident."

In some instances the rental company may bill the State directly for damages.

## SAM - TRAVEL

### PRIVATELY-OWNED MOTORCYCLES

0759

(Reviewed 7/2015)

Privately-owned motorcycles and motor-driven bicycles are not an authorized mode of transportation for official business. There is no reimbursement for mileage or transportation expenses for these modes.

## SAM - TRAVEL

### OUT-OF-STATE TRAVEL

0760

(Reviewed 7/2015)

[Government Code Section 11032](#) outlines out-of-state travel policy.

State time authorized for out-of-state travel is limited to the time necessary to transact business plus actual travel time. The travel time cannot exceed rail time.

State cars must not be used to provide transportation when the trip is funded by sources other than State, federal, or personal funds.

There are two ways to obtain approval for out-of-state travel:

1. Advance blanket approval-Annual approval by the Agency Secretary (as applicable), and the Governor's Operations Office of all routine travel identified in your travel plan. See SAM Section 0763.
2. Individual trip approval- Travel identified in your blanket approval request which has not yet been approved by the Governor's Operations Office or travel that does not meet the criteria outlined in SAM Section 0762.

## SAM - TRAVEL

### ADVANCE BLANKET APPROVAL

0761

(Reviewed 7/2015)

The Blanket Approval for Out-of-State Travel form, [STD. 260](#), should reach the Governor's Operations Office by the deadline specified on the annual Budget Letter, along with the Travel Plan in two separate sections. Section 1 represents mission critical travel as defined in the most recent OST Budget Letter and Section 2 represents trips that an Agency believes represents a benefit to the State. The supporting documents should be assembled in that order. See Appendix A-4 for preparation instruction for STD. 260.

#### Bordering States (Blanket Trips)

Travel into bordering states (SAM Sections 0761 and 0763, and [Government Code Section 11032<sup>1/</sup> and 11033<sup>3/</sup>](#)) that is for less than five consecutive working days' duration does not require approval from the Governor's Operations Office. If such travel exceeds five consecutive working days, approval is required and the process for approving OST blanket or trips will apply. Departments with significant out-of-state travel to states bordering California for more than five consecutive working days may obtain advance approval by using a separate Blanket STD. 260. Prepare this package in the same manner as outlined in this section. The STD. 260 should be marked "BORDERING STATES" prominently in the space at the top. The Governor's Operations Office will approve and distribute the package.

Once the OST blanket or trip is approved, the Governor's Operations Office will forward an original signed copy to the State Controller's Office and a copy to the Agency Secretary (if applicable) and the originating department.

#### Review and Approval of Blanket Requests

The Advance Blanket Approval package is reviewed by the Agency Secretary (as applicable) and the Governor's Operations Office. Their recommendations will be shown on the Out-of-State Travel Request form, [STD. 257C](#).

The total dollar amount of all approved travel becomes the approved level of expenditure. Indicate this amount on STD. 260 as: "Total Expense of All Trips Not to Exceed" and the amount.

#### Distribution and Approval of Blanket Requests

The Governor's Operations Office will retain one copy and will send the approved package to the Agency Secretary (if applicable), or the originating agency. One copy of STD. 260 will be sent to the State Controller's Office by the Agency Secretary (if applicable) or the originating agency.

## SAM - TRAVEL

### CRITERIA FOR BLANKET APPROVAL OF OUT-OF-STATE TRAVEL (Reviewed 7/2015)

0762

Blanket approval for out-of-state travel gives the department the authority to approve any travel listed in their travel plan. Each trip listed in the travel plan must meet one of the following criteria.

- a) Enforcement responsibilities
- b) Auditing
- c) Revenue collection
- d) A function required by statute, contract, or executive directive
- e) Job-required training necessary to maintain licensure or similar standards required for holding a position
- f) Equipment inspection as required by a contract
- g) Meetings or training **required** by a grant or to maintain grant funding
- h) Litigation related (depositions, discovery, testimony)
- i) Request by the Federal Government to appear before committees

Travel must clearly be of benefit to the State. The justification must be complete and show the benefits to the State in terms of the relationship to the department's program and costs.

## SAM - TRAVEL

### TRAVEL PLAN (Reviewed 7/2015)

0763

Prepare the Travel Plan in the two sections as referenced in the Budget Letter. Include only those trips that meet the criteria outlined in SAM Section 0762. Do not include trips that must receive individual approval by the Governor. See SAM Section 0764.

## SAM - TRAVEL

### INDIVIDUAL TRIP APPROVAL

0764

(Reviewed 7/2015)

Use [STD. 257](#) for individual trip approval in the following cases:

1. A blanket approval and travel plan have been submitted but not yet approved.
2. The trip is not covered by SAM Section 0762.
3. The trip involves unusual circumstances, public interest, or possible questions of propriety. Some examples include: trips to Hawaii, Alaska, territorial possession, foreign countries; trips involving an extended period of time; and requests to add persons to a trip listed in the approved blanket travel plan.
4. The trip is funded from a non-federal grant.

Submit STD. 257 with justification. Attach justification on a separate page. If any of the expenses will be paid with funds other than State or federal, the department must list the amount, source, and the purpose of these funds.

The request must reach the Governor's Operations Office a minimum of 14 days before the travel is scheduled to begin. Any request submitted to the Governor's Operations Office without this lead time must have a special justification and may be denied.

#### **Bordering States (Individual Trips)**

Travel to bordering states that is less than five consecutive working days does not require approval from the Governor's Operations Office. STD. 257 can be used to request individual trips that exceed five consecutive working days unless exempt per [Government Code 11033](#). Enter "Bordering State" prominently in the space at the top and follow the normal routine for requesting approval on OST blanket or trip. The Governor's Operations Office will approve and distribute the package.

#### **Distribution and Approval of Individual Trip Requests**

The requesting department should send one copy of STD. 257 and justification through the Agency Secretary (if applicable) to the Governor's Operations Office. The Governor's Operations Office will retain one copy and will send a copy of the approved package to the Agency Secretary (if applicable) or the originating department. One copy of STD. 257 will be sent to the State Controller's Office by the Agency Secretary (if applicable) or the originating agency.

## SAM - TRAVEL

### ADMINISTRATION OF OUT-OF-STATE TRAVEL (Reviewed 7/2015)

0765

#### Departmental Use of STD. 257 When Blanket Has Been Approved

Trips that are included in the approved [STD. 260](#) and travel plan may be taken upon departmental approval. [STD. 257](#) may be used internally for departmental control purposes for such trips but should not be sent to the Agency Secretary, the Governor's Operations Office, or the State Controller's Office.

The following characteristics of a trip may be changed, without additional approval:

1. The person making the trip.
2. The trip itinerary unless the change results in the trip becoming reportable under SAM
3. Section 0763.
4. The dates of the trip.
5. The cost or funding source.
6. The total cost as long as it does not vary by more than 10%

**SAM - TRAVEL**

**SAM SUPPLEMENT**

**TRAVEL GUIDE**  
***(Reviewed 7/2015)***

**Rev. 431**  
***(Travel Guide)***

## SAM – REAL ESTATE SERVICES DIVISION

### ACQUIRING MODULAR SYSTEMS FURNITURE

1321.17

(Revised 7/2015)

This policy and procedures sets forth for state agencies (departments) wishing to acquire Modular Systems Furniture (MSF). MSF utilizes components including panels, work surfaces, storage, and accessories that can be configured in a variety of combinations to create workstations.

It is the policy that surplus MSF will be utilized to the greatest extent possible by Executive Branch departments wishing to acquire MSF. This policy is in concert with Public Contract Code Section [12153](#) that authorizes the Department of General Services ([DGS](#)) “to draft, establish, and implement policies that ensure the procurement and use of recycled resources.”

As described in [Management Memo 11-01](#), “Cost-Effective Use of Surplus Property,” departments wishing to acquire MSF must first contact the DGS Office of Fleet and Asset Management ([OFAM](#)) to determine if surplus MSF will meet their needs.

If OFAM notifies the requesting department that its needs cannot be met using surplus furniture, the department is to contact California Prison Industry Authority ([CALPIA](#)) for the purchase of revitalized furniture. If CALPIA revitalized furniture is not available, the department will work with the DGS Real Estate Services Division project manager (DGS project manager) to submit a CALPIA form titled, “CALPIA Request for Modular Systems Furniture” to CALPIA.

If CALPIA accepts the project, it will notify the DGS project manager, and the project will then proceed through coordination of the design, purchase, manufacturing, shipping, installation and final completion phases. Tenants are cautioned about altering or redesigning office layouts without the assistance of RESD to prevent code violations (Fire and Life Safety Codes, Americans with Disabilities Act or Industrial Relations regulations) and to maintain the functional integrity of the office plan.

CALPIA may indicate on the request form that it is waiving the project because either it cannot meet the department’s needs, or it has scheduled or scope concerns. If CALPIA waives the project, the requesting department, with assistance from the DGS project manager, may contact the MSF vendor designated in the current DGS Open Office Panel Systems contract.

## SAM – REAL ESTATE SERVICES DIVISION

### OBTAINING A DGS EXEMPTION

The process for obtaining a DGS exemption is:

1. The requesting department sends a written exemption request to the DGS project manager. This request must:
  - a. be addressed to the DGS Director;
  - b. include a compelling argument for the exemption; and
  - c. be signed by the requesting department's director or his/her designee.

The request will be part of the complete package forwarded to the DGS Director for final determination.

The requesting department, with assistance from the DGS project manager, determines the cost of the MSF by requesting a Cost Comparison Estimate (CCE) from both CALPIA and the DGS Master Contract Vendor (Vendor). A description of the information that must be provided to CALPIA and the Vendor can be found at:

[http://www.documents.dgs.ca.gov/dgs/resd/Cost\\_Comparison\\_Estimate\\_Package.pdf](http://www.documents.dgs.ca.gov/dgs/resd/Cost_Comparison_Estimate_Package.pdf)

2. The project information referenced above is concurrently submitted to both CALPIA and the Vendor via electronic mail (email).

Within two weeks of the request, and based on the project information provided by the requesting department, CALPIA and the Vendor will each submit a MSF CCE package (for evaluation purposes only) to both the requesting agency and to the DGS project manager. The specific information that must be provided by CALPIA and the Vendor in the CCE package can be found at:

[http://www.documents.dgs.ca.gov/dgs/resd/Cost\\_Comparison\\_Estimate\\_Package.pdf](http://www.documents.dgs.ca.gov/dgs/resd/Cost_Comparison_Estimate_Package.pdf)

3. The MSF CCE package shall be final upon receipt by the requesting department. No subsequent modifications or adjustments to the MSF CCE will be accepted. The unit pricing and discounted rate in the MSF CCE shall be effective for the duration of the designated project. The DGS project manager will assist the requesting department in evaluating the CCE package for procedural compliance.
4. After review by the requesting department and the DGS project manager, the two completed CCE packages will be forwarded to the DGS Director or his/her designee, along with the written exemption request from the requesting department, to determine the disposition of the exemption request.
5. The DGS Director's decision will be sent to each MSF provider and the requesting department within two weeks of the submittal to DGS Director, unless otherwise instructed by DGS.

\*\* See [Management Memo 15-05](#) for additional information \*\*

## FORMS DESIGN STANDARDS

1720

(Revised 7/2014)

Forms can be filled out and designed on paper or by electronic media. Agencies should follow the forms design standards, criteria, and techniques presented in the Forms Design Handbook. All agency forms and all State Standard (STD.) forms must contain the term “State of California”, the authoring department’s name, a form title, a form number, and a form creation or revision date. Contact the Forms Management Center (FMC) for information about forms design standards and software.

~~Refer to SAM Section 1710 for agency forms and STD. forms definitions. All State forms must comply with all other applicable form requirements (see SAM Section 1745)~~

Forms not included in the STD. Forms Program may not carry “STD.” or any variation of that designation as a prefix to the form number. If a form is removed from coordination as an STD. form and returned to management of the generating agency, the agency must change the number and identification at the next printing. These forms may carry a statement such as “Formerly STD. XXX”.

All agency forms must show certain identifying information. If there is space, you should place this information together on the form. The Forms Design handbook shows formatting for this information.

Form Titles – Form titles must describe both the form’s subject and function. See the Forms Management handbook for help with titling forms.

Form Numbers – Ideally, form numbers should be prefixed by the initials of the agency, i.e., FTB, WRCB, etc. The numbers may follow any plan or scheme that works for your agency but must not duplicate a number already in use by the agency. An exception is allowed if a number is differently prefixed or suffixed. A form used by an office or division within an agency may carry a sub-prefix. An example is “GS-OAS” for the DGS, Office of Administrative Services. Suffixes are often helpful to show field office versions with different mailing addresses or close relationship to another form, such as FTB 1000-LA, or DOJ 1000B.

Creation or Revision Dates – The date, if the form is new, must be the month and year in which the form was created or first distributed, such as “NEW 1-96”. If it is revised, the date will be the month and year in which the form was revised, such as “Rev. 1-96”. The notation “TEMP” may be used instead of ‘NEW’ or ‘Rev.’ on a form intended to be temporary, such as a form used in a short-term project. “TEST” or “PILOT” may be used on forms being tested before release to all users.

It is not advisable to preprint names of employees on forms unless there are compelling reasons to do so. An exception may be made for names of elected or appointed officials.

## OTHER APPLICABLE FORM REQUIREMENTS

1745

(Revised 1/2015)

There are other pertinent laws and/or directives regarding forms to consider. This includes, but is not limited to:

### Americans with Disabilities Act (ADA)

Section 508 of the Rehabilitation Act requires electronic and information technology to be accessible to people with disabilities, including employees and members of the public.

- The Rehabilitation Act: [Full text](#)
- US Department of Justice, Civil Rights Division: [Overview of Section 508](#)

### Savable Documents

~~The Form Modernization Initiative, introduced by the Governor's Office of Business and Economic Development (GO Biz) and the Government Operations Agency (GovOps) focuses on making state forms. All State forms that are available online must be available in a~~ fillable and savable ~~format online~~. This will help reduce errors, processing delays and enhance the user experience by providing a more efficient method to communicate with government.

### Privacy and Disclosure

State and federal laws protect people's privacy and confidential information. An agency must obey these laws when gathering or disclosing information about an individual. These laws include requirements concerning the kind of information a form can request, the information that is provided by the individual, how to store the forms and their information; and disclosing the data on the forms.

- [Federal Privacy Act, Public Law 93-579](#)
- [Freedom of Information Act, 5 U.S.C. 552\(b\)\(6\)](#)
- [Information Practices Act, California Civil Code Section 1798 et seq.](#)
- [California Public Records Act, Government Code Section 6250 et seq.](#)

## SAM – SUSTAINABLE OPERATIONS AND PRACTICES

### POLICY

1805.1

(Revised 8/2015)

All state agencies shall follow the [Standard Operating Efficiency Procedures](#) for managing energy usage in state-owned buildings and, as practical, in state-leased buildings. Department directors or their designees shall designate energy coordinators for each location their department occupies. Energy coordinators are responsible for ensuring that the Standard Operating Efficiency Procedures are carried out to the extent that funding is available and they do not conflict with health and safety requirements or operations necessary for a department to fulfill its mission and responsibilities.

For the comprehensive policy see [Management Memo 14-07: Standard Operating Procedures for Energy Management in State Buildings](#).

## SAM – SUSTAINABLE OPERATIONS AND PRACTICES

### POLICY

1810.1

(Revised 8/2015)

State agencies shall designate personnel to receive Department of General Services (DGS) [Electrical Emergency Notifications \(EENS\) list server](#). Additionally, state agencies shall incorporate the procedures for electrical emergencies into their departmental Emergency Plans.

For the comprehensive policy see [Management Memo 14-09: Energy Efficiency in Data Centers and Server Rooms](#).

## SAM – SUSTAINABLE OPERATIONS AND PRACTICES

### POLICY

1815.1

(Revised 8/2015)

All state agencies shall achieve targets and timelines for energy use reductions established in [Executive Order B-18-12](#) and the [Green Building Action Plan](#) for buildings they design, build, manage, or lease.

- Agencies shall include their strategies and procedures to achieve these targets in their existing building infrastructure plan updates.
- Agencies shall enter all energy consumption data into the ENERGY STAR® Portfolio Manager® annually, by March 1. As agencies automate their meters, this information will be collected monthly.

For the comprehensive policy see [Management Memo 15-04: Energy Use Reduction For New, Existing, And Leased Buildings](#).

## SAM – SUSTAINABLE OPERATIONS AND PRACTICES

### POLICY

1825.1

(Revised 8/2015)

State agencies that build, lease and operate state buildings shall implement measures to ensure a healthful indoor environment for their building occupants. State agencies shall implement as follows:

New/Renovated State Buildings: State agencies shall implement mandatory measures and relevant and feasible voluntary measures of the *California Green Building Standards Code (CALGreen)*, Part 11, related to indoor environmental quality (IEQ) that are in effect at the time of new construction or alteration. The information is available at <http://www.bsc.ca.gov/home/calgreen.aspx>.

Existing State Buildings: When accomplishing Alterations, Modifications, and Maintenance Repairs and when relevant and feasible, state agencies shall implement the mandatory and voluntary measures of the *California Green Building Standards Code (CALGreen)*, Part 11, related to indoor environmental quality.

New and Renegotiated State Leased Buildings:  
The Department of General Services (DGS) will encourage Lessors to implement measures of the *California Green Building Standards Code (CALGreen)* related to indoor environmental quality, where economically feasible, for all new or renegotiated leases.

For the comprehensive policy see [Management Memo 14-05: Indoor Environmental Quality: New, Renovated, And Existing Buildings](#).

## SAM – SUSTAINABLE OPERATIONS AND PRACTICES

### POLICY

1835.1

(Revised 8/2015)

State agencies shall reduce water use at their facilities 10 percent by 2015, and 20 percent by 2020 as measured against a 2010 (or earlier) baseline. State agencies shall enter complete annual water use data into the [Energy Star Portfolio Manager](#), and provide access to the Department of General Services (DGS) by March 1 of each year.

For the comprehensive policy see [Management Memo 14-02: Water Efficiency and Conservation](#).

## SAM – WASTE PREVENTION AND RECYCLING OF NON-HAZARDOUS WASTE

### FOOD WASTE 1930.5

(Revised XX/2015)

Food waste is one of the largest single disposed materials in California landfills. Assembly Bill 1826 (PRC Sections 42649.8 - 42649.86) was passed in September 2014 requiring businesses, **including state agencies**, which generate certain amounts of organic waste per week to have organic waste recycling programs. On and after January 1, 2016, local jurisdictions across the state are required to implement an organic waste recycling program to divert organic waste generated by businesses, **including state agencies**.

The types of organic material that the law requires organic waste programs to address include: food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with food waste.

All state agencies with food preparation/dining service (either state or contractor operated), shall explore options that reduce or prevent the landfill disposal of food waste. Reducing the generation of food waste is always preferable. In regions where programs exist, state agencies can participate in local or regional efforts to donate unspoiled edible food for human or animal consumption before it is disposed. State agencies can direct that food waste be separated from other waste material and diverted to facilities where it is composted, digested or otherwise processed. Because food waste degrades quickly and can produce odors or attract vectors, state agencies should consult with CalRecycle staff to explore available source reduction and recycling options, compliance with solid waste handling regulations, laws and regulations regarding mandatory organics recycling, as well as any permits which may be required if the option selected includes on-site food waste recycling solutions. Collection of pre-consumer food waste generated at adult correctional institutions may be managed through a master agreement. Example food waste collection contract language for other state agencies is available on the CalRecycle's web site: <http://www.calrecycle.ca.gov/reducewaste/business/officepaper/Contracts.htm>.

This law phases the requirement to have organic waste recycling programs over time. In particular, the minimum threshold of organic waste generation by businesses, **including state agencies**, decreases over time, which means that an increasingly greater proportion of businesses will be required to comply.

The phased requirement dates to have organic waste recycling programs:

(Continued)

#### **FOOD WASTE 1930.5 (Cont. 1)**

- 8 or more cubic yards of organic material per week – April 1, 2016
- 4 or more cubic yards of organic material per week – January 1, 2017

- 4 or more cubic yards of solid waste per week – January 1, 2019
- 2 or more cubic yards of solid waste per week, if statewide disposal of organic waste is not decreased by half – January 1, 2020.

State Agencies can comply with the new requirements by taking one or any combination of the following actions:

- Source-separate organic waste from other waste and subscribe to an organic waste recycling service that specifically includes collection and recycling of organic waste.
- Recycle organic waste onsite, such as composting, anaerobic digestion, vermicomposting, or self-haul to an organics recycling facility.
- Subscribe to an organic waste recycling service that includes mixed-waste processing that specifically recycles organic waste.
- Sell or donate the generated organic waste.

Please refer to Mandatory Commercial Organics Recycling (MORe) FAQs under “Business” to answer additional questions on how an agency qualifies as a business.

(<http://www.calrecycle.ca.gov/Recycle/Commercial/Organics/FAQ.htm> ) and for more information on food waste recovery: <http://www.calrecycle.ca.gov/Organics/Food/>

Listed below are some steps to take:

- Review the background and overview to Mandatory Commercial Organics Recycling (<http://www.calrecycle.ca.gov/Recycle/Commercial/Organics/> )
- Check with your [CalRecycle LAMD representative](#) to discover what organics recycling programs are or will be available in your jurisdiction or area.
- If applicable, coordinate with the building owner regarding areas for collecting, storing and loading the organics.
- Implement additional programs, when possible or required. Each type of organics recycling program may not be required for your agency and will depend on the jurisdiction or area.
- Refer to SAM 1950 for State Agency Responsibilities.
- Report on programs in the annual State Agency Waste Management Report due May 1<sup>st</sup> each year (<http://www.calrecycle.ca.gov/stateAgency/> ).

For additional mandatory organic recycling requirements, please refer to:

**[ORGANIC WASTE 1930.8](#)**

## SAM – WASTE PREVENTION AND RECYCLING OF NON-HAZARDOUS WASTE

### ORGANIC WASTE 1930.8

Assembly Bill 1826 (PRC Sections 42649.8 - 42649.86) was passed in September 2014 requiring businesses, **including state agencies**, which generate certain amounts of organic waste per week to have organic waste recycling programs. On and after January 1, 2016, local jurisdictions across the state are required to implement an organic waste recycling program to divert organic waste generated by businesses, **including state agencies**.

The types of organic material that the law requires organic waste programs to address include: food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with food waste.

This law phases the requirement to have organic waste recycling programs over time. In particular, the minimum threshold of organic waste generation by businesses, **including state agencies**, decreases over time, which means that an increasingly greater proportion of the commercial sector will be required to comply.

The phased requirement dates to have organic waste recycling programs:

- 8 or more cubic yards of organic material per week – April 1, 2016
- 4 or more cubic yards of organic material per week – January 1, 2017
- 4 or more cubic yards of solid waste per week – January 1, 2019
- 2 or more cubic yards of solid waste per week, if statewide disposal of organic waste is not decreased by half – January 1, 2020.

State Agencies can comply with the new requirements by taking one or any combination of the following actions:

- Source-separate organic waste from other waste and subscribe to an organic waste recycling service that specifically includes collection and recycling of organic waste.
- Recycle organic waste onsite, such as composting, anaerobic digestion, vermicomposting, or self-haul to an organics recycling facility.
- Subscribe to an organic waste recycling service that includes mixed-waste processing that specifically recycles organic waste.
- Sell or donate the generated organic waste.

Please refer to Mandatory Commercial Organics Recycling (MORe) FAQs under “Business” to answer additional questions on how an agency qualifies as a business. (<http://www.calrecycle.ca.gov/Recycle/Commercial/Organics/FAQ.htm> ) Listed below are some steps to take:

(Continued)

## **ORGANIC WASTE 1930.8 (Cont. 1)**

- Review the background and overview to Mandatory Commercial Organics Recycling (<http://www.calrecycle.ca.gov/Recycle/Commercial/Organics/> )
- Check with your [CalRecycle LAMD representative](#) to discover what organics recycling programs are or will be available in your jurisdiction or area.
- If applicable, coordinate with the building owner regarding areas for collecting, storing and loading the organics.
- Implement additional programs, when possible or required. Each type of organics recycling program may not be required for your agency and will depend on the jurisdiction or area.
- Refer to SAM 1950 for State Agency Responsibilities.
- Report on programs in the annual State Agency Waste Management Report due May 1<sup>st</sup> each year (<http://www.calrecycle.ca.gov/stateAgency/> ).

## **SAM – WASTE PREVENTION AND RECYCLING OF NON-HAZARDOUS WASTE**

**Rev. 424**

### **STATE AGENCY RESPONSIBILITIES 1950**

(New 12/2013)

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), AB 341 (PRC Sections 42649 & 42926), and AB 1826, (PRC Sections 42649.8 - 42649.86). 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).

(Continued) **SAM – WASTE PREVENTION AND RECYCLING OF NON-HAZARDOUS WASTE**  
**Rev. 424**

(Continued)

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

(New 12/2013)

10. 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.

11. 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.

12. 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>

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

14. Ensure that CalRecycle receives annual reports summarizing its progress in reducing solid waste as required in PCC Section 12167.1 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) and their requirement to comply with PCC Section 12200-12217.

15. Utilize surplus property. See Management Memo 11-01.

**SAM – INFORMATION SECURITY  
(Office of Information Security)**

**INFORMATION SECURITY PROGRAM MANAGEMENT**

**5305.1**

(Revised [6/4/15](#))

**Policy:** Each state entity must provide for the proper use and protection of its information assets. Accordingly each state entity shall:

1. Develop, implement, and maintain a state entity-wide Information Security Program Plan.
2. Ensure the plan documentation provides the following:
  - a. an overview of the requirements for the state entity's information security program;
  - b. a description of the state entity's strategy and prioritization approach to information security, privacy, and risk management;
  - c. a plan for integrating information security resource needs into the state entity's capital planning and funding request processes; and
  - d. a plan of action and milestones ([POAM](#)) process for addressing program deficiencies. [State entities shall use the standardized POAM reporting instructions and tool \(SIMM 5305-B and SIMM 5305-C, respectively\).](#)
3. [Ensure the plan is](#) ~~Be~~ approved and disseminated by the state entity head responsible and accountable for risks incurred to the state entity's mission, functions, assets, image and reputation.
4. Identify roles and responsibilities, and assign management responsibilities for information security program management consistent with the roles and responsibilities described in the Information Security Program Management Standard ([SIMM 5305-A](#)).

**Implementation Controls:** [NIST SP 800-53: Planning \(PL\)](#); [Program Management \(PM\)](#); [Information Security Program Management Standard \(SIMM 5305-A\)](#); [Plan of Action and Milestones \(SIMM 5305-B and SIMM 5305-C\)](#)

**SAM – INFORMATION SECURITY**  
**(Office of Information Security)**

**COMPLIANCE REPORTING**

**5330.2**

(Revised ~~842/1543~~)

**Policy:** Each state entity shall comply with the following reporting requirements as directed by the CISO:

1. Designation Letter – By January 31 of each year, and as designee changes occur, the state entity head shall designate an ISO, Technology Recovery Coordinator and Privacy Officer/Coordinator using the Designation Letter ([SIMM 5330-A](#)). Upon the designation of a new ISO, Disaster Recovery Coordinator, and/or Privacy Program Coordinator, the state entity must submit an updated Designation Letter to the CISO within ten (10) business days using the Designation Letter ([SIMM 5330-A](#)).
2. Risk Management and Privacy Program Compliance Certification – By January 31 of each year, the state entity head shall certify that the entity is in compliance with state policy governing information security, risk management and privacy program compliance by submitting the Risk Management and Privacy Program Compliance Certification ([SIMM 5330-B](#)).
3. Technology Recovery Plan – Each year the state entity head shall submit a copy of its Technology Recovery Plan (TRP) with the Technology Recovery Program Compliance Certification ([SIMM 5325-B](#)) to the CISO by the due date outlined in the Technology Recovery Plan Submission Schedule. If the state entity employs the services of a data center, it must also provide the data center with a copy of its TRP or subset of the relevant recovery information from the state entity's TRP.
4. Incident Follow-up Report – Within ten (10) business days from the date of reporting an incident, each state entity must complete an Information Security Incident Report (SIMM 5340-B). The CISO may require, in conjunction with its assessment of the incident, that the state entity provide additional information.

[Program deficiencies identified through compliance certification reporting, risk assessments, audits, incidents or oversight reviews also require the submission of a Plan of Action and Milestones \(POAM\). State entities shall use the standardized POAM reporting instruction and tool \(\[SIMM 5305-B\]\(#\) and \[SIMM 5305-C\]\(#\), respectively\).](#)

**Implementation Controls:** [Designation Letter \(SIMM 5330-A\); Risk Management and Privacy Program Compliance Certification \(SIMM 5330-B\); Technology Recovery Program Compliance Certification \(SIMM 5325-B\); Information Security Incident Report \(SIMM 5340-B\); and Plan of Action and Milestones \(SIMM 5305-B and SIMM 5305-C\).](#)

**SAM – INFORMATION SECURITY  
(Office of Information Security)**

**INCIDENT HANDLING**

**5340.3**

(Revised [6/14/15](#))

**Policy:** Each state entity shall implement incident handling for information security and privacy incidents that includes preparation, detection and analysis, containment, eradication, and recovery. Incident handling shall coordinate with business continuity planning activities (SAM section 5325). Incident handling capability shall include procedures for coordination among many groups within a state entity, for example, mission/business owners, information system owners, authorizing officials, human resources offices, physical and personnel security offices, legal departments, operations personnel, procurement offices, and executive management.

If during the recovery and lessons learned phase of an incident, the state entity uncovers a deficiency in their program, the state entity shall take action to prevent recurrence and report their action plan through the Plan of Action and Milestone (POAM) process. State entities shall use the standardized POAM reporting instructions and tool (SIMM 5305-B and SIMM 5305-C, respectively)

**Implementation Controls:** NIST SP 800-53: Incident Response (IR); Plan of Action and Milestones (SIMM 5305-B and SIMM 5305-C).

## SAM RECONCILIATIONS AND REPORTS

### BANK RECONCILIATION

7923

(Revised 09/15)

Departments will reconcile their bank account balance with the like account maintained in the ~~C~~entralized State Treasury System (CTS). Departments will reconcile their General Cash, Revolving Fund Cash, and Agency Trust Fund Cash accounts with the ~~ir~~ State ~~Controller's Office (SCO), Centralized Treasury Trust System Account Statement~~ ~~Treasurer's Office (STO)~~ bank balance, adjusted for deposits in ~~transit~~, outstanding checks, and other reconciling items. When departments account for more than one fund in a bank account, departments will identify the fund's share on the bank reconciliation.

~~The State Controller's Office (SCO)~~ ~~providessends~~ a monthly Centralized Treasury Trust System Account Statement (~~bankCTS~~ statement) to departments that includes a sequential listing of the following items by transaction/paid date, document number, and amount:

- Checks paid during the month
- Transfers of Funds (i.e. TC47 SCO transaction code entries) during the month
- Deposits posted during the month

For each check paid, the ~~bankCTS~~ statement shows the check number, date ~~of payment~~~~paid~~, and the amount paid. Departments will use the listing to determine the amount of outstanding checks. The outstanding check amount on the reconciliation will be supported by a list showing the number, date, and amount of each outstanding check. ~~Departments will file their physical, cancelled checks in sequential check number order.~~ ~~Effective~~~~On~~ October 1, 2010, all agency checks ~~will beere~~ converted to electronic images and ~~will beere made~~ available on the STO statewide Agency Paid System. Check data is updated daily and retained for five years from the check paid date. Departments can access and print images of their checks through the automated system. To obtain access to the Agency Paid System, departments shall complete the STO's User ID Assignment/Removal Form STO-IP 130. The form and information can be obtained by contacting the STO Item Processing Section at ~~Item.Processing@stoTreasurer~~.ca.gov.

The ~~bankCTS~~ statement also includes a chronological listing of SCO transfers from the account and bank deposits posted during the month. Departments will compare the transfers and deposits posted on the ~~bankCTS~~ statement to department records to determine the amount of outstanding transfers and deposits in ~~transit~~. The outstanding transfers and deposits on the reconciliation will be supported by respective lists showing the document number, date, and amount outstanding. Departments will attempt to resolve deposits in ~~transit~~ over 30 days.

Errors on the ~~bankCTS~~ statement will be corrected as provided in SAM ~~S~~ection 8060. The ~~person-reconciling~~~~ation~~ ~~the bank statement~~ will trace every reconciling item between the bank and the department's records and include an explanation ~~on the reconciliation~~. Departments will file ~~bankCTS~~ statements and monthly reconciliations in date order.

## SAM RECONCILIATIONS AND REPORTS

### YEAR-END REPORT NO. 14, REPORT OF ACCOUNTS OUTSIDE THE STATE TREASURY

7975

(Revised ~~12/13~~07/15)

At year-end, departments (including agencies) must prepare a Report No. 14, Report of Accounts Outside the State Treasury, form STD. 445. The Report No. 14 must include any account outside the centralized State Treasury System (CTS) in which state money is deposited or must indicate that there are no accounts to report. Department of Finance (Finance), Fiscal Systems and Consulting Unit (FSCU) approval ([S](#)see SAM section 8002) or statutory authority is required to maintain accounts outside of the CTS.

Each Report 14 shall include the tax identification number(s) under which the accounts were or could be established, department name, address, organization code, fiscal year-end date, signature, name and title of officer signing the report, contact telephone number and date signed. Only one Report No. 14 per department shall be submitted.

If no accounts exist outside the CTS, indicate "No accounts outside State Treasury" on the Report 14.

When there are accounts outside of the CTS, the Report No. 14 shall include the following:

- Account title and number appearing on bank/savings and loan/other depository statement.
- Type of account (savings, checking, ZBA, certificate of deposits, investment, etc.).
- Brief description and purpose of account. Must be consistent with the purpose approved by Finance, FSCU or authorized by law.
- Name and address of depository and branch.
- "Finance approval" and date or specific statutory authority.
- ~~Book-Bank~~ balance of account as of June 30. If the account was closed during the reporting period, include "N/A" and the date when the account was closed.
- Indicate whether the account is collateralized or if collateral is not required.

(Continued)

## SAM RECONCILIATIONS AND REPORTS

(Continued)

### YEAR-END REPORT NO. 14, REPORT OF ACCOUNTS OUTSIDE THE STATE TREASURY

7975 (Cont. 1)

(Revised ~~1207~~/~~135~~)

Accounts outside the CTS shall be reviewed periodically to ensure compliance with Finance approval and/or legal authority. If the account was approved by Finance and there is a need to update any conditions of the approval, including the purpose of the account or the banking information, a new request for approval must be submitted to Finance FSCU.

The department head or designee that is at least one level above both legal and administrative functions is required to certify under penalty of perjury all information stated on the Report No. 14 is true and correct and the use of the account(s) is consistent with Finance approval or as authorized by law. A designee shall only be allowed to certify Report No. 14 in the absence of the department head. The certification also affirms the deposited funds will be adequately collateralized throughout the year in accordance with law. For additional information regarding the security and collateral requirements, consult with the State Treasurer's Office (STO).

The original Report No. 14 must be sent to the STO and a copy must be sent to the State Controller's Office by August 20.

A sample of Report No. 14 is shown in the 7975 Illustration.



### INSTRUCTIONS

This report will be required of all state agencies and departments to report state money that is outside of the State Treasury. If no account exists, submit report noted "No accounts outside State Treasury." Any account in which state money is deposited, as defined by Government Code 16305.2, and which is not in the centralized State Treasury system will be included in this report.

- (1) Account title and number appearing on bank/savings and loan/other depository statement.
- (2) State type of account (savings, checking, zero balance account, certificate of deposit, investment, etc.).
- (3) Brief description and purpose of account. Must be consistent with the purpose approved by Department of Finance or as authorized by law.
- (4) Name and address of depository and branch.
- (5) Cite Department of Finance approval and date or specific statutory authority.
- (6) Bank balance of account as of June 30. If the account was closed during the reporting period, include "n/a" and the date when the account was closed.
- (7) Indicate whether the account is collateralized or if collateral is not required. Check only one box (Yes, No, or Not Required)

## SAM RECONCILIATIONS AND REPORTS

## SAM - CASH

### ACCEPTANCE OF CHECKS AND MONEY ORDERS

8023

(Revised ~~8/04~~07/15)

All checks, money orders, and warrants received for deposit will be endorsed per the ~~be restrictively endorsed for deposit as soon as possible after receipt, but no later than the end of the working day. See instructions in SAM sections 8034.1, 8034.2, and 8034.5 as applicable. If the payee space is blank on any instrument received for deposit, the State agency's name will be entered immediately.~~

~~Checks and money orders for amounts in excess of the payment required may, at the State agency's discretion and upon proper identification of the payer, be accepted over-the-counter. Immediately refund the amount in excess of the required payment made from cash receipts, except when the person presenting the check has prepared the check for an amount in excess of the required payment.~~

AAs a general principle, Sstate agencies-departments will accept personal checks to provide convenience to the public. See Government Code section 6157. However, State agencies-departments may require payment by cash, certified check, cashier's check, or money order when:

- Service or materials that cannot be withdrawn if the check is dishonored by the bank are furnished to other than well established firms or well-known persons.
- 
- The payer previously gave the Sstate agency-department a check that was dishonored by the bank.
- 
- The check is drawn on a financial institution outside the United States.

State agencies-dDepartments accepting personal checks over-the-counter for cash or for services or materials that cannot be withdrawn will assure that enough information is available, either on the check or from available records, to enable tracing the person who presents the check if it is dishonored by the bank. Supplemental information, such as residence or business address, driver's license number, etc., may be essential in locating such individuals.

## SAM - CASH

### PROCEDURE FOR DEPOSITING

#### WHEN TO DEPOSIT

8032.1

(Revised ~~12/020~~7/15)

~~Agencies-Departments~~ are required to deposit ~~receipts~~money in a timely and economical manner. ~~As practical~~Where possible, ~~all deposits should be combined and the number of daily deposits kept to a minimum to save time and avoid unnecessary depositing costs.~~ ~~They~~Departments will adhere to the following guidelines in determining when to deposit ~~receipts~~money into a ~~CTS-state depository bank~~ account at an approved depository ~~for credit to the department's CTS account~~:

- ~~Agencies-Departments~~ that have safes, vaults, money chests, or other comparable storage that is adequate to safeguard cash will accumulate collections until they amount to \$1,000 in cash or \$10,000 in cash, checks, money orders, and warrants (excluding state warrants and state checks), whichever occurs first.
- ~~Agencies-Departments~~ that do not have a safe, vault, or money chest that is adequate to safeguard cash will accumulate collections until they amount to \$250 in cash or \$10,000 in cash, checks, money orders, and warrants (excluding state warrants and state checks), whichever occurs first. When such funds are not in use, they will be locked in a desk, file cabinet, or other mechanism providing comparable safekeeping.
- Accumulated ~~receipts~~money of any amount will not remain undeposited for more than ~~ten-five~~ working days. An ~~agency-department~~ may deposit more often than once a day ~~at its discretion and~~ when it is economical or practical to do so because of the size of ~~its receipts~~the deposit.
- Field representatives may either deposit ~~receipts~~money directly or remit ~~them~~ by mail to the appropriate ~~agency-department~~ accounting office to then be deposited into a ~~CTS-state depository~~ bank. This should be in accordance with the ~~agency's department's~~ procedures for depositing ~~receipts~~money from a field office; however, adherence to the SAM requirements governing the depositing of ~~receipts~~money is required.

~~Agencies-Departments~~ will consider any procedure that expedites depositing ~~to be practical~~ if the additional interest earnable exceeds the additional costs of the procedure. ~~Agencies Departments will use the following formula for determining additional interest earnable:~~ ~~additional-Additional earnable~~ interest ~~earnable~~ will be estimated at \$27 per million dollars per calendar day for each one percent of current rate of interest earned.

## SAM - CASH

### METHOD OF DEPOSITING

8032.2

(Revised 06/201215)

Departments will maintain adequate security of state monies in--transit to banks and assure that the delivery is made in the most economical way consistent with **good practice**, safety, department needs, and SAM requirements. **The F**ollowing are the different methods to be used for depositing state monies into the Demand Depository Accounts.

1. **By Employee.** A department messenger or other assigned employee may deliver the deposit to the bank if: (1) the bank is not furnishing bank messenger service or (2) an armored car service either is not available or not economically justified and direct delivery of deposits does not subject department employees to the hazard of robbery or compromise their safety.
  - a. **Teller Counter.** During regular banking hours a department employee may deliver the deposit to the merchants' window of their selected CTS bank. Delivery of deposits to the bank by a department employee is normally a routine task for departments which regularly collect **revenue money**. Employees may perform this service either routinely or occasionally in conjunction with other state duties while in the vicinity of the bank.
  - b. **Night Deposits.** Night depository service (after banking hours) is furnished by most branches of those banks listed as approved depositories in SAM section 8031. This service will be used by departments not equipped with proper safes or vaults for safeguarding cash overnight and by departments in outlying areas where a night deposit can be made enroute by a department employee returning home at the end of the workday. See SAM section 8032.1 regarding when to deposit.
2. **Mail Deposits.** Deposits may be made by certified or registered mail if the department or field representative is a considerable distance from the nearest banking facility of an approved depository and visits to such bank would not be made as often as required for depositing collections, provided coin and currency can be converted locally by the purchase of a cashier's check or money order. The cost of cashier's checks or money orders purchased for such deposits will not be deducted from the deposit but will be paid from revolving funds, cash purchase funds, or an employee's own funds. In the latter instance the employee will claim reimbursement on his travel expense claim. Some banks do not charge for money orders or cashier's checks that are purchased for state business. At the time of purchase, the department employee should make it known that the money order or cashier's check is being purchased in the state's behalf and provide such evidence as may be required for verification.

(Continued)

## SAM - CASH

(Continued)

### METHOD OF DEPOSITING

8032.2 (Cont. 1)

(Revised 06/2015)

3. **Armored Car.** If the safety of employees or robbery are imminent concerns, armored car service is also an option. Special arrangements may be made with armored car companies for armored car service during a particular collection period, or when special service is required.
4. **Bank Messenger.** When bank messenger service is available in an area, departments may arrange for their deposits to be picked up and delivered to a selected branch of an approved depository bank. Deposits will be placed in sealed bags and will be receipted by the bank messenger at the time the deposit is picked up. This receipt will be kept by the department along with any other documentation verifying the deposit. **(Note: bank messengers are restricted from picking up deposits that include coin or currency.)**
5. **Remotely.** Image Cash Letter and Remote Site Deposit are ways to deposit check images to depository banks electronically. Departments do not have to use resources to physically deliver items to the bank. It is available to all departments that meet the requirements for the Electronic Deposit Form and have the hardware to process information electronically as instructed in the User's Manual (see SAM section 8033.4). Participating departments will continue to comply with all applicable SAM sections regarding depositing, reporting, and correcting of deposits made to the CTS. See SAM section 8034.5 for endorsement provisions and 8043.2 for Non-Conforming Images.

Departments may contact the STO for more information by e-mail at: ~~cash-~~bankrec@[treasurersto](mailto:treasurersto.ca.gov).ca.gov.

Additional information is also available at the following website:  
<http://treasurer.ca.gov/inside/divisions/icl.asp>

In the event of a Fatal File Failure, which prevents the bank from processing deposits, the department must contact the STO, Financial Services Section by e-mail and call immediately after becoming aware of the failure:

finserv@[treasurersto](mailto:treasurersto.ca.gov).ca.gov and call (916) 653-2917 ~~or CALNET 453-2917.~~

## SAM - CASH

### VERIFICATION OF DEPOSITS

8032.3

(~~New Revised 5/98~~<sup>06/15</sup>)

Except where the supervisor and the person depositing cash are not at the same location, the person supervising the person depositing cash will verify that ~~receipts~~money have ~~has~~ been deposited intact and in accordance with SAM section 8032.1. The supervisor will distribute the copies of the Report of Deposit in accordance with SAM section 8033.2, Item 16, but will perform no other function in connection with the deposit.

## SAM - CASH

### ADJUSTMENTS AND CORRECTIONS

8033.3

(Revised 3/20057/2015)

~~1.~~ To properly credit your department deposits, the information must be accurate, legible, and complete per the ~~previous~~ instructions in SAM section 8033.2.

Banks are not allowed to alter the Report of Deposit form. The bank will credit the State Demand Account for the total deposit indicated on the deposit form. The State Treasurer's Office (STO) will post the same total deposit to your centralized State Treasury System (CTS) account. In addition, the bank will NOT notify you if the discrepancy is less than fifty dollars. However all discrepancy amounts must be corrected. The STO recommends that all deposits be verified by a second person.

~~Do not make corrections on the deposit slip.~~ If an error is made on the deposit slip, refer to the following instructions:

1.a. Do not make corrections to a completed deposit slip.

2. If all copies of the deposit form are in your possession, void and destroy the entire form. *Do not send voided deposits to the STO.* Prepare a new deposit form.

3.b. If For overstated deposits. Whether the deposit ~~has been~~ is made physically or electronically, if it is received by the bank and the amount is overstated (deposit is less than the deposit form total), prepare a check to the depository bank for the shortage amount and send it to the bank within 24 hours.

4. c. If For understated deposits. Whether the deposit is made physically or electronically, if it is received by the bank and the amount is understated (the deposit is more than the deposit form total), prepare a supplemental Report of Deposit form for the amount of the difference within 24 hours. ~~Indicate the differences on lines 6 (adjustments) and again on line 9 (total deposits).~~ Follow the below instructions on completing and routing the deposit form (see SAM section 8033.2 Illustration for a sample Report of Deposit form):

a. Indicate the differences on line 6 ("Adj., Wires, Misc.") and on line 9 ("Total Deposit")

~~e.~~ b. You may use ~~section~~ box 10 ("For Agency Use") to reference the prior report of deposit serial number.

~~e.~~ c. Send the original bank copy ~~and the STO copy~~ to the deposit adjustment desk of your depository bank.

~~f. The bank will s~~ d. Send the STO copy to the Treasurer's office for credit to your agency checking \_\_\_\_\_ account.

Note:

~~Bank instructions do not allow the banks to alter the deposit form. The bank will credit the State Demand Account for the total deposit indicated on the Report of Deposit form. The STO will post the same total deposit to your CTS account.~~

~~The bank will **NOT** notify you if the discrepancy is less than fifty dollars. However all discrepancy amounts must be corrected. The STO recommends that all deposits be verified by a second person.~~

~~2. If you find an error on your centralized State Treasury System statement, contact STO, Bank Reconciliation Section (for deposit errors) or Item Processing Section (for check errors). **Do not contact the bank.**~~

~~a. Reporting of Deposit form errors:~~

~~1. If there is an item on the statement that you cannot identify, photocopy that page of your statement and highlight the line item. Send the photocopy of the statement with a brief letter of explanation to the STO, Bank Reconciliation Section.~~

~~**SAM – CASH**~~

(Continued)

**ADJUSTMENTS AND CORRECTIONS**

**8033.3 (Cont. 1)**

(Revised 3/2005)

~~2. If you did not receive credit for a deposit, verify that all the deposit information is complete and correct. Then send a **legible** photocopy of the Report of Deposit form with a brief letter of explanation to the STO, Bank Reconciliation Section.~~

~~3. If there is a discrepancy in the amount of credit, photocopy the deposit slip and the statement with the item highlighted. Make sure both photocopies are legible. Send both photocopies with a brief letter of explanation to the STO, Bank Reconciliation Section.~~

Please send the required documentation to:  
State Treasurer's Office (IMMS C-15) Bank Reconciliation Section  
915 Capitol Mall  
P.O. Box 942809  
Sacramento, CA. 94209-0004

~~b. Agency check errors:~~

~~1. If there is an error on an agency check, make a legible photocopy of the check (front and back) **and** the statement. Send both photocopies with a brief letter of explanation to:~~

State Treasurer's Office (IMMS C-15)  
Item Processing Section, Room 2  
915 Capitol Mall  
P.O. Box 942809

Sacramento, CA. 94209-0001

NOTE: If your correspondence includes more than one bank or type of problem,  
please send a separate letter for each bank or type of problem.

## SAM - CASH

### ENDORSEMENT OF REMOTELY DEPOSITED IMAGES

8034.5

(~~New~~Revised 06/2012/2015)

For items that are remotely deposited, the endorsement is electronically affixed to the back of the image. Physical endorsements are not required.

For non-conforming images rejected from the electronic process, see SAM section 8043.2.

## SAM - CASH

### LOSS BY BANKS OF CHECKS DEPOSITED BY STATE

8035

(Revised ~~4/19787/2015~~)

When checks are lost, the agencydepartment will first ascertain the circumstances under which they were lost- and work with the bank to locate the checks. If the checks cannot be found, the department will attempt to recreate the deposit and remit it to the bank for processing. If the department cannot recreate the deposit, the agencydepartment will try to establish whether the bank had possession of the checks at the time the loss occurred. If it appearsed that the bank had possession of the checks and the loss was the resultfault of the bank's negligence, the agencydepartment will refuse to not reimburse the bank for the loss and will refer the matter to the Department of Finance (Finance), Fiscal Systems and Consulting Unit (FSCU). If the agencydepartment cannot determine fault by the bank is certain that no negligence is involved, it will draw a check on the account in which the deposit was made to reimburse the bank for the lost checks. The department will notify the payees of the lost checks and request them to place "stop payments" on the lost checks and remit replacement checks.

~~Department of Finance, Fiscal Systems and Consulting Unit~~, will be notified if the agencydepartment believes that there is probable negligencefault on the part of the organization transporting the checks or any other bank other than the depository bank.

~~It is realized that the question will arise as to what amounts to negligence on the part of the bank. It will be necessary to treat each case separately. Examples of possible negligence are:~~

- ~~1. The destruction of the checks by mistake.~~
- ~~2. Placing the checks in a position or place which would make it easy for someone to steal them.~~
- ~~3. Loss of checks because they have been misplaced by a bank employee or forwarded by the bank to the wrong party.~~

~~Agencies will assume that the bank will make every effort to trace lost items with the post office, correspondent banks, etc. and will not duplicate this effort. Agencies will request the drawers of the lost checks to place "stop payments" on them and draw replacement checks.~~

## **SAM - CASH**

### **RETENTION OF CHECKS AND FILES FOR ELECTRONIC DEPOSITS**

**8035.1**

(New 7/2015)

The overwhelming majority of checks received by the state are deposited remotely via electronic Image Cash Letter or Remote Site Deposit to the depository banks.

To protect the state, its paying customers, and the banks, departments must:

1. Retain the original checks for a minimum of 15 working days from the day they were deposited by Image Cash Letter or Remote Site Deposit. It is the department's responsibility to oversee that the destruction of checks is done in a secure and confidential manner.
2. Retain check images and files for at least four years after the end of the fiscal year in which the checks were deposited through Image Cash Letters.

This will allow departments the ability to ensure the accuracy of deposits and bank credit and, if necessary, that deposits can be recreated, researched, reconciled and corrected. Check images are also required as part of the department's customer receipt record.

## SAM - CASH

### STOP PAYMENTS

8045

(Revised ~~12/20037/2015~~)

A Stop Payment Request form, STD. 432 must be sent to the State Treasurer's Office (STO) one week before the stale date of all uncashed agency checks. The stale date is one year from the date of issuance. See SAM Ssection 8042.

To stop the payment of a centralized State Treasury System (CTS) agency check, ~~agencies~~departments will complete ~~a~~ STD. 432, in triplicate and send the original with one copy to STO. The copy will be returned to the department showing the effective date of the stop payment. The STO **does not** determine if an agency check has been cashed payment has previously been made before processing the stop payment. It is the ~~agency's~~department's responsibility to determine if the check has been paid before issuing a replacement check. See SAM Ssection 8044. ~~Agencies~~ Departments must review their ~~bank~~CTS statements or the STO's Agency Paid System to determine if payment was made ~~in a previously month and contact STO to determine if payment was made in the current month.~~ Departments can contact the STO to obtain access to the Agency Paid System. See SAM section 8050.

Telephone requests for stop payments will not be accepted by the STO, except in extremely urgent situations. If the STO agrees to accept an emergency request, a completed STD. 432 must be faxed to STO. The department must then write "confirming" at the top of the form and forward the original with one copy to the STO.

## SAM - CASH

### RECONCILIATIONS

8060

(Revised ~~8/19987/2015~~)

All ~~bank and~~ centralized State Treasury System (CTS) accounts will be reconciled promptly at the end of each month. See SAM Sections 7900, ~~7923~~ and 7967. This does not preclude reconciliations at other times of the month as considered necessary by the ~~agency~~department.

At the end of each period, the State Controller's Office (SCO) issues a CTS Statement for each CTS account. If there is an item on the statement that you cannot identify, contact the SCO for explanation.

If it is determined by the reconciliation that an error has been made, ~~agencies~~departments will notify the State Treasurer's Office (STO) Bank Reconciliation Section. **DO NOT NOTIFY THE BANK.**

#### CTS Statement Errors:

#### Report of Deposit Errors:

~~1. If there is an item on the statement that you cannot identify, copy that page of your CTS statement and highlight the item. Send the copy with a brief letter of explanation.~~

~~1.2.~~ If ~~you did a~~ department does not receive credit for a deposit, the department will verify that all of the information on the Report of Deposit is complete and accurate. The department will ~~send~~ a legible photocopy of the Report of Deposit on white letter size paper only. DO NOT send agency or bank copies.

~~2.3.~~ If there is a discrepancy in the amount of credit, the department will send photocopies of the Report of Deposit and the CTS statement with the item highlighted. and Send the copies with a brief letter of explanation.

~~4. If the Report of Deposit errors involve more than one bank, a separate letter is required for each bank.~~

Departments can email the requested information to [bankrec@sto.ca.gov](mailto:bankrec@sto.ca.gov) or mail to:

~~The above items 1-4 must be sent to:~~

State Treasurer's Office  
Bank Reconciliation Unit  
915 Capitol Mall, C-15  
P. O. Box 942809  
Sacramento, CA 94209-0001

~~3.~~ If it is determined there is an agency check error on the CTS statement, departments will notify the STO Item Processing Section by sending make legible photocopies of the

check, front and back, and the statement. ~~Send the copies~~ with a brief letter of explanation. ~~to:~~

Email the requested information to [ItemProc@sto.ca.gov](mailto:ItemProc@sto.ca.gov) or mail to:

State Treasurer's Office

~~Warrant Processing Unit, Room 2~~ Item Processing Section

915 Capitol Mall, C-15

P.O. Box 942809

Sacramento, CA 94209-0001

Do not include Report of Deposit errors with agency check errors on any letter of explanation. A separate letter is required for each type of error.