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## **Partnership Agreement and Memorandum of Understanding Revised 10-18-07**

The Department of Finance (DOF), the State Controller's Office (SCO), the State Treasurer's Office (STO), and the Department of General Services (DGS) enter into this agreement for the period July 1, 2007 through statewide deployment of the FI\$Cal Project.

The DOF, the SCO, the STO, and DGS will collaborate in a partnership to serve the best interest of the state and its citizens and to optimize the business management of the state, to successfully develop, implement, utilize, and maintain an integrated financial management system as approved in the FI\$Cal Special Project Reports.

To achieve the new project vision (an enterprise view), there is a critical need to provide statewide leadership and coordination. This begins with the partnership among the state's four control (lead) agencies. The partners have reached consensus on project scope and approach to achieve the vision as well as roles and responsibilities. Each recognizes the unique opportunity that an enterprise view offers the state and its citizens. Each entity has unique constitutional and/or statutory responsibilities relative to specified business processes that will be separately maintained throughout the partnership.

The partnership agrees to provide executive support for this effort to ensure re-engineering and adoption of best business practices that will best facilitate the implementation and long-term maintenance of the procured system. The FI\$Cal System will encompass the management of resources and dollars in the areas of budgeting, accounting, procurement, cash management, financial management, financial reporting, cost accounting, asset management, project accounting, grant management and human resources management.

The Partners agree to consider the best interests of the State as an enterprise when considering opportunities for business process re-engineering. However, there is no intent, express or implied, to interfere with, or in any way contravene, the constitutional and/or current statutory responsibilities of the lead agencies nor to expand or diminish the statutory responsibilities through the legislative process relative to the proposed enterprise financial system, without the concurrence of the affected partner.

Each partner maintains "ownership" of their respective business areas in relationship to the system. Therefore, each partner will have the authority to ultimately determine how the system will be developed, configured, etc., in relation to their respective business roles and responsibilities.

To ensure adequate input to reflect the business needs of the State, each member of the partnership staff will function as integral members of the FI\$Cal Project, involved throughout all project phases.

The Project Partners agree that their roles and responsibilities are as outlined in the Project Charter and the Project Management Plans referenced below:

- FI\$Cal Schedule Management Plan
- FI\$Cal Cost Management Plan
- FI\$Cal Risk Management Plan]
- FI\$Cal Issue Management Plan
- FI\$Cal Change Management Plan
- FI\$Cal Contract Management Plan
- FI\$Cal Scope Management Plan
- FI\$Cal Human Resources Management Plan
- FI\$Cal Quality Management Plan
- FI\$Cal Communication Management Plan
- Change Control Plan
- Project Management Plan

The Project Charter and these plans will be reviewed and updated on a quarterly basis appropriate to the Project lifecycle. Project Management Plan changes will be submitted to the Steering Committee for approval.

Memorandum of Understanding approval/concurrence:

(See Page 3)

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**John Chiang, State Controller**

(See Page 4)

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**Michael C. Genest, Director**  
Department of Finance

(See Page 5)

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**Bill Lockyer, State Treasurer**

(See Page 6)

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**Will Bush, Director ,**  
Department of General Services

Memorandum of Understanding approval/concurrence:

  
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John Chiang, State Controller

10/25/07  
Date:



Memorandum of Understanding approval/concurrence:

**Michael C. Genest, Director**  
Department of Finance

10/23/07  
Date:



Memorandum of Understanding approval/concurrence:

*Bill Lockyer*

Bill Lockyer, State Treasurer

10-25-07

Date:



Memorandum of Understanding approval/concurrence:

**Will Bush, Director**  
Department of General Services

10-25-07

**Date:**