

BUDGET LETTER

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| | NUMBER: 01-35 |
| SUBJECT: CALFED BUDGET CHANGE PROPOSALS | DATE ISSUED: September 7, 2001 |
| REFERENCES: | SUPERSEDES: |

TO: Agency Secretaries
Department Directors
Departmental Budget Officers
Departmental Accounting Officers
Department of Finance Budget Staff

FROM: DEPARTMENT OF FINANCE

In a July 25, 2001, letter to the Secretary of the Resources Agency, the Department of Finance (Finance) approved a request to submit CalFed budget change proposals (BCPs) by October 1, 2001, rather than September 13, 2001, as specified in Budget Letter 01-08. Because multiple departments and Agencies are involved in various aspects of the CalFed Bay-Delta Program, this revised deadline applies to all CalFed BCPs submitted by any department or Agency, not just the departments within the Resources Agency.

Furthermore, in an effort to ensure coordination of the CalFed BCPs, Finance is requiring that **all** CalFed BCPs be reviewed and approved by the CalFed Director or designee prior to submission to Finance. To indicate its approval, CalFed shall mark the box on the front page of the BCP that requests concurrence from departments affected by the proposal. CalFed shall also attach comments, which shall be signed and dated by the CalFed Director or designee, to indicate that the BCP is consistent with CalFed objectives as specified in the Record of Decision. CalFed proposals that have not been so approved will be rejected without further consideration. Should a department wish to submit a proposal rejected by CalFed to Finance, it may do so; however, it must meet the deadline for regular BCPs (September 13, 2001), and the BCP cannot be justified on the basis of its relationship to CalFed or the Record of Decision. Departments and Agencies are to follow this approval procedure for future budgets actions, i.e., Finance Letters, May Revision, etc.

Also of note, the Governor's Office for Innovation in Government has recently formed a Task Force in an effort to improve coordination among CalFed departments. In the fall of 2001, it is expected that this Task Force will be issuing recommendations that will better define the roles and responsibilities of CalFed, departments and Agencies involved in the Bay-Delta Program. In subsequent years, Finance expects departments and Agencies to adhere and incorporate the Task Force's recommendations in the budget development process.

If you have any questions, please contact Cindy Shamrock, Principal Program Budget Analyst, at (916) 324-0043.

/s/ Yoshie Fujiwara

Yoshie Fujiwara
Program Budget Manager

Upcoming Budget Letters

?? 2002-03 General Administrative Costs
(Pro Rata) and Statewide Cost
Allocation Plan (SWCAP)