



# **COMPLIANCE REVIEW REPORT**

## **NATIVE AMERICAN HERITAGE**

### **COMMISSION**

Compliance Review Division  
State Personnel Board  
May 11, 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 Native American Heritage Commission's (NAHC's) personnel practices in the areas of examinations, appointments, EEO, PSC's, mandated training, compensation and pay, leave, and policy and processes. The following table summarizes the compliance review findings.

Area	Compliance	Finding
Examinations	In Compliance	Permanent Withhold Actions Complied with Civil Service Laws and Board Rules
Appointments	In Compliance	Appointments Complied with Civil Service Laws and Board Rules
Equal Employment Opportunity	Out of Compliance	Equal Employment Opportunity Program Has Not Been Established
Personal Services Contracts	In Compliance	Personal Services Contracts Complied with Procedural Requirements
Mandated Training	Out of Compliance	Ethics Training was Not Provided for All Filers
Compensation and Pay	In Compliance	Salary Determinations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Compensation and Pay	In Compliance	Alternate Range Movements Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
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

Area	Compliance	Finding
Policy	Out of Compliance	Department Does Not Maintain a Current Written Nepotism Policy
Policy	Out of Compliance	Workers' Compensation Policy Was Not Provided to New Employees by the End of First Pay Period
Policy	Out of Compliance	Performance Appraisals Were Not Provided to All Employees

**BACKGROUND**

The California NAHC, created in statute in 1976 (Chapter 1332, Statutes of 1976), is a nine-member body whose members are appointed by the Governor. The NAHC identifies, catalogs, and protects Native American cultural resources — ancient places of special religious or social significance to Native Americans and known ancient graves and cemeteries of Native Americans on private and public lands in California. The NAHC is also charged with ensuring California Native American tribes' accessibility to ancient Native American cultural resources on public lands, overseeing the treatment and disposition of inadvertently discovered Native American human remains and burial items, and administering the California Native American Graves Protection and Repatriation Act, among many other powers and duties. The Department of General Services performs human resources operations for the NAHC.

**SCOPE AND METHODOLOGY**

The scope of the compliance review was limited to reviewing the NAHC's examinations, appointments, EEO program, PSC's, mandated training, compensation and pay, leave, and policy and processes<sup>1</sup>. The primary objective of the review was to determine if the NAHC'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 CRD reviewed the NAHC's permanent withhold actions documentation, including Withhold Determination Worksheets, State applications (STD 678), class specifications,

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

and withhold letters. The NAHC did not conduct any examinations during the compliance review period.

A cross-section of the NAHC'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 NAHC 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 NAHC did not conduct any unlawful appointment investigations during the compliance review period.

The NAHC's appointments were also selected for review to ensure the NAHC applied salary regulations accurately and correctly processed employees' compensation and pay. The CRD examined the documentation that the NAHC 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 alternate range movements. During the compliance review period, the NAHC did not issue or authorize red circle rate requests, arduous pay, bilingual pay, monthly pay differentials, or out-of-class assignments.

The review of the NAHC'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 NAHC's PSC's were also reviewed.<sup>2</sup> It was beyond the scope of the compliance review to make conclusions as to whether the NAHC's justifications for the contracts were legally sufficient. The review was limited to whether the NAHC's practices, policies, and procedures relative to PSC's complied with procedural requirements.

The NAHC'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 were provided leadership and development training, that all employees were provided sexual harassment

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<sup>2</sup>If an employee organization requests the SPB to review any personal services contract during the SPB compliance review period or prior to the completion of the final compliance review report, the SPB will not audit the contract. Instead, the SPB will review the contract pursuant to its statutory and regulatory process. In this instance, none of the reviewed PSC's were challenged.

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 NAHC'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 NAHC's units to ensure they maintained accurate and timely leave accounting records. Additionally, the CRD reviewed a selection of the NAHC's employees who used Administrative Time Off (ATO) to ensure that ATO was appropriately administered. During the compliance review period, the NAHC did not have any employees with non-qualifying pay period transactions and did not track any temporary intermittent employees by actual time worked during the compliance review period.

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

On April 14, 2026, an exit conference was held with the NAHC to explain and discuss the CRD's initial findings and recommendations. The CRD received and carefully reviewed the NAHC's written response on April 27, 2026, which is attached to this final compliance review report.

## **FINDINGS AND RECOMMENDATIONS**

### **Examinations**

#### **Permanent Withhold Actions**

Departments are granted statutory authority to permit withhold of eligibles from lists based on specified criteria. (Gov. Code, § 18935.) Permanent appointments and promotions within the state civil service system shall be merit-based, ascertained by a competitive examination process. (Cal. Const., art. VII, § 1, subd. (b).) If a candidate for appointment is found not to satisfy the minimum qualifications, the appointing power shall provide written notice to the candidate, specifying which qualification(s) are not satisfied and the reason(s) why. The candidate shall have an opportunity to establish that s/he meets the qualifications. (Cal. Code Regs., tit. 2, § 249.4, subd. (b).) If the candidate fails to respond or fails to establish that s/he meets the minimum qualification(s), the candidate's

name shall be removed from the eligibility list. (Cal. Code Regs., tit. 2, § 249.4, subd. (b)(1), (2)), (HR Manual, section 1105.) The appointing authority shall promptly notify the candidate in writing and shall notify the candidate of his or her appeal rights. (*Ibid.*) A permanent withhold does not necessarily permanently restrict a candidate from retaking the examination for the same classification in the future; however, the appointing authority may place a withhold on the candidate’s subsequent eligibility record if the candidate still does not meet the minimum qualifications or continues to be unsuitable. (HR Manual, Section 1105). State agency human resources offices are required to maintain specific withhold documentation for a period of five years. (*Ibid.*)

During the period under review, July 1, 2024, through June 30, 2025, the NAHC conducted one permanent withhold action. The CRD reviewed the permanent withhold action, which is listed below:

Exam Title	Reason Candidate Placed on Withhold	No. of Withholds
Associate Governmental Program Analyst	Failed to Meet Minimum Qualifications	1

<b>FINDING NO. 1</b>	<b>PERMANENT WITHHOLD ACTIONS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES</b>
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The CRD found no deficiencies in the permanent withhold action undertaken by the department during the compliance review period.

### **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, June 1, 2024, through June 30, 2025, the NAHC made six appointments. The CRD reviewed three of these appointments, which are listed below:

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Associate Governmental Program Analyst	List Appointment	Permanent	Full Time	1
Staff Services Analyst	List Appointment	Permanent	Full Time	1
Staff Services Manager I	List Appointment	Permanent	Full Time	1

<b>FINDING NO. 2</b>	<b>APPOINTMENTS COMPLIED WITH CIVIL SERVICE LAWS AND BOARD RULES</b>
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The NAHC 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 three list appointments reviewed, the NAHC 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 found no deficiencies in the appointments that the NAHC initiated during the compliance review period. Accordingly, the CRD found that the NAHC’s appointments 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).)

Pursuant to Government Code section 19795, subdivision (a), in a state agency with less than 500 employees, like the NAHC, the EEO Officer may be the Personnel Officer. 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).)

<b>FINDING NO. 3</b>	<b>EQUAL EMPLOYMENT OPPORTUNITY PROGRAM HAS NOT BEEN ESTABLISHED<sup>3</sup></b>
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**Summary:** The NAHC failed to provide documentation demonstrating they have an active EEO program. An active EEO program should include the following components:

1. Departmental policy statement committing the department to equal employment opportunity.
2. An EEO Officer who is responsible for developing, implementing, coordinating, and monitoring the department's EEO program and reports directly to the head of the agency.
3. An active Disability Advisory Committee (DAC)

**Criteria:** 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).) The EEO Officer shall, among other duties, analyze and report on appointments of employees, bring issues of concern regarding EEO to the appointing power and recommend appropriate action, and perform other duties necessary for the effective implementation of the agency EEO plans. (*Ibid.*)

Each state agency must establish a separate committee of employees who are individuals with a disability, or who have an

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<sup>3</sup> Repeat finding; see report dated October 27, 2021.

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).)

### **Personal Services Contracts**

A PSC includes any contract, requisition, or purchase order under which labor or personal services is a significant, separately identifiable element, and the business or person performing the services is an independent contractor that does not have status as an employee of the state. (Cal. Code Regs., tit. 2, § 547.59.) The California Constitution has an implied civil service mandate limiting the state's authority to contract with private entities to perform services the state has historically or customarily performed. Government Code section 19130, subdivision (a), however, codifies exceptions to the civil service mandate where PSC's achieve cost savings for the state. PSC's that are of a type enumerated in subdivision (b) of Government Code section 19130 are also permissible. Subdivision (b) contracts include, but are not limited to, private contracts for a new state function, services that are not available within state service, services that are incidental to a contract for the purchase or lease of real or personal property, and services that are of an urgent, temporary, or occasional nature.

For cost-savings PSC's, a state agency is required to notify SPB of its intent to execute such a contract. (Gov. Code, § 19131.) For subdivision (b) contracts, the SPB reviews the adequacy of the proposed or executed contract at the request of an employee organization representing state employees. (Gov. Code, § 19132.)

During the period under review, July 1, 2024, through June 30, 2025, the NAHC had four PSC's that were in effect. The CRD reviewed three of these, which are listed below:

Vendor	Services	Contract Amount	Justification Identified?	Union Notification?
Carasoft Technology Corporation	Move Databases to Cloud	\$251,036	Yes	Yes
Team Solution Group	Copier Maintenance	\$7,596	Yes	Yes
TKO Video Communication	Video Meeting Recording Services	\$108,850	Yes	Yes

<b>FINDING NO. 4</b>	<b>PERSONAL SERVICES CONTRACTS COMPLIED WITH PROCEDURAL REQUIREMENTS</b>
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The total dollar amount of all the PSC’s reviewed was \$367,482. It was beyond the scope of the review to make conclusions as to whether the NAHC’s justifications for the contract were legally sufficient. For all PSC’s reviewed, the NAHC provided specific and detailed factual information in the written justifications as to how each of the contracts met at least one condition set forth in Government Code section 19130, subdivision (b). Additionally, the NAHC complied with proper notification to all organizations that represent state employees who perform or could perform the type or work contracted as required by California Code of Regulations section 547.60.2. Accordingly, the NAHC’s PSC’s complied with civil service laws and board rules.

**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 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)<sup>4</sup> 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

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<sup>4</sup> 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).)

training that appointing powers are required by the afore-cited laws to provide its employees.

The CRD reviewed the NAHC’s mandated training program that was in effect during the compliance review period, July 1, 2023, through June 30, 2025. The NAHC’s sexual harassment prevention training, supervisory training, and tribal consultations training were found to be in compliance, while the NAHC’s ethics training was found to be out of compliance.

<b>FINDING NO. 5</b>	<b>ETHICS TRAINING WAS NOT PROVIDED FOR ALL FILERS<sup>5</sup></b>
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**Summary:** The NAHC did not provide ethics training to their one existing filer. In addition, the NAHC did not provide ethics training two of three new filers within six 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).)

## **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 calculate and determine an employee’s salary rate<sup>6</sup> 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, June 1, 2024, through June 30, 2025, the NAHC made six appointments. The CRD reviewed one of these appointments to determine if the

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<sup>5</sup> Repeat finding; see report dated October 27, 2021.

<sup>6</sup> “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).

NAHC applied salary regulations accurately and correctly processed employees' compensation.

<b>FINDING NO. 6</b>	<b>SALARY DETERMINATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES</b>
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The CRD found no deficiencies in the salary determination that was reviewed. The NAHC appropriately calculated and keyed the salary for the appointment and correctly determined the anniversary date 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, June 1, 2024, through June 30, 2025, the NAHC made one alternate range movement within a classification. The CRD reviewed the alternate range movement to determine if the NAHC applied salary regulations accurately and correctly processed the employee's compensation, which is listed below:

Classification	Prior Range	Current Range	Salary (Monthly Rate)
Attorney	A	B	\$8531

<b>FINDING NO. 7</b>	<b>ALTERNATE RANGE MOVEMENTS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND CALHR POLICIES AND GUIDELINES</b>
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The CRD determined that the alternate range movement the NAHC made during the compliance review period, satisfied civil service laws, Board rules and CalHR policies and guidelines.

## 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, April 1, 2024, through March 31, 2025, the NAHC authorized one ATO transaction. The CRD reviewed one of these ATO transactions to ensure compliance with applicable laws, regulations, and CalHR policy and guidelines.

<b>FINDING NO. 8</b>	<b>ADMINISTRATIVE TIME OFF AUTHORIZATIONS COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES</b>
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The CRD found no deficiencies in the ATO transaction reviewed during the compliance review period. The NAHC 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, January 1, 2025, through March 31, 2025, the NAHC reported one unit. The CRD reviewed the one unit within two pay periods to ensure compliance with applicable laws, regulations and CalHR policy and guidelines.

<b>FINDING NO. 9</b>	<b>LEAVE ACCOUNTING COMPLIED WITH CIVIL SERVICE LAWS, BOARD RULES, AND/OR CALHR POLICIES AND GUIDELINES</b>
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The CRD reviewed leave records from two different leave periods to ensure compliance with applicable laws, regulations and CalHR policy and guidelines. Based on our review, the CRD found no deficiencies. The NAHC utilized a monthly internal audit process to verify all leave input into any leave accounting system was keyed accurately and timely.

### **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 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.*)

<b>FINDING NO. 10</b>	<b>DEPARTMENT DOES NOT MAINTAIN A CURRENT WRITTEN NEPOTISM POLICY<sup>7</sup></b>
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<sup>7</sup> Repeat finding; see report dated October 27, 2021.

**Summary:** The NAHC does not maintain a current written nepotism policy designed to prevent favoritism or bias in the recruiting, hiring, or assigning of employees.

**Criteria:** 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. (Human Resources Manual Section 1204). All department nepotism policies shall include six specific components which emphasize that nepotism is antithetical to merit-based civil service and include definitions and prohibitions integral to upholding the merit system. (Cal. Code Regs., tit. 2, § 87.)

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 (State Fund) office to discuss the status of volunteers. (*Ibid.*) In this case, the NAHC did not employ volunteers during the compliance review period.

<b>FINDING NO. 11</b>	<b>WORKERS' COMPENSATION POLICY WAS NOT PROVIDED TO NEW EMPLOYEE BY THE END OF FIRST PAY PERIOD</b>
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**Summary:** The NAHC does not provide specific notices to their employees to inform them of their rights and responsibilities under California’s Workers’ Compensation Law.

**Criteria:** Employers shall provide to every new employee 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 of Regs., tit. 8, § 9880.)

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 two permanent NAHC employees to ensure that the department was conducting performance appraisals on an annual basis in accordance with applicable laws, regulations, policies and guidelines.

<b>FINDING NO. 12</b>	<b>PERFORMANCE APPRAISALS WERE NOT PROVIDED TO ALL EMPLOYEES<sup>8</sup></b>
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**Summary:** The NAHC did not provide annual performance appraisals to the two employees reviewed after the completion of the employees’ probationary period.

**Criteria:** Appointing powers shall prepare performance reports and keep them on file as prescribed by department rule. (Gov. Code, § 19992.2, subd. (a).) Each supervisor, as designated by the appointing power, shall make an appraisal in writing and shall discuss with the employee overall work performance at least once in each twelve calendar months following the end of the employee’s probationary period. (Cal. Code Regs., tit. 2, § 599.798.)

**DEPARTMENTAL RESPONSE**

<sup>8</sup> Repeat finding; see report dated October 27, 2021.

The NAHC'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.

**STATE OF CALIFORNIA**

**Gavin Newsom, Governor**

**NATIVE AMERICAN HERITAGE COMMISSION**

1550 Harbor Blvd, ST.# 100, West Sacramento, CA 95691  
 916-373-3710, [na hc@nah c.ca.gov](mailto:na hc@nah c.ca.gov)



April 27, 2026

CHAIRPERSON  
**Reginald Pagaling**  
 Chumash

Susanne Ambrose  
 Executive Officer  
 State Personnel Board  
 801 Capital Mall  
 Sacramento, CA 95814

VICE-CHAIRPERSON  
**Buffy McQuillen**  
 Yokayo Pomo, Yuki,  
 Nomlaki

SECRETARY  
**Isaac Bojorquez**  
 Ohlone-Costanoan

**RE: State Personnel Board Compliance Review Finding**

PARLIAMENTARIAN  
**Wayne Nelson**  
 Luiseño

Dear Ms. Ambrose,

COMMISSIONER  
**Sara Dutschke**  
 Miwok

The Native American Heritage Commission (NAHC) acknowledges the findings identified during the State Personnel Board (SPB) audit. We are committed to achieving full compliance with all applicable civil service laws, rules, and policies. Below is a summary of each finding and the corresponding corrective actions implemented or in progress.

COMMISSIONER  
**Stanley Rodriguez**  
 Kumeyaay

**Finding 3.1: Absence of Departmental Equal Employment Opportunity (EEO) Policy Statement**

COMMISSIONER  
**Bennae Calac**  
 Pauma-Yuima Band of  
 Luiseño Indians

**Cause:**

NAHC did not provide a formal departmental policy statement affirming its commitment to Equal Employment Opportunity.

**Corrective Action:**

NAHC will develop and adopt a formal EEO Policy Statement aligned with State requirements and California Department of Human Resources guidelines:

COMMISSIONER  
**Vacant**

- Policy has been drafted and additions and corrections are currently being made by executive leadership.
- Policy will be distributed to all employees and included in onboarding materials.
- Policy will be published on internal platforms and maintained in Official Personnel Files (OPFs) where appropriate.

COMMISSIONER  
**Vacant**

EXECUTIVE SECRETARY  
**Andrew Alejandro**  
 Paskenta Band of  
 Nomlaki Indians

**Status:** In Progress / Expected Completion 6/30/2026

**NAHC HEADQUARTERS**  
 1550 Harbor Boulevard  
 Suite 100  
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 (916) 373-3710  
[na hc@nahc.ca.gov](mailto:na hc@nahc.ca.gov)

### **Finding 3.2: EEO Officer Duties Not Adequately Performed**

**Cause:**

The designated EEO Officer was not fulfilling required duties in accordance with established standards.

**Corrective Action:**

NAHC has taken the following steps:

- Reassess and clarify the EEO Officer's roles and responsibilities in alignment with California Department of Human Resources standards.
- Revise Org Chart so EEO officer reports directly to ES.
- Provide formal training to the EEO Officer on required functions, including complaint handling, reporting, and program oversight.
- Maintain internal monitoring procedures to ensure ongoing compliance and accountability.

**Status:** In Progress / Expected Completion: 6/30/2026

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### **Finding 3.3: Departmental Advisory Committee (DAC) Not Established**

**Issue:**

NAHC has not established a Departmental Advisory Committee (DAC) nor entered into a joint DAC agreement with another agency.

**Corrective Action:**

NAHC is actively pursuing the following:

- Evaluate feasibility of establishing an internal DAC given agency size.
- Initiate coordination with partner agencies to establish a joint DAC, if appropriate.
- Draft DAC charter, roles, and membership structure consistent with State requirements.
- NAHC is currently collaborating with DOC and working on entering into a DAC agreement.

**Status:** In Progress / Target Implementation: 6/30/2026

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### **Finding 5: Ethics Training Not Completed for All Required Filers**

**Cause:**

Not all designated employees completed required ethics training within mandated timeframes.

**Corrective Action:**

NAHC has implemented the following controls:

- Conduct a full audit of all designated filers.
- Ensure all non-compliant employees complete required ethics training immediately.

- Establish a tracking system with automated reminders to ensure compliance with training deadlines.
- Integrate ethics training verification into onboarding and annual compliance reviews.

**Status:** Completed / Ongoing Monitoring

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#### **Finding 10: Nepotism Policy Not Finalized or Distributed**

**Cause:**

The Nepotism Policy was still under development and had not been formally issued to staff.

**Corrective Action:**

- Finalize Nepotism Policy in accordance with State guidelines.
- Secure executive approval.
- Distribute policy to all staff and incorporated into onboarding packets.
- Require employee acknowledgment of receipt and understanding.

**Status:** In Progress: Target Implementation: 5/30/26

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#### **Finding 11: Workers' Compensation Policy Not Provided Timely**

**Cause:**

New employees were not provided with Workers' Compensation information by the end of their first pay period.

**Corrective Action:**

- Update onboarding procedures to include mandatory distribution of Workers' Compensation information (e.g., pamphlets and rights notices) on or before the first day of employment.
- Incorporate this requirement into the California Department of General Services OHR 70 Appointment Checklist workflow.
- Implement internal tracking to ensure timely compliance and documentation within OPFs.

**Status:** Completed / Ongoing Monitoring

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#### **Finding 12: Performance Appraisals Were Not Provided To All Employees**

**Cause:**

The audit determined that the Native American Heritage Commission (NAHC) did not complete and provide annual performance appraisals for two employees following the completion of their probationary periods, as required by State policy.

**Corrective Action:**

NAHC acknowledges this deficiency and has implemented the following corrective measures to ensure full compliance with State performance management requirements:

**1. Policy and Process Implementation**

- Established a formal Performance Appraisal Tracking System to monitor due dates for all employees' post-probation.
- Develop internal procedures requiring annual evaluations to be completed at least once every 12 months following the probationary period.

**2. Supervisory Accountability**

- Provide guidance and training to supervisors regarding their responsibility to complete timely and accurate performance appraisals.
- Implements a review checkpoint through Human Resources to ensure compliance prior to appraisal due dates.

**3. Monitoring and Compliance Controls**

- Institutes recurring reminders and tracking logs to ensure no future lapses.
- Integrate performance appraisal compliance into broader personnel file audits and SPB compliance reviews.
- File all completed appraisals in the Official Personnel Files (OPFs) for audit compliance.

**Status:** In Progress: Target Implementation 6/30/26

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NAHC is committed to full compliance with SPB requirements and to maintaining a merit-based, equitable, and accountable personnel system. We will continue to monitor progress and implement sustainable practices to prevent future deficiencies.

Please feel free to contact me should additional information or documentation be required.

**Sincerely,**

*Andrew Alejandro*

**Andrew Alejandro**  
**Executive Secretary**