

## COMPLIANCE REVIEW REPORT CALIFORNIA STATE AUDITOR FINDINGS AND RECOMMENDATIONS APRIL 1, 2014

### Examinations

During the period under review, from May 1, 2011 to October 31, 2012, the California State Auditor (CSA) conducted 26 examinations including 2 Career Executive Assignment (CEA) examinations. The SPB reviewed 8 of the civil service examinations and both of the CEA examinations, which are listed below:

Classification	Examination Type	Examination Components
Auditor Evaluator I, Bureau of State Audits (BSA)	Open	Written
Auditor Evaluator II, BSA	Promotional	Education and Experience <sup>1</sup>
Auditor Specialist II	Promotional	Education and Experience
Principal Auditor, BSA	Promotional	Education and Experience
Senior Auditor Evaluator I, BSA	Promotional	Education and Experience
Senior Auditor Evaluator II, BSA	Promotional	Education and Experience
Senior Auditor Evaluator III, BSA	Promotional	Education and Experience
Senior Personnel Specialist	Promotional	Education and Experience
CEA IV, Deputy State Auditor	Supplemental	Application/Statement of Qualifications (SOQ) <sup>2</sup>
CEA IV, Chief Legal Counsel	Supplemental	Application/SOQ

<sup>1</sup> In an Education and Experience (E&E) examination, one or more raters reviews the applicants' Standard 678 application forms, and scores and ranks them according to a predetermined rating scale that may include years of relevant higher education, professional licenses or certifications, and/or years of relevant work experience.

<sup>2</sup> In a Statement of Qualifications (SOQ) examination, applicants submit a written summary of their qualifications and experience related to a published list of desired qualifications. Raters, who are typically subject matter experts, evaluate the summaries according to a predetermined rating scale designed to assess an applicant's ability to perform the duties of the job classification for which he/she is testing. The raters also assign scores and rank the applicants on a list.

**FINDING NO. 1 - The CSA Did Not Develop a Job Analysis for Seven of the Civil Service Examinations That Were Reviewed**

The Merit Selection Manual (MSM), which is incorporated in California Code of Regulations, title 2, section 50, mandates the development and use of a job analysis for the examination process. A "[j]ob analysis shall serve as the primary basis for demonstrating and documenting the job-relatedness of examination processes conducted for the establishment of eligible lists within the State's civil service." (MSM (Oct. 2003), § 2200, p. 2.) The MSM requires that job analyses adhere to the legal and professional standards outlined in the job analysis section of the MSM, and that certain elements must be included in the job analysis studies. (*Ibid.*) Those requirements include the following: (1) that the job analysis be performed for the job for which the subsequent selection procedure is developed and used; (2) the methodology utilized be described and documented; (3) the job analytic data be collected from a variety of current sources; (4) job tasks be specified in terms of importance or criticality, and their frequency of performance; (5) and job tasks must be sufficiently detailed to derive the requisite knowledge, skills, abilities (KSAs), and personal characteristics that are required to perform the essential tasks and functions of the job classification. (MSM, § 2200, pp. 2-3.)

While a job analysis was not required for the CEA examination that CSA administered, a job analysis was required for each of the civil service examinations. CSA provided a job analysis that properly evaluated the job duties for the Auditor Evaluator I, BSA classification. In addition; CSA did not develop job analyses for the remaining civil service examinations that were reviewed. Without copies of the job analyses to review, the SPB is unable to determine if the civil service examinations were administered utilizing job-related examination procedures as required by the MSM.

Classification	List Active Date	List Expiration Date	No. of Eligibles
Auditor Evaluator II, BSA	Continuous		10
Auditor Specialist II	4/26/2012	4/25/2013	2
Principal Auditor, BSA	6/15/2012	6/14/2013	5
Senior Auditor Evaluator I, BSA	Continuous		13

Senior Auditor Evaluator II, BSA	Continuous		4
Senior Auditor Evaluator III, BSA	Continuous		4
Senior Personnel Specialist	5/7/2012	5/6/2013	1

To correct this deficiency, CSA must abolish the examination lists that have not expired for the following classifications:

- (1) Auditor Evaluator II, BSA;
- (2) Senior Auditor Evaluator I, BSA;
- (3) Senior Auditor Evaluator II, BSA;
- (4) Senior Auditor Evaluator III, BSA

Within 60 days of the Board's Resolution adopting these findings and recommendations, CSA must submit to the SPB a written report of compliance verifying that the above-stated examination lists have been abolished. Copies of any relevant documents should be included with the report. Prior to CSA administering any future examinations, CSA must create and develop each examination based upon a job analysis that meets the requirements of the MSM.

Furthermore, the Compliance Review Division (CRD) finds the appointments that were made from the examinations that were administered without a Job Analysis were made in good faith, are over a year old and did not merit being voided.

It is thus also recommended that within 60 days of the Board's Resolution adopting these findings and recommendations, the CSA submit to the SPB a written corrective action plan describing what steps will be taken to develop job analyses for any new examinations that CSA conducts in the future.

### **DEPARTMENTAL RESPONSE**

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



## **SPB REPLY**

Based upon CSA's written response, CSA will complete job analyses for future examinations.

It is recommended that CSA comply with the afore-stated recommendation within 60 days of the Board's resolution and submit to the SPB a written report of compliance that includes abolishing the Auditor Evaluator II, BSA, Senior Auditor Evaluator I (BSA), Senior Auditor Evaluator II (BSA), and Senior Auditor Evaluator III (BSA) certification lists that were conducted without job analyses. Furthermore, although the Auditor Specialist I (Information Systems) examination was not conducted during the review period, CSA will abolish the certification list as well-being it was also conducted without a job analyses.

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

March 6, 2014

Suzanne Ambrose, Executive Director  
State Personnel Board  
801 Capitol Mall  
Sacramento, California 95814

Dear Ms. Ambrose:

Thank you for the opportunity to respond to the finding from your Compliance Review conducted in February 2013. We concur with your finding that we were lacking job analyses for many of our department-specific classifications and it is our understanding this is a pervasive problem throughout state government.

The State Auditor (formerly the Bureau of State Audits – BSA) is currently under contract with Cooperative Personnel Services to complete job analyses for all department-specific classifications. We have recently updated the job analysis for the Auditor Evaluator I (BSA) classification and completed a new job analysis for the Principal Auditor (BSA) classification. We currently estimate that all of the remaining job analyses for department-specific classifications will be completed by the end of June 2014. In addition, we have instituted an internal policy requiring that a current job analysis be completed for all departmental examinations for statewide classifications.

Upon receipt of the State Personnel Board's (Board) Resolution adopting these findings, consistent with the Board's recommendations, we will abolish all of the examination lists. In addition, we are requesting the Board's approval to abolish an examination list for the Auditor Specialist I (Information Systems). My office conducted this examination subsequent to the compliance review that was performed in February 2013, but prior to our receipt of the results of that review. As you are aware, we received the results of the compliance review in February 2014 and the finding in the review indicates that prior to administering examinations we must create and develop examinations based upon a job analysis. We conducted the examination for the Auditor Specialist I position in January 2014 without having completed a job analysis. Because this examination list was created under the same conditions as those for the classification your staff reviewed back in February 2013, we believe we must abolish this examination list as well.

If you need any additional information, please do not hesitate to contact me or my Manager of Human Resources, Kathleen Spencer, at (916) 445-0255. Again, thank you for the opportunity to respond to your report.

Sincerely,

*Elaine M. Howle*

ELAINE M. HOWLE, CPA  
State Auditor

cc: Lori Gillihan, Chief, Policy and Compliance Review Division

**BOARD RESOLUTION ADOPTING THE COMPLIANCE REVIEW REPORT AND  
FINDINGS BY THE SPB COMPLIANCE REVIEW UNIT OF  
THE CALIFORNIA STATE AUDITOR**

**WHEREAS**, the State Personnel Board (SPB or Board) at its duly noticed meeting of April 1, 2014, carefully reviewed and considered the attached Compliance Review Report of the California State Auditor submitted by SPB's Compliance Review Unit.

**WHEREAS**, the Report was prepared following a baseline review of the California State Auditor'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.

**/s/ SUZANNE M. AMBROSE**

**SUZANNE M. AMBROSE**  
Executive Officer