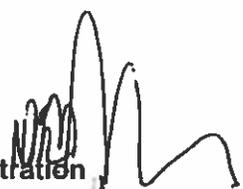


Memorandum

To: Office of Technology Services Customers
Agency Information Officer
Chief Information Officer

Date: March 29, 2011

From: Melissa N. Matsuura
Deputy Director, Administration
California Department of Technology (formerly California Technology Agency)



Subject: Payment for Services Rendered by California Department of Technology

As you are aware, AB 2408 (Chapter 404, Statutes of 2010) effective January 1, 2011 codified the statewide information technology consolidation originally implemented by the Governor's Reorganization Plan No. 1 in 2009. Included with the implementation of AB 2408 is a change in the Interagency Agreement process (IAA) used to contract for information technology services from the California Technology Agency .

The California Department of Technology and the Office of Technology Services (OTech) will no longer require an executed IAA from state entities to process the direct transfer payment for services rendered (this also includes CALSTARS). Customers that have not completed an IAA for the Fiscal Year 2010/11 can halt the processing and approval of an IAA. In April, any open invoices for July, 2010 through March, 2011 will be processed through the State Controller's Office (if applicable) for payment. Future invoices will be submitted monthly using the following process:

- The California Department of Technology will continue to send printed invoices to customers 5 - 10 days after the end of each billing period.
- Approximately 1 - 3 business days after the invoices are sent to customers, the California Department of Technology will submit an electronic file to State Controller's Office for the direct transfer process.
- The State Controller's Office requires approximately 5 business days to process the electronic direct transfer file and will provide customer accounting units with a journal entry of the direct transfer transaction.
- On an annual basis in June, the California Department of Technology will send a form to customers to confirm that their funding appropriation has not changed from prior fiscal year.

Some customers may still wish to continue to process an IAA for the purpose of encumbering funds and the California Department of Technology will continue to process these IAAs. Any existing Interagency Agreements will remain in effect until the expiration of the agreement. We realize that this change is a departure from past practices, and may initially cause concern. Customers who have questions regarding this change in process should contact their Account Manager or Susan Ferguson, Manager, Accounting Section at (916) 431-5484.