



# Tech Alert

from Customer Engagement Services  
"Your Gateway to Technology Services"

## TA 18-04: FY2018/19 Rate Adjustments

<b>ISSUE DATE:</b>	<b>July 3, 2018</b>
<b>ATTENTION:</b>	<b>All Customers</b>
<b>ACTION REQUESTED:</b>	<b>None – Information Only</b>
<b>EFFECTIVE DATE:</b>	<b>July 1, 2018</b>

### Overview:

The California Department of Technology (CDT) rate adjustments for Fiscal Year 2018/19 were approved by the Department of Finance on June 20, 2018. The goals of these rate changes are to:

- Revise CDT's funding model and provide more transparent rates
- Enable successful project establishment and delivery
- Provide sustainable and efficient services
- Foster innovation and partnerships with customers

### Services Impacted by Rate Adjustments:

- **CDT Cost Distribution**

Currently, CDT rates include the cost of the service, plus an allocation of administrative overhead. Administrative overhead are expenses required to run the department but cannot be directly attributed to any specific service. To ensure that CDT rates are more reflective of the actual cost to provide the service, CDT will remove the administrative overhead cost component of the service's rate calculation. The total monthly CDT administrative expenses will be distributed based on a percentage of each department's monthly CDT spending. The cost will be a separate line item on customer invoices, noted as *CDT Cost Distribution*. For a list of service rates that will change as a result of implementing this new rate methodology, please refer to the [Customer Rates Memo](#).

- **Statewide Innovation and State Web Portal**

The Statewide Innovation and State Web Portal (formerly referred to as the California Homepage) provides information and links for virtually every aspect of state activity, including: business, agriculture, education, government, and much more. Additionally, the service includes features such as: open data portal, innovation lab, state web tools, state template, domain name registration, state online directory, project management framework, Mobile Gallery, support of the state GitHub Repository security certificates and the state geoportal. The current rate structure for this service is based on individual department budgets. With the new rate structure, CDT will charge the monthly cost of this service calculated as a percentage of the total number of electronic mailboxes for each state department. The cost will be a separate line item on customer invoices, noted as *Statewide Innovation and State Web Portal*.

- **IT Statutory Oversight**

IT Statutory Oversight includes the independent IT Project Oversight of non-delegated IT projects and guidance through the Project Approval Lifecycle (PAL) process. For IT Project Oversight and PAL, CDT will begin charging customers an hourly rate as opposed to a monthly fee.

- **Information Security Audit Program**

The Information Security Program Audit (ISPA) provides a comprehensive evaluation of an entity's information security program and security practices, to ensure compliance with state mandates. The ISPA is part of the Four Year Schedule, which applies to select entities designated as high-risk. This process includes the initial ISPA, a future "check-in" audit to assess the remediation of the ISPA findings; training and workshops; and two

Independent Security Assessments (ISAs). ISAs should be conducted by the California Military Department (CMD), the ISA costs are not included in the costs associated with the Four Year Schedule. Additionally, there are two new rates related to the Security Audit Program:

1. Add-on rate for departments supporting “child entities”
2. Annual user rate for access to the California Compliance and Security Incident Reporting System (Cal-CSIRS), required for security incident reporting.

Please view the [Customer Rates Memo](#) for more detail on the rate adjustments. Additionally, CDT will forward the financial impact to each customer via email.

### Contact:

If you have questions or need further clarification, please contact Rates and Cost Recovery at (916) 431-3617 or [billing@state.ca.gov](mailto:billing@state.ca.gov).