CALIFORNIA
STATE
PERSONNEL
BOARD

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Governor Edmund G. Brown Jr.

BOARD RESOLUTION ADOPTING THE COMPLIANCE REVIEW REPORT AND FINDINGS BY THE SPB COMPLIANCE REVIEW UNIT OF THE CALIFORNIA STATE TRANSPORTATION AGENCY

WHEREAS, the State Personnel Board (SPB or Board) at its duly noticed meeting of March 3, 2014, carefully reviewed and considered the attached Compliance Review Report of the California State Transportation Agency submitted by SPB's Compliance Review Unit.

WHEREAS, the Report was prepared following a baseline review of the California State Transportation Agency's personnel practices. It details the background, scope, and methodology of the review, and the findings and recommendations.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby adopts the Report, including all findings and recommendations contained therein. A true copy of the Report shall be attached to this Board Resolution and the adoption of the Board Resolution shall be reflected in the record of the meeting and the Board's minutes.

SUZANNE M. AMBROSE
Executive Officer

STATE PERSONNEL BOARD

COMPLIANCE REVIEW REPORT
CALIFORNIA STATE TRANSPORTATION AGENCY
FINDINGS AND RECOMMENDATIONS
MARCH 3, 2014

Examinations

During the time period under review, May 1, 2011 through October 30, 2012, the California State Transportation Agency (CalSTA) (formerly Business, Transportation and Housing Agency) conducted four examinations. The SPB reviewed all of these examinations, which are listed below:

Classification	Examination Type	Examination Component	Examination Dates
Assistant Loan Officer	Open	QAP[1]	8/18/2011
Loan Officer	Open	QAP	8/18/2011
Staff Loan Officer (Specialist)	Open	QAP	8/18/2011
Senior Loan Officer (Supervisor)	Open	QAP	8/18/2011

FINDING NO. 1 – The CalSTA Properly Complied With Civil Service Laws and Board Rules for All Examinations That Were Conducted During the Compliance Review Period

Examinations to establish an eligible list must be competitive and of such character as fairly to test and determine the qualifications, fitness, and ability of competitors to perform the duties of the class of position for which he or she seeks appointment. (Gov. Code, § 18930.) Examinations may be assembled or unassembled, written or oral, or in the form of a demonstration of skills, or any combination of those tests. (*Ibid.*) The Board establishes minimum qualifications for determining the fitness and qualifications of employees for each class of position and for applicants for examinations. (Gov. Code, § 18931.) Every applicant for examination shall file a formal signed application in

[1] The qualification appraisal panel (QAP) interview is the oral component of an examination whereby competitors appear before a panel of two or more evaluators. Candidates are rated and ranked against one another based on an assessment of their ability to perform in a job classification.

the office of the department or a designated appointing power within a reasonable length of time before the date of examination. (Gov. Code, § 18934.) Generally, the final earned rating of each person competing in any examination is to be determined by the weighted average of the earned ratings on all phases of the examination. (Gov. Code, § 18936.) Each competitor shall be notified in writing of the results of the examination when the employment list resulting from the examination is established. (Gov. Code, § 18938.5.)

The CalSTA administered four examinations to create eligible lists from which to make appointments. As part of the examination process, the CalSTA published and distributed examination bulletins for each of the four classifications. Each examination encompassed a QAP interview to assess job-related knowledge, skills, and abilities.

State applications (STD. 678) received by the CalSTA were properly signed and accepted prior to the final filing date. The applications were assessed to determine whether applicants met the minimum qualifications (MQs) for admittance to the examination. Applicants were then notified whether they qualified to take the examination. Those applicants who met the MQs were also notified about the next phase of the examination process.

Competitive examinations on an open basis consisting of oral interviews were conducted by CalSTA for the following classifications: Assistant Loan Officer; Loan Officer; Staff Loan Officer (Specialist); and Senior Loan Officer (Supervisor) on 8/18/2011. Each competitor's qualifications to perform the duties of the classification were evaluated and rated by the interview panel.

After all phases of the examination process were completed, the score of each competitor was computed, and a list of eligible candidates was established. The examination results listed the names of all successful competitors arranged in order of the score received by rank. Competitors were then notified in writing of their final scores.

The SPB found no deficiencies in the examinations that CalSTA conducted during the compliance review period. Accordingly, the CalSTA fulfilled its responsibilities to administer those examinations in compliance with civil service laws and Board rules.

Appointments

During the compliance review period, the CalSTA made 9 appointments. The SPB reviewed all of the civil service appointments, which are listed below:

Classification	Appointment Type	Tenure (Status)	Time Base
Staff Information Systems Analyst (Specialist)	Certification List	Permanent	Full Time
Staff Services Manager II	Certification List	Permanent	Full Time
Associate Governmental Program Analyst	Certification List	Permanent	Full Time
Senior Loan Officer (Supervisor)	Certification List	Permanent	Full Time
Staff Counsel III (Specialist)	Certification List	Permanent	Full Time
Executive Assistant	Certification List	Permanent	Full Time
Staff Services Analyst (General)	Transfer	Permanent	Full Time
Office Technician (Typing)	Transfer	Permanent	Full Time
Limited Examination and Appointment Program (LEAP) Candidate [Office Technician (Typing)]	Temporary Authorization Utilization (TAU)	Temporary	Full Time

FINDING NO. 2 - The CalSTA Properly Complied With Civil Service Laws and Board Rules for All the Appointments Made During the Compliance Review Period

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.) Except as provided by law, appointments to vacant positions shall be made from employment lists. (*Ibid.*) Appointments made from eligible lists, by way of transfer, or by way of reinstatement, must be made on the basis of merit and fitness, which requires consideration of each individual's job-related qualifications for a position, including his or her knowledge, skills, abilities, experience, and physical and mental fitness. (Cal. Code Regs., tit. 2, § 250, subd. (a).)

The CalSTA measured each applicant's ability to perform the duties of the job by conducting hiring interviews. The CalSTA made appointments to Staff Services Analyst (General) and Office Technician (Typing) by transfer of employees from other agencies. Regarding the transfer appointments, the CalSTA verified the transfer eligibility of each candidate to the appointed class. The CalSTA complied with civil service laws and Board rules in making these appointments.

For each of the six list appointments, the CalSTA ordered a certification list of candidates ranked competitively. After properly clearing the SROA[2] list, the selected candidates were appointed based on eligibility attained by being reachable within the first three ranks of the certification list. Accordingly, as to those appointments, the CalSTA complied with civil service laws and Board rules.

Regarding the appointment of the LEAP candidate, the individual selected was documented to receive a Temporary Authorization Utilization (TAU) appointment during the job examination period. In filling the position, the CalSTA used a LEAP referral list from which to identify interested candidates. The CalSTA complied with civil service laws and Board rules in making this appointment.

Equal Employment Opportunity

The SPB reviewed CalSTA's EEO program that was in effect during the compliance review period.

FINDING NO. 3 – CalSTA's EEO Officer Does Not Report Directly to the Secretary of the CalSTA

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 equal employment opportunity; issue procedures for filing, processing, and resolving discrimination complaints; issue procedures for providing equal upward mobility and promotional opportunities; and cooperate with CalHR by providing access to all required files,

[2] The State Restriction of Appointments (SROA) Program is intended to prevent the layoff and separation of skilled and experienced employees from State service. The SROA Program assists in placing affected employees by temporarily restricting the methods of appointment available to appointing powers. Employees on SROA lists are granted preferential consideration over all other types of appointments except appointments from reemployment lists and mandatory reinstatements.

documents and data. (*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.)

The CalSTA's written EEO program provides employees with guidance on the EEO process, including instructions on how to file discrimination claims. The EEO program also outlines the roles and responsibilities of the EEO Officer, as well as those of the supervisors and managers. The CalSTA provided evidence of its efforts to promote equal employment opportunity in its hiring and employment practices, to increase its hiring of persons with disabilities, and to offer upward mobility opportunities for its entry-level staff, which include Office Technician (Typing).

These components of the CalSTA's EEO program comply with applicable civil service laws and rules. Nonetheless, a deficiency was found in the EEO program. The CalSTA's EEO Officer reports to the agency's Deputy Director, Administration and Finance, rather than to the head of the agency.

CalSTA should therefore reorganize its EEO Office so that the EEO officer reports directly to the CalSTA Agency Secretary. CalSTA must implement this organizational change within 60 days of the Board's Resolution adopting these findings and recommendations, and submit to the SPB a written report of compliance.

FINDING NO. 4 – The CalSTA Does Not Have a Disability Advisory Committee (DAC)

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).)

The CalSTA does not have an established and active DAC within CalSTA itself. Instead, CalSTA partners with the California Highway Patrol to share resources for a single DAC. SPB's review found that no CalSTA employees are members of the DAC. CalSTA did not provide any evidence that CalSTA invited all its employees to serve on

a DAC and that CalSTA took appropriate steps to ensure that the final committee was comprised of persons with disabilities or individuals who had an interest in disability issues. Nor did CalSTA provide any evidence that the DAC advises the head of CalSTA on issues of concern to persons with disabilities.

It is recommended that no later than 60 days after the Board's Resolution adopting these findings and recommendations, CalSTA must establish the DAC in conformity with Government Code section 19795, and submit to the SPB a written report of compliance.

DEPARTMENTAL RESPONSE

CalSTA was provided a copy of the initial report to review. A copy of CalSTA's response is attached as Attachment 1.

SPB REPLY

Regarding finding No. 3, CalSTA has changed the reporting status of the EEO Officer to reflect a direct reporting relationship to the Secretary. CalSTA forwarded a revised organization chart (featured with Attachment 1) to document the change, so no further action on this finding is required.

Regarding finding No. 4, CalSTA plans to invite all of its employees to serve on the shared DAC. CalSTA must ensure that the DAC advises CalSTA's Secretary on issues of concern to employees with disabilities.

It is thus recommended that within 60 days of the Board's Resolution adopting these findings and recommendations CalSTA submit to the Board a written compliance plan that addresses the actions and procedures CalSTA has implemented and/or will implement to ensure that it establishes a DAC in conformity with Government Code section 19795. Copies of any relevant documents should also be attached to the compliance plan.

The SPB appreciates the professionalism and cooperation of CalSTA during this compliance review.

CALIFORNIA STATE TRANSPORTATION AGENCY

Edmund G. Brown Jr.
Governor

Brian P. Kelly
Secretary

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January 17, 2014

Lori Gillihan, Chief
Policy & Compliance Review Division
State Personnel Board
801 Capitol Mall
Sacramento, CA 95814

Dear Ms. Gillihan,

Thank you for your recent compliance review conducted for the California State Transportation Agency (CalSTA) and for the opportunity to respond to the review report. We appreciate the findings and acknowledgements that the Agency "properly complied with civil service laws and [State Personnel] Board rules for all examinations that were conducted during the compliance review period," and that the Agency "properly complied with civil service laws and Board rules for all appointments made during the compliance review period." CalSTA will continue to follow all civil service laws and Board rules in future examination and hiring practices.

The compliance review also found that "CalSTA's EEO Officer does not report directly to the Secretary of the CalSTA." CalSTA has since updated its organizational structure such that the person filling the role of the EEO Officer now reports directly to the CalSTA Secretary on all EEO matters (see attached organizational chart).

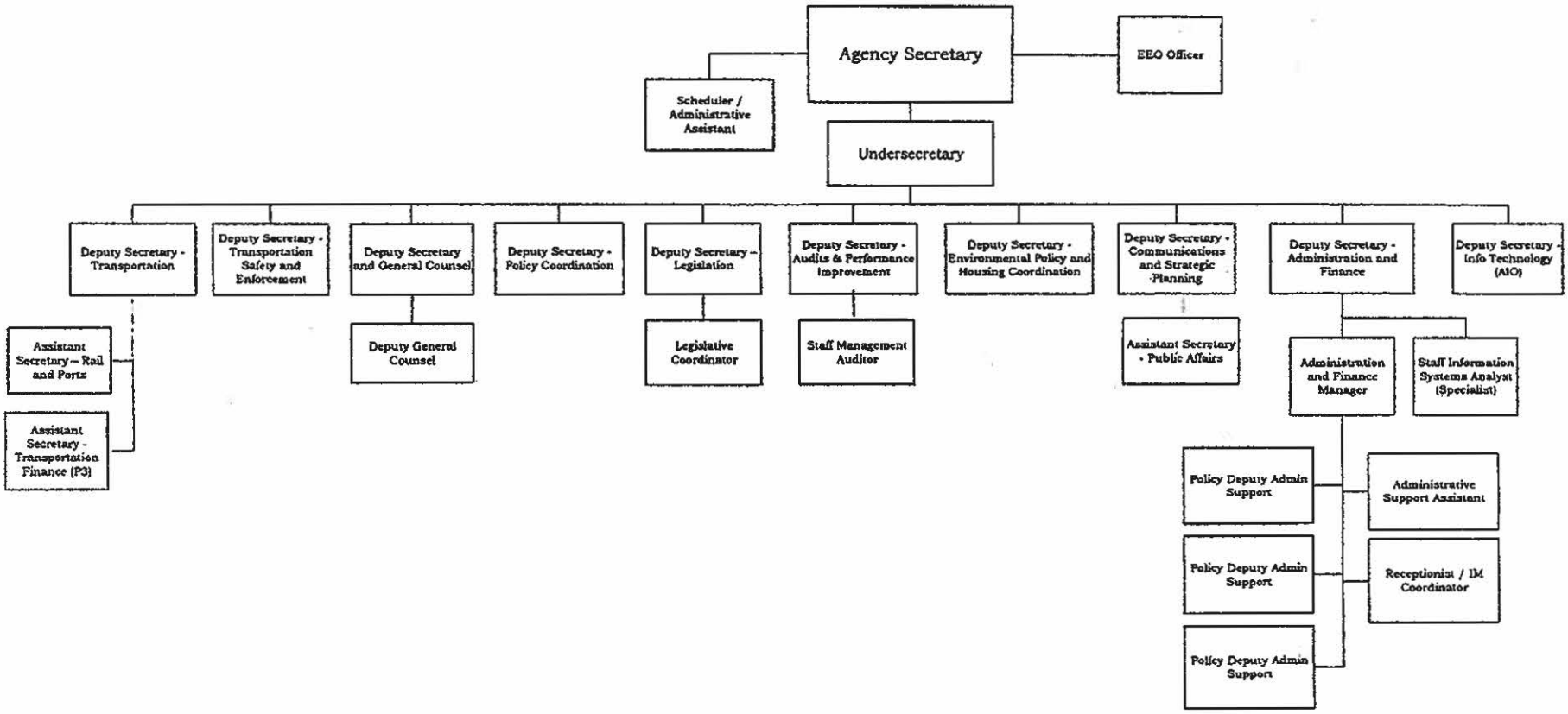
Finally, the compliance review found that "the CalSTA does not have a Disability Advisory Committee (DAC)." As noted in the report, because of its small size, CalSTA partners with the California Highway Patrol (CHP) to share resources for a single DAC. Partnering with the CHP allows CalSTA to participate in and be supported by a DAC that draws from an organization of thousands of employees, rather than an organization of slightly more than two dozen staff. The report recommends that CalSTA invite all of its employees to serve on the DAC. CalSTA concurs with this recommendation and, within the next thirty days, CalSTA will provide all its employees the opportunity to participate in the DAC. In the event that no staff from CalSTA accepts the invitation to participate, one staff member will be assigned to serve as a DAC member so that CalSTA will have representation on the DAC.

We appreciate your identification of opportunities for improvement and your recommendations for best practices. If you need additional information regarding our response, please do not hesitate to contact Bill Davidson, CalSTA Deputy Secretary for Administration and Finance, at (916) 324-7519.

Sincerely,

Brian P. Kelly
Secretary

Attachment

CA STATE TRANSPORTATION AGENCY (CalSTA)

ORGANIZATION CHART