

PERSONAL SERVICES

6403

(Revised 2/2018)

A category of expenditure which includes such objects of expenditures as the payment of salaries and wages of state employees and employee benefits, including the state's contribution to the Public Employees' Retirement Fund, insurance premiums for workers' compensation, and the state's share of employees' health insurance. (See also "Object of Expenditure.") (SAM 6506.)

The category of Personal Services includes all payments for personal services except: (1) those obtained under contract and (2) payments for health and welfare benefits for prevailing rate employees as authorized by Government Code Section [19831](#). The Personal Services Account/Category code (AC_51XXXXX) contains two types of expenditures: (1) salaries and wages (AC_510XXXX), which includes all direct payments for personal services and (2) staff benefits (AC_515XXXX), except for those services obtained under contract. See Government Code Section [19830](#) and SAM Section [6412](#).

Government Code Sections [19130-19135](#) provide criteria and procedures regarding the state's use of personal service contracts. These provisions basically provide for personal services contracts to achieve savings when specific conditions are met and allows an employee organization that represents state employees to request that the State Personnel Board review the contracts for compliance with the specified standards.