



CORUMPLIANCE REVIEW REPORT

CALIFORNIA STATE COASTAL

CONSERVANCY

Compliance Review Division
State Personnel Board
June 19, 2026

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INTRODUCTION

Established by the California Constitution, the State Personnel Board (the SPB or Board) is charged with enforcing and administering the civil service statutes, prescribing probationary periods and classifications, adopting regulations, and reviewing disciplinary actions and merit-related appeals. The SPB oversees the merit-based recruitment and selection process for the hiring of over 200,000 state employees. These employees provide critical services to the people of California, including but not limited to, protecting life and property, managing emergency operations, providing education, promoting the public health, and preserving the environment. The SPB provides direction to departments through the Board's decisions, rules, policies, and consultation.

Pursuant to Government Code section 18661, the SPB's Compliance Review Division (CRD) conducts compliance reviews of appointing authorities' personnel practices in five areas: examinations, appointments, equal employment opportunity (EEO), personal services contracts (PSC's), and mandated training, to ensure compliance with civil service laws and Board regulations. The purpose of these reviews is to ensure state agencies are in compliance with merit related laws, rules, and policies and to identify and share best practices identified during the reviews.

Pursuant to Government Code section 18502, subdivision (c), the SPB and the California Department of Human Resources (CalHR) may "delegate, share, or transfer between them responsibilities for programs within their respective jurisdictions pursuant to an agreement." SPB and CalHR, by mutual agreement, expanded the scope of program areas to be audited to include more operational practices that have been delegated to departments and for which CalHR provides policy direction. Many of these delegated practices are cost drivers to the state and were not being monitored on a statewide basis.

As such, SPB also conducts compliance reviews of appointing authorities' personnel practices to ensure that state departments are appropriately managing the following non-merit-related personnel functions: compensation and pay, leave, and policy and processes. These reviews will help to avoid and prevent potential costly litigation related to improper personnel practices, and deter waste, fraud, and abuse.

The SPB conducts these reviews on a three-year cycle.

The CRD may also conduct special investigations in response to a specific request or when the SPB obtains information suggesting a potential merit-related violation.

It should be noted that this report only contains findings from this hiring authority's compliance review. Other issues found in SPB appeals and special investigations as well as audit and review findings by other agencies such as the CalHR and the California State Auditor are reported elsewhere.

EXECUTIVE SUMMARY

The CRD conducted a routine compliance review of the California State Coastal Conservancy (SCC) personnel practices in the areas of appointments, EEO, mandated training, compensation and pay, leave, and policy and processes. The following table summarizes the compliance review findings.

Area	Compliance	Finding
Appointments	In Compliance	Appointments Complied with Civil Service Laws and Board Rules
Equal Employment Opportunity	In Compliance	Equal Employment Opportunity Program Complied with All Civil Service Laws and Board Rules
Mandated Training	Out of Compliance	Ethics Training Was Not Provided for All Filers
Mandated Training	Out of Compliance	Sexual Harassment Prevention Training Was Not Provided for All Employees
Mandated Training	Out of Compliance	Tribal Consultations Training Was Not Provided for All Officials
Compensation and Pay	In Compliance	Salary Determinations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Compensation and Pay	Out of Compliance	Alternate Range Movements Did Not Comply with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Compensation and Pay	In Compliance	Pay Differential Authorizations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Compensation and Pay	In Compliance	Out of Class Pay Authorizations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines

Area	Compliance	Finding
Leave	In Compliance	Administrative Time Off Authorizations Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Leave	In Compliance	Leave Auditing and Timekeeping Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Leave	In Compliance	Service and Leave Transactions Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Policy	In Compliance	Nepotism Policy Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Policy	In Compliance	Workers' Compensation Process Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Policy	In Compliance	Performance Appraisal Policy and Processes Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines

BACKGROUND

The SCC develops and implements projects to protect, restore, and enhance natural, recreational, and economic resources along California's coast, in coastal watersheds, the ocean, and within the San Francisco Bay Area. The SCC supports the implementation of the San Francisco Bay Area Conservancy and the Santa Ana River Conservancy programs. Through technical assistance, direct funding, and grants to local agencies and nonprofit organizations, the SCC supports projects that relate to the preservation, enhancement, and enjoyment of coastal resources. The SCC employs approximately 81 staff.

SCOPE AND METHODOLOGY

The scope of the compliance review was limited to reviewing the SCC's examinations, appointments, EEO program, PSC's, mandated training, compensation and pay, leave,

and policy and processes¹. The primary objective of the review was to determine if the SCC's personnel practices, policies, and procedures complied with state civil service laws and Board regulations, Bargaining Unit Agreements, CalHR policies and guidelines, CalHR Delegation Agreements, and to recommend corrective actions where deficiencies were identified.

The SCC did not conduct any examinations or permanent withhold actions during the compliance review period.

A cross-section of the SCC's appointments was selected for review to ensure that samples of various appointment types, classifications, and levels were reviewed. The CRD examined the documentation that the SCC provided, which included Notice of Personnel Action forms, Request for Personnel Actions, vacancy postings, certification lists, transfer movement worksheets, employment history records, correspondence, and probation reports. The SCC did not conduct any unlawful appointment investigations during the compliance review period.

The SCC's appointments were also selected for review to ensure the SCC applied salary regulations accurately and correctly processed employees' compensation and pay. The CRD examined the documentation that the SCC provided, which included employees' employment and pay history and any other relevant documentation such as certifications, degrees, and/or the appointee's application. Additionally, the CRD reviewed specific documentation for the following personnel functions related to compensation and pay: monthly pay differentials, alternate range movements, and out-of-class assignments. During the compliance review period, the SCC did not issue or authorize red circle rate requests, arduous pay, or bilingual pay.

The review of the SCC's EEO program included examining written EEO policies and procedures; the EEO Officer's role, duties, and reporting relationship; the internal discrimination complaint process; the reasonable accommodation program; the discrimination complaint process; and the Disability Advisory Committee.

The SCC did not execute any PSC's during the compliance review period.

The SCC's mandated training program was reviewed to ensure all employees required to file statements of economic interest were provided ethics training, that all supervisors, managers, and those serving in Career Executive Assignments (CEA) were provided

¹ Timeframes of the compliance review varied depending on the area of review. Please refer to each section for specific compliance review timeframes.

leadership and development training, that all employees were provided sexual harassment prevention training, and that all officials with authority to represent the state in a tribal government-to-government consultation were provided tribal consultations training within statutory timelines.

The CRD reviewed the SCC's monthly internal audit process to verify all leave input into any leave accounting system was keyed accurately and timely and ensure the department certified that all leave records have been reviewed and corrected if necessary. The CRD selected a small cross-section of the SCC's units in order to ensure they maintained accurate and timely leave accounting records. Part of this review also examined a cross-section of the SCC's employees' employment and pay history, state service records, and leave accrual histories to ensure employees with non-qualifying pay periods did not receive vacation/sick leave and/or annual leave accruals or state service credit. Additionally, the CRD reviewed a selection of the SCC employees who used Administrative Time Off (ATO) in order to ensure that ATO was appropriately administered. Additionally, the SCC did not track any temporary intermittent employees by actual time worked during the compliance review period.

Moreover, the CRD reviewed the SCC's policies and processes concerning nepotism, workers' compensation, and performance appraisals. The review was limited to whether the SCC's policies and processes adhered to procedural requirements.

On May 28, 2026, an exit conference was held with the SCC to explain and discuss the CRD's initial findings and recommendations. The CRD received and carefully reviewed the SCC's written response on June 9th, which is attached to this final compliance review report.

FINDINGS AND RECOMMENDATIONS

Appointments

In all cases not excepted or exempted by Article VII of the California Constitution, the appointing power must fill positions by appointment, including cases of transfers, reinstatements, promotions, and demotions in strict accordance with the Civil Service Act and Board rules. (Gov. Code, § 19050.) The hiring process for eligible candidates chosen for job interviews shall be competitive and be designed and administered to hire candidates who will be successful. (Cal. Code Regs., tit. 2, § 250, subd. (b).) Interviews shall be conducted using job-related criteria. (*Ibid.*) Persons selected for appointment shall satisfy the minimum qualifications of the classification to which he or she is

appointed or have previously passed probation and achieved permanent status in that same classification. (Cal. Code Regs., tit. 2, § 250, subd. (d).) While persons selected for appointment may meet some or most of the preferred or desirable qualifications, they are not required to meet all the preferred or desirable qualifications. (*Ibid.*) This section does not apply to intra-agency job reassignments. (Cal. Code Regs., tit. 2, § 250, subd. (e).)

During the period under review, January 1, 2025, through December 31, 2025, the SCC made 24 appointments. The CRD reviewed 12 of these appointments, which are listed below:

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Associate Personnel Analyst	Certification List	Permanent	Full Time	1
Attorney IV	Certification List	Permanent	Full Time	1
Conservancy Project Development Manager	Certification List	Permanent	Full Time	1
Conservancy Project Development Specialist	Certification List	Permanent	Full Time	3
Information Technology Specialist II	Certification List	Permanent	Full Time	2
Staff Services Analyst	Certification List	Permanent	Full Time	2
Staff Services Manager I	Certification List	Permanent	Full Time	1
Staff Services Analyst	Transfer	Permanent	Full Time	1

FINDING NO. 1	APPOINTMENTS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES
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The SCC measured each applicant’s ability to perform the duties of the job by conducting hiring interviews and selecting the best-suited candidates. For each of the 11 list appointments reviewed, the SCC ordered a certification list of candidates ranked competitively. After properly clearing the certification lists including SROA, the selected candidates were appointed based on eligibility attained by being reachable within the first three ranks of the certification lists.

The CRD reviewed one SCC appointment made via transfer. A transfer of an employee from a position under one appointing power to a position under another appointing power may be made if the transfer is to a position in the same class or in another class with substantially the same salary range and designated as appropriate by the executive

officer. (Cal. Code Regs., tit. 2, § 425.) The SCC verified the eligibility of each candidate to their appointed class.

The CRD found no deficiencies in the appointments that the SCC initiated during the compliance review period. Accordingly, the CRD found that the SCC's appointment processes and procedures utilized during the compliance review period satisfied civil service laws and Board rules.

Equal Employment Opportunity

Each state agency is responsible for an effective EEO program. (Gov. Code, § 19790.) The appointing power for each state agency has the major responsibility for monitoring the effectiveness of its EEO program. (Gov. Code, § 19794.) To that end, the appointing power must issue a policy statement committed to EEO; issue procedures for filing, processing, and resolving discrimination complaints; and cooperate with the CalHR, in accordance with Civil Code section 1798.24, subdivisions (o) and (p), by providing access to all required files, documents and data necessary to carry out these mandates. (*Ibid.*) In addition, the appointing power must appoint, at the managerial level, an EEO Officer, who shall report directly to, and be under the supervision of, the director of the department to develop, implement, coordinate, and monitor the department's EEO program. (Gov. Code, § 19795, subd. (a).)

Each state agency must establish a separate committee of employees who are individuals with a disability, or who have an interest in disability issues, to advise the head of the agency on issues of concern to employees with disabilities. (Gov. Code, § 19795, subd. (b)(1).) The department must invite all employees to serve on the committee and take appropriate steps to ensure that the final committee is comprised of members who have disabilities or who have an interest in disability issues. (Gov. Code, § 19795, subd. (b)(2).)

FINDING NO. 2	EQUAL EMPLOYMENT OPPORTUNITY PROGRAM COMPLIED WITH ALL CIVIL SERVICE LAWS AND BOARD RULES
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After reviewing the policies, procedures, and programs necessary for compliance with the EEO program's role and responsibilities according to statutory and regulatory guidelines, the CRD determined that the SCC's EEO program provided employees with information and guidance on the EEO process including instructions on how to file discrimination claims. Furthermore, the EEO program outlines the roles and responsibilities of the EEO Officer, as well as supervisors and managers. The EEO Officer, who is at a managerial level, reports directly to the Executive Director of the SCC. The SCC also provided

evidence of its efforts to promote EEO in its hiring and employment practices and to increase its hiring of persons with a disability.

Mandated Training

Each member, officer, or designated employee of a state agency who is required to file a statement of economic interest (referred to as “filers”) because of the position he or she holds with the agency is required to take an orientation course on the relevant ethics statutes and regulations that govern the official conduct of state officials. (Gov. Code, §§ 11146 & 11146.1.) State agencies are required to offer filers the orientation course on a semi-annual basis. (Gov. Code, § 11146.1.) New filers must be trained within six months of appointment and at least once during each consecutive period of two calendar years, commencing on the first odd-numbered year thereafter. (Gov. Code, § 11146.3.)

Upon the initial appointment of any employee designated in a supervisory position, the employee shall be provided a minimum of 80 hours of training, as prescribed by the CalHR. (Gov. Code, § 19995.4, subd. (b).) The training addresses such topics as the role of the supervisor, techniques of supervision, performance standards, and sexual harassment and abusive conduct prevention. (Gov. Code, §§ 12950.1, subds. (a) and (b), & 19995.4, subd. (b).) Additionally, the training must be successfully completed within the term of the employee’s probationary period or within six months of the initial appointment, unless it is demonstrated that to do so creates additional costs or that the training cannot be completed during this time period due to limited availability of supervisory training courses. (Gov. Code, § 19995.4, subd. (c).)

Within 12 months of the initial appointment of an employee to a management or CEA position, the employee shall be provided leadership training and development, as prescribed by CalHR. (Gov. Code, § 19995.4, subds. (d) & (e).) For management employees the training must be a minimum of 40 hours and for CEAs the training must be a minimum of 20 hours. (*Ibid.*)

New employees must be provided sexual harassment prevention training within six months of appointment. Thereafter, each department must provide its supervisors two hours of sexual harassment prevention training and non-supervisors one hour of sexual harassment prevention training every two years. (Gov. Code, § 12950.1, subds. (a) and (b); Gov. Code, § 19995.4.)

The Legislature encourages the state and its agencies to consult on a government-to-government basis with federally recognized tribes and with nonfederally recognized tribes

and tribal organizations in order to allow tribal officials the opportunity to provide meaningful and timely input in the development of policies, programs, and projects that have tribal implications. (Gov. Code, § 11019.81, sub. (c).) Each official specified in Government Code section 11019.81 subdivision (f)² shall complete tribal consultations training by January 1, 2025, or, for officials appointed after that date, within six months of their appointment or confirmation of appointment, whichever is later. (Gov. Code, § 11019.81, sub. (h).) Each official shall retake the training annually. (*Ibid.*)

The Board may conduct reviews of any appointing power's personnel practices to ensure compliance with civil service laws and Board regulations. (Gov. Code, § 18661, subd. (a).) In particular, the Board may audit personnel practices related to such matters as selection and examination procedures, appointments, promotions, the management of probationary periods, and any other area related to the operation of the merit principle in state civil service. (*Ibid.*) Accordingly, the CRD reviews documents and records related to training that appointing powers are required by the afore-cited laws to provide its employees.

The CRD reviewed the SCC's mandated training program that was in effect during the compliance review period, January 1, 2024, through December 31, 2025.

FINDING NO. 3	ETHICS TRAINING WAS NOT PROVIDED FOR ALL FILERS³
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Summary: The SCC did not provide ethics training to 22 of 58 existing filers. In addition, the SCC did not provide ethics training to 1 of 10 new filers within 6 months of their appointment.

Criteria: New filers must be provided ethics training within six months of appointment. Existing filers must be trained at least once during each consecutive period of two calendar years commencing on the first odd-numbered year thereafter. (Gov. Code, § 11146.3, subd. (b).)

² Within the executive branch, the following officials have authority to represent the state in a tribal government-to-government consultation: the governor, the attorney general, each constitutional officer and statewide elected official, the director of each state agency and department, the chair and executive officer of each state commission and task force, and the chief counsel of any state agency. (Gov. Code, § 11019.81, sub. (f) (1).) Each authorized official may formally designate another agency official to conduct preliminary tribal consultations, and each designated official may have the authority to act on behalf of the state during a government-to-government consultation. (Gov. Code, § 11019.81, sub. (f) (2).)

³ Repeat finding; see reports dated June 13, 2023, and March 26, 2021.

FINDING NO. 4	SEXUAL HARASSMENT PREVENTION TRAINING WAS NOT PROVIDED FOR ALL EMPLOYEES⁴
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Summary: The SCC provided sexual harassment prevention training to all five new supervisors within six months of their appointment. However, the SCC did not provide sexual harassment prevention training to 4 of 13 existing supervisors every 2 years.

Additionally, the SCC did not provide sexual harassment prevention training to 11 of 58 existing non-supervisors every 2 years.

Criteria: Each department must provide its supervisors two hours of sexual harassment prevention training every two years and non-supervisory employees one hour of sexual harassment prevention training every two years. New employees must be provided sexual harassment prevention training within six months of appointment. (Gov. Code, § 12950.1, subds. (a) and (b); Gov. Code § 19995.4.)

FINDING NO. 5	TRIBAL CONSULTATIONS TRAINING WAS NOT PROVIDED FOR ALL OFFICIALS
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Summary: The SCC did not provide tribal consultations training to one of two existing officials annually.

Criteria: Each department must provide annual tribal consultations training to its officials with authority to represent the state in a tribal government-to-government consultation. New officials must be provided tribal consultations training within six months of their appointment or confirmation, whichever is later. (Gov. Code, § 11019.81, sub. (h).)

Compensation and Pay

Salary Determination

The pay plan for state civil service consists of salary ranges and steps established by CalHR. (Cal. Code Regs., tit. 2, § 599.666.) Several salary rules dictate how departments

⁴ Repeat finding; see report dated June 13, 2023.

calculate and determine an employee's salary rate⁵ upon appointment depending on the appointment type, the employee's state employment and pay history, and tenure.

Typically, agencies appoint employees to the minimum rate of the salary range for the class. Special provisions for appointments above the minimum exist to meet special recruitment needs and to accommodate employees who transfer into a class from another civil service class and are already receiving salaries above the minimum.

During the period under review, January 1, 2025, through December 31, 2025, the SCC made 24 appointments. The CRD reviewed six of these appointments to determine if the SCC applied salary regulations accurately and processed employees' compensation correctly.

FINDING NO. 6	SALARY DETERMINATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRD found no deficiencies in the salary determinations that were reviewed. The SCC appropriately calculated and keyed the salaries for each appointment and correctly determined employees' anniversary dates, ensuring that subsequent merit salary adjustments will satisfy civil service laws, Board rules and CalHR policies and guidelines.

Alternate Range Movement Salary Determination (within same classification)

If an employee qualifies under established criteria and moves from one alternate range to another alternate range of a class, the employee shall receive an increase or a decrease equivalent to the total of the range differential between the maximum salary rates of the alternate ranges. (Cal. Code Regs., tit. 2, § 599.681.) However, in many instances, the CalHR provides salary rules departments must use when employees move between alternate ranges. These rules are described in the alternate range criteria. (CalHR Pay Scales). When no salary rule or method is cited in the alternate range criteria, departments must default to Rule 599.681.

During the period under review January 1, 2025, through December 31, 2025, the SCC employees made one alternate range movement within a classification. The CRD reviewed the alternate range movement to determine if the SCC applied salary

⁵ "Rate" is any one of the salary rates in the resolution by CalHR which establishes the salary ranges and steps of the Pay Plan (Cal. Code Regs., tit. 2, section 599.666).

regulations accurately and correctly processed the employee's compensation, which is listed below:

Classification	Prior Range	Current Range	Salary (Monthly Rate)
Information Technology Specialist I	B	C	\$8,050

FINDING NO. 7	ALTERNATE RANGE MOVEMENTS DID NOT COMPLY WITH CIVIL SERVICE LAWS, RULES, AND CALHR POLICIES AND GUIDELINES
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The CRD found one error in the alternate range movement reviewed:

Classification	Description of Finding	Criteria
Information Technology Specialist I	Incorrect anniversary date determined resulting in the employee being overcompensated.	Cal. Code Regs., tit. 2, section 599.674, subd. (b)

Criteria: Alternate ranges are designed to recognize increased competence in the performance of class duties based upon experience obtained while in the class. The employee gains status in the alternate range as though each range were a separate classification. (Classification and Pay Guide Section 220.)

Departments are required to calculate and apply salary rules for each appointed employee accurately based on the pay plan for the state civil service. All civil service classes have salary ranges with minimum and maximum rates. (Cal. Code Regs., tit. 2, § 599.666.)

Pay Differentials

A pay differential is special additional pay recognizing unusual competencies, circumstances, or working conditions applying to some or all incumbents in select classes. A pay differential may be appropriate in those instances when a subgroup of positions within the overall job class might have unusual circumstances, competencies, or working conditions that distinguish these positions from other positions in the same class. Typically, pay differentials are based on qualifying pay criteria such as: work locations or shift assignments; professional or educational certification; temporary

responsibilities; special licenses, skills or training; performance-based pay; incentive-based pay; or, recruitment and retention. (Classification and Pay Manual Section 230.)

California State Civil Service Pay Scales Section 14 describes the qualifying pay criteria for the majority of pay differentials. However, some of the alternate range criteria in the pay scales function as pay differentials. Generally, departments issuing pay differentials should, in order to justify the additional pay, document the following: the effective date of the pay differential, the collective bargaining unit identifier, the classification applicable to the salary rate and conditions along with the specific criteria, and any relevant documentation to verify the employee meets the criteria.

During the period under review, January 1, 2025, through December 31, 2025, the SCC authorized eight pay differentials⁶. The CRD reviewed the eight pay differentials to ensure compliance with applicable CalHR policies and guidelines, which are listed below:

Classification	Pay Differential	Monthly Amount
Information Technology Specialist I	13	5%
Information Technology Specialist II	13	5%
Information Technology Specialist II	13	5%
Conservancy Project Development Analyst I	441	\$250
Conservancy Project Development Analyst I	441	\$250
Conservancy Project Development Analyst II	441	\$250
Conservancy Project Development Specialist	441	\$250
Conservancy Project Development Manager	441	\$250

FINDING NO. 8	PAY DIFFERENTIAL AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRD found no deficiencies in the pay differentials that the SCC authorized during the compliance review period. Pay differentials were issued correctly in recognition of unusual competencies, circumstances, or working conditions in accordance with applicable rules and guidelines.

⁶ For the purposes of CRD's review, only monthly pay differentials were selected for review at this time.

Out-of-Class Assignments and Pay

For excluded⁷ and most rank-and-file employees, out-of-class (OOC) work is defined as performing, more than 50 percent of the time, the full range of duties and responsibilities allocated to an existing class and not allocated to the class in which the person has a current, legal appointment. (Cal. Code Regs., tit. 2, § 599.810, subd. (a)(2).) A higher classification is one with a salary range maximum that is any amount higher than the salary range maximum of the classification to which the employee is appointed. (Cal. Code Regs., tit. 2, § 599.810, subd. (a)(3).)

According to the Classification and Pay Guide, OOC assignments should only be used as a last resort to accommodate temporary staffing needs. All civil service alternatives should be explored first before using OOC assignments. However, certain MOU provisions and the California Code of Regulations, title 2, section 599.810 allow for short-term OOC assignments to meet temporary staffing needs. Should OOC work become necessary, the assignment would be made pursuant to the applicable MOU provisions or salary regulations. Before assigning the OOC work, the department should have a plan to correct the situation before the time period outlined in applicable law, policy or MOU expires. (Classification and Pay Guide Section 375.)

During the period under review, January 1, 2025, through December 31, 2025, the SCC issued OOC pay to one employee. The CRD reviewed the OOC assignment to ensure compliance with applicable MOU provisions, salary regulations, and CalHR policies and guidelines, which is listed below:

Classification	Bargaining Unit	Out-of-Class Classification	Time Frame
Conservancy Project Development Specialist	R01	Conservancy Project Development Manager	9/1/24 – 1/7/25

FINDING NO. 9	OUT OF CLASS PAY AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRD found no deficiencies in the OOC pay assignment that the SCC authorized during the compliance review period. OOC pay was issued appropriately to the employee

⁷ “Excluded employee” means an employee as defined in Government Code section 3527, subdivision (b) (Ralph C. Dills Act) except those excluded employees who are designated managerial pursuant to Government Code section 18801.1.

performing, more than 50 percent of the time, the full range of duties and responsibilities allocated to an existing class and not allocated to the class in which the person has a current, legal appointment.

Leave

Administrative Time Off

ATO is a form of paid administrative leave status initiated by appointing authorities for a variety of reasons. (Human Resources Manual Section 2121.) Most often, ATO is used when an employee cannot come to work because of a pending investigation, fitness for duty evaluation, or when work facilities are unavailable. (*Ibid.*) ATO can also be granted when employees need time off for reasons such as blood or organ donation, extreme weather preventing safe travel to work, states of emergency, voting, and when employees need time off to attend special events. (*Ibid.*)

During the period under review, October 1, 2024, through September 30, 2025, the SCC authorized one ATO transaction. The CRD reviewed the ATO transaction to ensure compliance with applicable laws, regulations, and CalHR policy and guidelines.

FINDING NO. 10	ADMINISTRATIVE TIME OFF AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRD found no deficiencies in the ATO transaction reviewed during the compliance review period. The SCC provided the proper documentation justifying the use of ATO and adhered to applicable laws, regulations and CalHR policy and guidelines.

Leave Accounting

Departments are directed to create a monthly internal audit process to verify all leave input into any leave accounting system is keyed accurately and timely. (Human Resources Manual Section 2101.) Departments shall create an audit process to review and correct leave input errors on a monthly basis. The review of leave accounting records shall be completed by the pay period following the pay period in which the leave was keyed into the leave accounting system. (*Ibid.*) If an employee's attendance record is determined to have errors or it is determined that the employee has insufficient balances for a leave type used, the attendance record must be amended. (*Ibid.*) Attendance records shall be corrected by the pay period following the pay period in which the error

occurred. (*Ibid.*) Accurate and timely attendance reporting is required of all departments and is subject to audit. (*Ibid.*)

During the period under review, July 1, 2025, through September 30, 2025, the SCC reported two units. The CRD reviewed two units within one pay period to ensure compliance with applicable laws, regulations and CalHR policy and guidelines.

FINDING NO. 11	LEAVE ACCOUNTING COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRD reviewed leave records from one leave period to ensure compliance with applicable laws, regulations and CalHR policy and guidelines. Based on our review, the CRD found no deficiencies. The SCC utilized a monthly internal audit process to verify all leave input into any leave accounting system was keyed accurately and timely.

State Service

The state recognizes two different types of absences while an employee is on pay status, paid or unpaid. The unpaid absences can affect whether a pay period is a qualifying or non-qualifying pay period for state service and leave accruals.

Generally, an employee who has 11 or more working days of service in a monthly pay period shall be considered to have a complete month, a month of service, or continuous service.⁸ (Cal. Code Regs., tit. 2, § 599.608.) Full time and fractional employees who work less than 11 working days in a pay period will have a non-qualifying month and will not receive state service or leave accruals for that month.

Hourly or daily rate employees working at a department in which the full-time workweek is 40 hours who earn the equivalent of 160 hours of service in a monthly pay period or accumulated pay periods shall be considered to have a complete month, a month of service, or continuous service. (Cal. Code Regs., tit. 2, § 599.609.)

For each qualifying monthly pay period, the employee shall be allowed credit for vacation with pay on the first day of the following monthly pay period. (Cal. Code Regs., tit. 2, § 599.608.) When computing months of total state service to determine a change in the

⁸ Government Code sections 19143, 19849.9, 19856.1, 19858.1, 19859, 19861, 19863.1, and 19997.4 and California Code of Regulations, title 2, sections 599.609, 599.682, 599.683, 599.685, 599.687, 599.737, 599.738, 599.739, 599.740, 599.746, 599.747, 599.776.1, 599.787, 599.791, 599.840 and 599.843 provide further clarification for calculating state time.

monthly credit for vacation with pay, only qualifying monthly pay periods of service before and after breaks in service shall be counted. (Cal. Code Regs., tit. 2, § 599.739.) Portions of non-qualifying monthly pay periods of service shall not be counted nor accumulated. (*Ibid.*) On the first day following a qualifying monthly pay period, excluded employees⁹ shall be allowed credit for annual leave with pay. (Cal. Code Regs., tit. 2, § 599.752.)

Permanent intermittent employees also earn leave credits on the pay period following the accumulated accrual of 160 hours worked. Hours worked in excess of 160 hours in a monthly pay period, are not counted or accumulated towards leave credits.

During the period under review, January 1, 2025, through December 31, 2025, the SCC had six employees with qualifying and non-qualifying pay period transactions. The CRD reviewed the six transactions to ensure compliance with applicable laws, regulations and CalHR policy and guidelines.

FINDING NO. 12	SERVICE AND LEAVE TRANSACTIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRD determined that the SCC ensured employees with non-qualifying pay periods did not receive vacation/sick leave, annual leave, and/or state service accruals. The CRD found no deficiencies in this area.

Policy and Processes

Nepotism

It is the policy of the State of California to hire, transfer, and promote all employees on the basis of merit and fitness in accordance with civil service statutes, rules and regulations. Nepotism is expressly prohibited in the state workplace because it is antithetical to California’s merit based civil service. (Cal. Code Regs., tit. 2, § 87.) (*Ibid.*) All appointing powers shall adopt an anti-nepotism policy that includes the following components: (1) a statement that the appointing power is committed to merit-based hiring and that nepotism is antithetical to a merit-based civil service system; (2) a definition of “nepotism” as an employee’s use of influence or power to hire, transfer, or promote an applicant or employee because of a personal relationship; (3) a definition of “personal

⁹ As identified in Government Code sections 19858.3, subdivisions (a), (b), or (c), or as it applies to employees excluded from the definition of state employee under Government Code section 3513, subdivision (c), or California Code of Regulations, title 2, section 599.752, subdivision (a), and appointees of the Governor as designated by the Department and not subject to section 599.752.1.

relationship” as persons related by blood, adoption, current or former marriage, domestic partnership or cohabitation; (4) a statement that prohibits participation in the selection of an applicant for employment by anyone who has a personal relationship with the applicant, as defined in section 83.6; (5) a statement that prohibits the direct or first-line supervision of an employee with whom the supervisor has a personal relationship, as defined in section 83.6; (6) a process for addressing issues of direct supervision when personal relationships between employees exist. (*Ibid.*)

FINDING NO. 13	NEPOTISM POLICY COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRD verified that the policy was disseminated to all staff and emphasized the SCC’s commitment to the state policy of hiring, transferring, and promoting employees on the basis of merit. Additionally, the SCC’s nepotism policy was comprised of specific and sufficient components intended to prevent favoritism, or bias, based on a personal relationship from unduly influencing employment decisions.

Workers’ Compensation

Employers shall provide to every new employee, either at the time of hire or by the end of the first pay period, written notice concerning the rights, benefits, and obligations under workers’ compensation law. (Cal. Code Regs., tit. 8, § 9880, subd. (a).) This notice shall include the right to predesignate their personal physician or medical group; a form that the employee may use as an optional method for notifying the employer of the name of employee’s “personal physician,” as defined by Labor Code section 4600. (Cal. Code Regs., tit. 8, § 9880, subd. (c)(7) & (8).) Additionally, within one working day of receiving notice or knowledge that the employee has suffered a work-related injury or illness, employers shall provide a claim form and notice of potential eligibility for benefits to the injured employee. (Labor Code, § 5401, subd. (a).)

Public employers may choose to extend workers' compensation coverage to volunteers that perform services for the organization. (Human Resources Manual Section 1415.) Workers’ compensation coverage is not mandatory for volunteers as it is for employees. (*Ibid.*) This is specific to the legally uninsured state departments participating in the Master Agreement. (*Ibid.*) Departments with an insurance policy for workers’ compensation coverage should contact their State Compensation Insurance Fund office to discuss the status of volunteers. (*Ibid.*)

In this case, the SCC did not employ volunteers during the compliance review period.

FINDING NO. 14	WORKERS' COMPENSATION PROCESS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES
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The CRD verified that the SCC provides notice to their employees to inform them of their rights and responsibilities under California's Workers' Compensation Law. Furthermore, the CRD verified that when the SCC received workers' compensation claims, they properly provided claim forms within one working day of notice or knowledge of injury.

Performance Appraisals

According to Government Code section 19992.2, subdivision (a), appointing powers must "prepare performance reports." Furthermore, California Code of Regulations, title 2, section 599.798, directs supervisors to conduct written performance appraisals and discuss overall work performance with permanent employees at least once in each twelve calendar months after the completion of the employee's probationary period.

The CRD selected 18 permanent SCC employees to ensure that the department was conducting performance appraisals on an annual basis in accordance with applicable laws, regulations, policies and guidelines.

FINDING NO. 15	PERFORMANCE APPRAISAL POLICY AND PROCESSES COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES
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The CRD found no deficiencies in the 18 performance appraisals reviewed. Accordingly, the SCC performance appraisal policy and processes satisfied civil service laws, Board rules, policies and guidelines.

DEPARTMENTAL RESPONSE

The SCC's response is attached as Attachment 1.

CORRECTIVE ACTIONS

A written corrective action response addressing all areas identified as out of compliance, along with supporting documentation demonstrating the implementation of the specified corrective actions must be submitted to the CRD within 90 days of the date of this report.



June 9, 2026

Alton Ford
Compliance Review Manager
Compliance Review Division
801 Capitol Mall
Sacramento, CA 95814

Subject: Response to the State Personnel Board Draft Report "COMPLIANCE REVIEW REPORT"

Dear Mr. Alton,

The State Coastal Conservancy (SCC) would like to thank the State Personnel Board's Compliance Review Division (CRD) for undertaking the 2026 SCC Compliance Review. The SCC regards the audit process with a high degree of respect and views these reports as a productive and collaborative learning experience with SPB to ensure compliance. SCC leadership and our Human Resources (HR) unit strive to be in full compliance with established requirements, training, tracking systems, and best practices.

The SCC reviewed the May 27, 2026, draft Compliance Review Report and provides the following response and for the four findings:

FINDING NO. 3 – ETHICS TRAINING WAS NOT PROVIDED FOR ALL FILERS: The report noted that SCC did not provide ethics training to 22 of 58 existing filers. In addition, the SCC did not provide ethics training to 1 of 10 new filers within six months of their appointment.

Response: SCC acknowledges this finding.

For new filers, SCC provides the ethics training link within one week of the employees' appointment date; however, some new employees did not complete the training on time. Additionally, HR did not adequately monitor or remind staff to complete the training within the required timeframe.

Moving forward, SCC will monitor existing filers' due dates to ensure timely compliance. SCC will implement calendar reminders and follow-up emails. These reminders will also be sent to supervisors to ensure consistent follow-up and accountability. Additionally, HR now maintains a tracking system to ensure compliance with all training requirements for both new and existing employees. SCC's Executive staff remain committed to ensuring that all required training is completed in a timely manner. As of this date, all employees have completed the training.

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Cause: This error may be attributed to turnover within the HR team. Over the past two years, some required procedures were not fully communicated during the training and transition period. During onboarding and training of new staff, certain processes were not firmly established. As a result, the monitoring process may not have been followed as closely as required.

FINDING NO. 4 – SEXUAL HARASSMENT PREVENTION TRAINING WAS NOT PROVIDED FOR ALL EMPLOYEES: The report noted that SPB found that SCC did not provide sexual harassment prevention training to 4 of 13 existing supervisors every 2 years. Additionally, the SCC did not provide sexual harassment prevention training to 11 of 58 existing non-supervisors every 2 years.

Response: SCC acknowledges this finding.

Although SCC provided the training link to all non-supervisors within the required timeframe, some employees did not complete the training as expected. Additionally, HR did not adequately monitor or remind employees to complete the training within the prescribed deadlines.

Moving forward, SCC will implement calendar reminders and follow-up emails. These reminders will also be sent to supervisors to ensure consistent follow-up and accountability. HR now maintains a tracking system to ensure compliance with all training requirements for both new and existing employees. SCC's Executive staff remain committed to ensuring that all required training is completed in a timely manner. As of this date, all employees have completed the required training.

Cause: This error may be attributed to turnover within the HR team. Over the past two years, some required procedures were not fully communicated during the training and transition period. During onboarding and training of new staff, certain processes were not firmly established. As a result, the monitoring process may not have been followed as closely as required.

FINDING NO. 5 – TRIBAL CONSULTATIONS TRAINING WAS NOT PROVIDED FOR ALL OFFICIALS: The report noted that SCC did not provide tribal consultations training to one of two existing officials annually.

Response: SCC acknowledges this finding.

Moving forward, SCC will implement calendar reminders and follow-up emails. These reminders will also be sent to supervisors to ensure consistent follow-up and accountability. HR now maintains a tracking system to ensure compliance with all training requirements for both new and existing employees. SCC's Executive Staff remain committed to ensuring that all required training is completed in a timely manner. As of this date, all employees have completed the required training.

Cause: This error may be attributed to turnover within the HR team. Over the past two years, some required procedures were not fully communicated during the training and transition period. During onboarding and training of new staff, certain processes were not firmly established. As a result, the monitoring process may not have been followed as closely as required.

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FINDING NO. 7 – ALTERNATE RANGE MOVEMENTS DID NOT COMPLY WITH CIVIL SERVICE LAWS, RULES, AND CALHR POLICIES AND GUIDELINES: The report noted one error in the alternate range movement reviewed.

Response: SCC acknowledges this finding.

Cause: HR staff incorrectly applied Government Code § 599.681 when the correct provision that should have been applied is Government Code § 599.674. HR will correct this error and establish the appropriate Accounts Receivable (AR) for the overpayment amount.

SCC would like to once again thank the SPB Compliance Review team. SCC remains committed to improving all areas of non-compliance and ensuring that all active staff adhere to required training and compliance standards. Should you have any questions or need additional information, please contact our HR Manager, Sophia Chu at (510) 586-7028 or sophia.chu@scc.ca.gov.

Sincerely,

Amy Hutzel

Amy Hutzel
Executive Officer

cc: Helen Kang, Administrative Deputy Executive Officer.
SPB Compliance Review file

Sophia Chu, HR Manager
SPB Compliance Review file

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