



COMPLIANCE REVIEW REPORT

CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES

Compliance Review Unit
State Personnel Board
January 14, 2019

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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 Unit (CRU) 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.

Effective July 1, 2012, the Governor's Reorganization Plan Number One (GRP1) of 2011 consolidated all of the functions of the Department of Personnel Administration and the merit-related operational functions of the State Personnel Board (SPB) into the California Department of Human Resources (CalHR).

Pursuant to Government Code section 18502(c), CalHR and SPB may "delegate, share, or transfer between them responsibilities for programs within their respective jurisdictions pursuant to an agreement." CalHR and SPB, 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 CRU may also conduct special investigations in response to a specific request or when the SPB obtains information suggesting a potential merit-related violation.

EXECUTIVE SUMMARY

The CRU conducted a routine compliance review of the California Department of Child Support Services' (DCSS) personnel practices in the areas of examinations, appointments, EEO, PSC's, mandated training, compensation and pay, leave, and policy and processes¹. The following table summarizes the compliance review findings.

Area	Finding
Examinations	Examinations Complied with Civil Service Laws and Board Rules
Examinations	Permanent Withhold Actions Complied with Civil Service Laws and Board Rules
Appointments	Appointments Complied with Civil Service Laws and Board Rules
Unlawful Appointment Investigations	Unlawful Appointment Investigation Did Not Comply with CalHR Delegation Agreement
Equal Employment Opportunity	Equal Employment Opportunity Program Complied with Civil Service Laws and Board Rules
Personal Services Contracts	Personal Services Contracts Complied with Procedural Requirements
Mandated Training	Ethics Training Was Not Provided for All Filers
Compensation and Pay	Salary Determinations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Compensation and Pay	Alternate Range Movements Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Compensation and Pay	Hiring Above Minimum Requests Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Compensation and Pay	Bilingual Pay Authorizations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Compensation and Pay	Pay Differential Authorizations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines

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

Area	Finding
Compensation and Pay	Out of Class Pay Authorizations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Leave	Administrative Time Off Authorizations Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Leave	Leave Auditing and Timekeeping Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Leave	Leave Reduction Plans Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Leave	715 Transactions Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Policy	Nepotism Policy Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Policy	Workers' Compensation Process Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines
Policy	Performance Appraisals Were Not Provided to All Employees

A color-coded system is used to identify the severity of the violations as follows:

- Red = Very Serious
- Orange = Serious
- Yellow = Non-serious or Technical
- Green = In Compliance

BACKGROUND

The mission of the DCSS is to promote parental responsibility to enhance the well-being of children by providing child support services to establish parentage and collect child support. California's child support program works with parents and guardians to ensure children and families receive court-ordered financial and medical support. Child support services are available to the general public through a network of 48 county and regional child support agencies that serve approximately 1.4 million children and families. Some of the services provided include locating a parent; establishing paternity; establishing, modifying and enforcing a court order for child support; and establishing, modifying and enforcing an order for health coverage.

SCOPE AND METHODOLOGY

The scope of the compliance review was limited to reviewing the DCSS' examinations, appointments, EEO program, PSC's, mandated training, compensation and pay, leave, and policy and processes². The primary objective of the review was to determine if the DCSS 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 action where deficiencies were identified.

A cross-section of the DCSS' examinations were selected for review to ensure that samples of various examination types, classifications, and levels were reviewed. The CRU examined the documentation that the DCSS provided, which included examination plans, examination bulletins, job analyses, and scoring results. The CRU also reviewed the DCSS' Permanent Withhold Actions documentation, including Withhold Determination Worksheets, State applications (STD 678), class specifications, and Withhold letters.

A cross-section of the DCSS' appointments were selected for review to ensure that samples of various appointment types, classifications, and levels were reviewed. The CRU examined the documentation that the DCSS' provided, which included Notice of Personnel Action (NOPA) forms, Request for Personnel Actions (RPA's), vacancy postings, application screening criteria, hiring interview rating criteria, certification lists, transfer movement worksheets, employment history records, correspondence, and probation reports. The CRU also reviewed the DCSS policies and procedures concerning unlawful appointments to ensure departmental practices conform to state civil service laws and Board regulations.

The DCSS' appointments were also selected for review to ensure the DCSS applied salary regulations accurately and correctly processed employee's compensation and pay. The CRU examined the documentation that the DCSS provided, which included employee's employment and pay history and any other relevant documentation such as certifications, degrees, and/or the appointee's application. Additionally, the CRU reviewed specific documentation for the following personnel functions related to compensation and pay: hiring above minimum (HAM) requests, bilingual pay, monthly pay differentials, and out-of-class assignments.

² Timeframes of the compliance review varied depending on the area of review. Please refer to each section for specific compliance review timeframes.

During the compliance review period, the DCSS did not issue or authorize red circle rate requests or arduous pay.

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

The DCSS' PSC's were also reviewed.³ It was beyond the scope of the compliance review to make conclusions as to whether the DCSS' justifications for the contracts were legally sufficient. The review was limited to whether the DCSS' practices, policies, and procedures relative to PSC's complied with procedural requirements.

The DCSS' mandated training program was reviewed to ensure all employees required to file statements of economic interest were provided ethics training, and that all supervisors were provided supervisory and sexual harassment prevention training within statutory timelines.

The CRU also identified the DCSS' employees whose current annual leave, or vacation leave credits, exceeded established limits. The CRU reviewed a cross-section of these identified employees to ensure that employees who have significant "over-the-cap" leave balances have a leave reduction plan in place. Additionally, the CRU asked the DCSS to provide a copy of their leave reduction policy.

The CRU reviewed the DCSS' Leave Activity and Correction certification forms to verify that the DCSS created a monthly internal audit process to verify all leave input into any leave accounting system was keyed accurately and timely. The CRU selected a small cross-section of the DCSS' units in order to ensure they maintained accurate and timely leave accounting records. Part of this review also examined a cross-section of the DCSS' 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 CRU reviewed a selection of the DCSS employees who used Administrative Time Off (ATO) in order to ensure that ATO was appropriately administered.

³If 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.

Additionally, the DCSS did not track any temporary intermittent employees by actual time worked during the compliance review period.

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

On Tuesday, January 8, 2019, an exit conference was held with the DCSS to explain and discuss the CRU's initial findings and recommendations. The CRU received and carefully reviewed the DCSS' written response on Wednesday, January 2, 2019, which is attached to this final compliance review report.

FINDINGS AND RECOMMENDATIONS

Examinations

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.) Within a reasonable time before the scheduled date for the examination, the designated appointing power shall announce or advertise the examination for the establishment of eligible lists. (Gov. Code, § 18933, subd. (a).) the advertisement shall contain such information as the date and place of the examination and the nature of the minimum qualifications. (*Ibid.*) Every applicant for examination shall file an application in the office of the department or a designated appointing power as directed by the examination announcement. (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.)

During the period under review, July 1, 2017 through March 31, 2018, the DCSS conducted 12 examinations. The CRU reviewed six of those examinations, which are listed below:

Classification	Exam Type	Exam Components	Final File Date	No. of Apps
Career Executive Assignment (CEA), California Child Support Automation System Project Director	CEA	Statement of Qualifications (SOQ) ⁴	6/20/17	21
CEA, Regional Administrator	CEA	SOQ	5/17/17	26
Child Support Technician	Open	Training and Experience (T&E) ⁵	Continuous	11
Child Support Technician	Open	T&E	Continuous	14
Child Support Technician	Open	T&E	Continuous	26
Senior Child Support Analyst	Open - Spot	T&E	Continuous	7

FINDING NO. 1 – Examinations Complied with Civil Service Laws and Board Rules

The CRU reviewed six open examinations which the DCSS administered in order to create eligible lists from which to make appointments. The DCSS published and distributed examination bulletins containing the required information for all examinations. Applications received by the DCSS were accepted prior to the final filing date. Applicants were notified about the next phase of the examination process. 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. The CRU found

⁴ In a Statement of Qualifications (SOQ's) examination, applicants submit a written summary of their qualifications and experience related to a published list of desired qualifications. Raters, typically subject matter experts, evaluate the responses according to a predetermined rating scale designed to assess their ability to perform in a job classification, assign scores and rank the competitors in a list.

⁵ The Training and Experience (T&E) examination is administered either online or in writing, and asks the applicant to answer multiple-choice questions about his or her level of training and/or experience performing certain tasks typically performed by those in this classification. Responses yield point values.

no deficiencies in the examinations that the DCSS conducted during the compliance review period.

Permanent Withhold Actions

Departments are granted statutory authority to permit withhold of eligibles from lists based on specified criteria (Gov. Code, § 18935 and CalHR Withhold Delegation Memo.) Permanent appointments and promotions within the state civil service system are merit-based, ascertained by a competitive examination process. Once a candidate has obtained list eligibility, a department may discover information pertaining to that eligible which raises concerns regarding his/her eligibility or suitability for employment with the state. A permanent withhold action is valid for the duration of the eligible’s list eligibility. As of February 12, 2013, departments are required to maintain a separate file for each withhold action and the file should include a copy of the withhold notification letter sent to the eligible, as well as all supporting documentation which form the basis of the withhold action (CalHR Withhold Delegation Memo).

During the review period, the DCSS conducted three permanent withhold actions. The CRU reviewed the three permanent withhold actions, which are listed below:

Exam Title	Exam ID	Date List Eligibility Began	Date List Eligibility Ended	Reason Employee Placed on Withhold
Associate Governmental Program Analyst	9PB04	3/23/17	3/23/18	Failed to Meet Minimum Qualifications
Associate Governmental Program Analyst	9PB04	11/14/17	11/14/18	Failed to Meet Minimum Qualifications
Associate Information Systems Analyst (Specialist)	9PB3002	12/14/17	12/14/18	Failed to Meet Minimum Qualifications

FINDING NO. 2 – Permanent Withhold Actions Complied with Civil Service Laws and Board Rules

The CRU reviewed three permanent withhold actions. The CRU found no deficiencies in the permanent withhold actions 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.) 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).)

During the period under review, July 1, 2017 through March 31, 2018, the DCSS made 36 appointments. The CRU reviewed 29 of those appointments, which are listed below:

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Associate Information Systems Analyst	Certification List	Permanent	Full Time	1
Associate Personnel Analyst	Certification List	Permanent	Full Time	1
Associate Programmer Analyst (Specialist)	Certification List	Permanent	Full Time	1
Data Processing Manager II	Certification List	Permanent	Full Time	1
Data Processing Manager III	Certification List	Permanent	Full Time	2
Executive Assistant	Certification List	Permanent	Full Time	1
Office Assistant (General)	Certification List	Permanent	Full Time	1
Senior Child Support Analyst	Certification List	Permanent	Full Time	3
Staff Services Manager III	Certification List	Permanent	Full Time	3
Systems Software Specialist I (Technical)	Certification List	Permanent	Full Time	1
System Software Specialist II (Technical)	Certification List	Permanent	Full Time	4
System Software Specialist III (Technical)	Certification List	Permanent	Full Time	3
Associate Governmental Program Analyst	Transfer	Permanent	Full Time	2
Associate Management Auditor	Transfer	Permanent	Full Time	1

Classification	Appointment Type	Tenure	Time Base	No. of Appts.
Senior Child Support Analyst	Transfer	Permanent	Full Time	2
Staff Services Analyst	Transfer	Permanent	Full Time	1
Associate Information Systems Analyst (Supervisor)	Training and Development	Permanent	Full Time	1

FINDING NO. 3 – Appointments Complied with Civil Service Laws and Board Rules

The DCSS 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 22 list appointments reviewed, the DCSS 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 CRU reviewed six DCSS appointments 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 DCSS verified the eligibility of each candidate to their appointed class.

Eligibility for training and development assignments are limited to employees who (1) have permanent status in their class, or (2) who have probationary status and who previously have had permanent status and who, since such permanent status, have had no break in service due to a permanent separation. The CRU reviewed one training and development appointment(s), and determined it to be in compliance with applicable civil service laws and Board rules (Gov. Code, § 438, subd. (a)(b)).

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

Unlawful Appointment Investigations

Departments that entered into an Unlawful Appointment Investigation Delegation Agreement between their executive management and CalHR have the authority to manage their own unlawful appointment investigations. The Delegation Agreement defines the reporting requirements, responsibilities, obligations, and expectations of the department in this process. Overall, the delegation agreement mandates that departments maintain up-to-date records on each unlawful appointment investigation including, at a minimum: the specific facts surrounding the appointment in question, a description of the circumstances which may have resulted in the unlawful appointment, copies of relevant appointment documents, and any information and/or documentation which may demonstrate that the agency and employee acted in good faith when the appointment was offered and accepted. Departments must also maintain a tracking system to monitor its unlawful appointments.

During the period under review, July 1, 2017 through March 31, 2018, the DCSS conducted one unlawful appointment investigation. The CRU reviewed the unlawful appointment investigation, which is listed below:

Classification	Date Investigation Initiated	Date Investigation Concluded
Office Technician (Typing) LEAP	11/15/17	1/12/18

FINDING NO. 4 – Unlawful Appointment Investigation Did Not Comply with CalHR Delegation Agreement

Summary: On November 14, 2017, the DCSS discovered that an employee's certification list appointment to Office Technician (Typing) was potentially unlawful because the employee was not in a reachable rank on the eligibility list at the time of appointment, November 13, 2017. The DCSS appropriately notified the employee on November 15, 2017 and started an unlawful appointment investigation. On January 12, 2018, the DCSS determined that the employee's November 13, 2017 appointment was unlawful. The DCSS determined that the best course of action would be to void the employee's November 13, 2017 appointment and correct it to November 16, 2017, the date employee became eligible for the Office Technician (Typing) LEAP referral list. The DCSS reported the

unlawful appointment investigation's determination and remedy to CalHR on March 1, 2018.

CRU's review of the file indicates that the employee appropriately competed for the appointment as a LEAP candidate and successfully completed the required Job Examination Process (JEP). Therefore, the corrective action that the DCSS proposed to CalHR appears appropriate. However, the DCSS did not follow through with correcting the transaction. Specifically, the DCSS never voided the November 13, 2017 appointment nor keyed in the November 16, 2017 correction.

Criteria: Article VII of the State Constitution requires that permanent appointments in State civil service be based on merit as ascertained by competitive examination. Departments that have signed a formal Unlawful Appointment Investigation Delegation Agreement with CalHR have the authority to investigate and determine cause and resolution of unlawful appointments. Departments also have the authority to directly notify the State Controller's Office of the action needed to void the appointment on the employee's work history.

Severity: Serious. An unlawful appointment provides the employee with an unfair and unearned appointment advantage over other employees whose appointments have been processed in compliance with the requirements of civil service law. Unlawful appointments which are not corrected also create appointment inconsistencies that jeopardize the equitable administration of the civil service merit system. In this instance, while the DCSS immediately discovered their error and devised an appropriate plan to correct the mistake, it failed to follow through with executing the correction in the employee's transaction record. Such an error could jeopardize the employee's future employment opportunities since the work history follows the employee throughout his/her state employment. An uncorrected unlawful appointment could be discovered at a future date by another appointment authority and place the employee's employment status in jeopardy.

Cause: DCSS states that, due to multiple changes in management within DCSS HRB, keying instruction had not been relayed to the

appropriate staff in order to implement that specific portion of the unlawful appointment corrective action.

Action: Within 60 days of the Executive Officer's approval of these findings and recommendations, the DCSS must submit to the SPB a written corrective action plan that addresses the corrections the department will implement to avoid similar issues going forward as well as documentation showing that the transactions have been corrected. As such, the DCSS must follow through with their initial corrective actions, re-keying the transactions to show that the employee was a LEAP hire on November 16, 2017.

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; issue procedures for providing equal upward mobility and promotional opportunities; and cooperate with the California Department of Human Resources by providing access to all required files, 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.)

Because the EEO Officer investigates and ensures proper handling of discrimination, sexual harassment and other employee complaints, the position requires separation from the regular chain of command, as well as regular and unencumbered access to the head of the organization.

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. 5 – Equal Employment Opportunity Program Complied With All Civil Service Laws and Board Rules

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 CRU determined that the DCSS 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 Director of the DCSS. In addition, the DCSS has an established DAC, which reports to the Director on issues affecting persons with disabilities. The DCSS also provided evidence of its efforts to promote EEO in its hiring and employment practices and to increase its hiring of persons with disabilities. Accordingly, the DCSS EEO program complied with civil service laws and Board rules.

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 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, 2017 through March 31, 2018, the DCSS had 31 PSC's that were in effect and subject to the Department of General Services (DGS) approval. The CRU reviewed 13 of those, which are listed below:

Vendor	Services	Contract Dates	Contract Amount	Justification Identified?
Business Advantage Consulting, Inc.	Service/Maintenance	8/1/17 – 7/31/18	\$398,784	Yes
Conduent State & Local Solutions	Service/Maintenance	4/11/11 – 3/31/20	\$123,612,242	Yes
Cooperative Personnel Services	Training	7/1/17 – 6/30/18	\$161,445	Yes
Deloitte Consulting LLP	Agile Transformation Consulting	3/19/18 – 3/18/19	\$609,136	Yes
Deloitte Consulting LLP	Test Strategies Consulting	9/11/17 – 9/10/18	\$421,465.97	Yes
Glaze and Associates, LLC	Project Management Services	2/1/18 – 1/30/19	\$249,600	Yes
HSB Solutions, Inc.	IT Services	2/1/18 – 6/30/18	\$249,109.52	Yes
iFish Group	Service/Maintenance	9/26/16 – 9/25/17	\$796,697	Yes
Informatix, Inc.	IT Services	8/1/17 – 7/31/18	\$247,104	Yes
Inter-Con Security Systems, Inc.	Service/Maintenance	3/1/16 – 1/31/18	\$875,000	Yes
PRIDE Industries One, Inc.	IT Services	7/1/17 – 6/30/19	\$110,342,734	Yes
SLI Global Solutions, LLC	Training	8/1/17 – 7/31/18	\$243,845.73	Yes
SyTech Solutions, Inc.	Document Conversion Services	10/1/17 – 12/31/18	\$419,415	Yes

FINDING NO. 6 – Personal Services Contracts Complied with Procedural Requirements

When an agency executes a personal services contract under Government Code section 19130, subdivision (b), the department must document a written justification that includes specific and detailed factual information that demonstrates how the contract meets one or more conditions specified in Government Code section 19131, subdivision (b). (Cal. Code Regs., tit. 2, § 547.60.). In addition to a written justification, under Government Code section 19132, subdivision (b), the department shall not execute any contract until they

have notified all organizations that represent state employees who perform the type of work to be contracted.

The total dollar amount of all the PSC's reviewed was \$238,626,578.22. It was beyond the scope of the review to make conclusions as to whether DCSS justifications for the contract were legally sufficient. For all PSC's reviewed, the DCSS provided specific and detailed factual information in the written justifications as to how each of the 13 contracts met at least one condition set forth in Government Code section 19131, subdivision (b). Additionally, DCSS complied with proper notification to all organizations that represent state employees who perform the type or work contracted. Accordingly, the DCSS 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), (b), (c), & 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).) As to the sexual harassment and abusive-conduct prevention component, the training must thereafter be provided to supervisors once every two years. (Gov. Code, § 12950.1.)

Within 12 months of the initial appointment of an employee to a management or Career Executive Assignment (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.*) Thereafter, for both categories of appointment, the employee must be provided a minimum of 20 hours of leadership training on a biannual basis. (*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 CRU reviews documents and records related to training that appointing powers are required by the afore-cited laws to provide its employees.

In reviewing the DCSS' mandated training program that was in effect during the compliance review period. The DCSS' supervisory training and sexual harassment prevention training were found to be in compliance, while the DCSS' ethics training was found to be out of compliance.

FINDING NO. 7 – Ethics Training Was Not Provided for All Filers

Summary: The DCSS provided ethics training to 70 of 70 existing filers. However, the DCSS did not provide ethics training to nine of 31 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).)

Severity: Very Serious. The department does not ensure that its filers are aware of prohibitions related to their official position and influence.

Cause: The DCSS states that, due to both management and staffing changes affecting the primary Conflict of Interest Coordinator position with the department, the tracking and processes in place were not continuously utilized which caused nine of 31 new filers to

not complete the ethics training within six months of their appointment.

Action: The DCSS must take appropriate steps to ensure that filers are provided ethics training within the time periods prescribed.

It is therefore recommended that no later than 60 days after the SPB’s Executive Officer’s approval of these findings and recommendations, the DCSS must establish a plan to ensure compliance with ethics training mandates and submit to the SPB a corrective action plan.

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 rate⁶ upon appointment depending on the appointment type, the employee’s state employment and pay history, and tenure.

During the period under review, July 1, 2017 through March 31, 2018, the DCSS made 36 appointments. The CRU reviewed 20 of those appointments to determine if the DCSS applied salary regulations accurately and correctly processed employees’ compensation, which are listed below:

Classification	Appointment Type	Tenure	Time Base	Salary (Monthly Rate)
Executive Assistant	Certification List	Permanent	Full Time	\$3,576
Associate Personnel Analyst	Certification List	Permanent	Full Time	\$4,784
Associate Programmer Analyst (Specialist)	Certification List	Permanent	Full Time	\$5,022
Office Assistant (General)	Certification List	Permanent	Full Time	\$2,569
Senior Child Support Analyst	Certification List	Permanent	Full Time	\$5,539

⁶ “Rate” is any one of the salary rates in the resolution by CalHR which establishes the salary ranges and steps of the Pay Plan (CA CCR Section 599.666).

Classification	Appointment Type	Tenure	Time Base	Salary (Monthly Rate)
Senior Child Support Analyst	Certification List	Permanent	Full Time	\$5,592
Senior Child Support Analyst	Certification List	Permanent	Full Time	\$6,287
Staff Services Manager III	Certification List	Permanent	Full Time	\$8,148
Staff Services Manager III	Certification List	Permanent	Full Time	\$8,148
Staff Services Manager III	Certification List	Permanent	Full Time	\$8,148
System Software Specialist II (Technical)	Certification List	Permanent	Full Time	\$6,047
System Software Specialist II (Technical)	Certification List	Permanent	Full Time	\$6,047
System Software Specialist II (Technical)	Certification List	Permanent	Full Time	\$6,695
System Software Specialist III (Technical)	Certification List	Permanent	Full Time	\$8,359
System Software Specialist III (Technical)	Certification List	Permanent	Full Time	\$8,359
Associate Governmental Program Analyst	Transfer	Permanent	Full Time	\$5,988
Associate Management Auditor	Transfer	Permanent	Full Time	\$5,819
Senior Child Support Analyst	Transfer	Permanent	Full Time	\$5,526
Senior Child Support Analyst	Transfer	Permanent	Full Time	\$6,107
Staff Services Analyst	Transfer	Permanent	Full Time	\$4,980

FINDING NO. 8 – Salary Determinations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines

The CRU found no deficiencies in the 20 salary determinations that were reviewed. The DCSS 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, CalHR provides salary rules departments must use when employees move between alternate ranges. They 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, April 1, 2017 through December 31, 2017, the DCSS made 14 alternate range movements within a classification⁷. The CRU reviewed six of those alternate range movements to determine if the DCSS applied salary regulations accurately and correctly processed employee's compensation, which are listed below:

Classification	Prior Range	Current Range	Time Base	Salary (Monthly Rate)
Child Support Specialist	A	B	Full Time	\$3,722
Child Support Specialist	B	C	Full Time	\$4,016
Child Support Technician	A	B	Full Time	\$3,063
Personnel Specialist	B	C	Full Time	\$3,952
Staff Services Analyst	B	C	Full Time	\$4,192
Staff Services Management Auditor	A	B	Full Time	\$4,106

FINDING NO. 9 – Alternate Range Movements Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines

The CRU found that the six alternate range movements the DCSS made during the compliance review period, satisfied civil service laws, Board rules and CalHR policies and guidelines.

Hiring Above Minimum Requests

Government Code section 19836 authorizes CalHR to allow payments above-the minimum rate in the salary range in order to hire persons who have extraordinary qualifications. On April 1, 2005, CalHR granted delegated authority to all departments to

⁷ 335 transactions.

approve HAM's for extraordinary qualifications, former legislative employees, and former exempt employees (PML, "Delegation of Personnel Management Functions," 2005-012). On September 25, 2007, CalHR also granted delegated authority for all departments to approve exceptions to the HAM criteria for extraordinary qualifications for all new state employees without prior review or approval from CalHR. However, for existing state employees, departments should obtain approval from CalHR and delegated authority does not apply (PML, "Hiring Above Minimum Standards for Extraordinary Qualifications," 2010-005).

Prior to approving a HAM under delegated authority, departments should demonstrate and document the candidate's extraordinary qualifications. The candidate's extraordinary qualifications should contribute to the work of the department significantly beyond that which other applicants offer. The extraordinary qualifications should provide expertise in a particular area of the department's program well beyond the normal requirements of the class. The department may also consider the unique talent, ability or skill demonstrated by the candidate's previous job experience as extraordinary qualifications, but the scope and depth of such experience should be more significant than the length. The qualifications and hiring rates of state employees already in the same class should be carefully considered (CalHR Online Manual Section 1707). Additionally, departments must request and approve HAM's before a candidate accepts employment (*Ibid.*). In all cases, the candidate's current salary or other bona fide salary offers should be above the minimum rate, verified and appropriately documented.

During the period under review, July 1, 2017 through March 31, 2018, the DCSS authorized four HAM requests. The CRU reviewed the four authorized HAM requests to determine if the DCSS correctly applied Government Code section 19836 and appropriately verified, approved and documented candidates' extraordinary qualifications and subsequent salaries which are listed below:

Classification	Appointment Type	Status	Salary Range	Salary (Monthly Rate)
Attorney	Certification List	Prior State Service	\$5,130 - \$8,938	\$6,605
Staff Services Management Auditor	Certification List	New to State	\$3,377 - \$5,491	\$3,910
Staff Services Management Auditor	Certification List	Current State Employee	\$3,377 - \$5,491	\$5,331
Systems Software Specialist III (Technical)	Certification List	New to State	\$6,644 - \$8732	\$8,732

FINDING NO. 10 – Hire Above Minimum Requests Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines

The CRU found that the four HAM requests the DCSS made during the compliance review period, satisfied civil service laws, Board rules and CalHR policies and guidelines.

Bilingual Pay

A certified bilingual position is a position where the incumbent uses bilingual skills on a continuous basis and averages ten percent or more of the total time worked. According to the Pay Scales, specifically Pay Differential 14, the ten percent time standard is calculated based on the time spent conversing, interpreting, or transcribing in a second language and time spent on closely related activities performed directly in conjunction with the specific bilingual transactions.

Typically, the department must review the position Duty Statement to confirm the percentage of time performing bilingual skills and verify the monthly pay differential is granted to a certified bilingual employee in a designated bilingual position. The position, not the employee, receives the bilingual designation and the department must verify that the incumbent successfully participated in an Oral Fluency Examination prior to issuing the additional pay.

During the period under review, April 1, 2017 through December 31, 2017, the DCSS issued Bilingual Pay to 15 employees. The CRU reviewed six of these bilingual pay authorizations to ensure compliance with applicable CalHR policies and guidelines. These are listed below:

Classification	Bargaining Unit	Time Base
Associate Information Systems Analyst, Specialist	R01	Full Time
Child Support Specialist	R01	Full Time
Child Support Technician	R01	Full Time
Information Officer I	R01	Full Time
Management Service Technician	R01	Full Time
Senior Child Support Analyst	R01	Full Time

FINDING NO. 11 – Bilingual Pay Authorization Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

The CRU found that the bilingual pay authorized to six employees during the compliance review period, satisfied civil service laws, Board rules and CalHR policies and guidelines.

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 (CalHR Classification and Pay Manual Section 230).

California State Civil Service Pay Scales (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, April 1, 2017 through December 31, 2017, the DCSS issued pay differentials⁸ to six employees. The CRU reviewed the six pay differentials to ensure compliance with applicable CalHR policies and guidelines. These are listed below:

Classification	Pay Differential	Monthly Amount
CEA	Recruitment and Retention	10%
CEA	Recruitment and Retention	10%
Research Analyst II	Recruitment and Retention	10%

⁸ For the purposes of CRU's review, only monthly pay differentials were selected for review at this time.

Classification	Pay Differential	Monthly Amount
Research Analyst II	Recruitment and Retention	10%
Staff Services Manager II (Supervisory)	Recruitment and Retention	10%
Staff Services Manager III	Recruitment and Retention	10%

FINDING NO. 12 – Pay Differential Authorizations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines

The CRU found no deficiencies in the six Pay Differentials that the DCSS 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.

Out-of-Class Assignments (OOC) and Pay

For excluded⁹ and most rank and file employees, out of class 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).

According to CalHR's 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 DPA Rule 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 provision or DPA regulation. Before assigning the OOC work, the department should have a plan to correct the situation before the 120-day time period expires (Section 375).

During the period under review, April 1, 2017 through December 31, 2017, the DCSS issued out-of-class pay¹⁰ to five employees. The CRU reviewed four of these out-of-class

⁹ "Excluded employee" means an employee as defined in section 3572(b) of the Government Code (Ralph C. Dills Act) except those excluded employees who are designated managerial pursuant to section 18801.1 of the Government Code.

¹⁰ Excluding bilingual and arduous pay.

assignments to ensure compliance with applicable CalHR policies and guidelines. These are listed below:

Classification	Bargaining Unit	Out-of-Class Classification	Time Frame
CEA, A	M01	CEA, B	02/08/17 – 05/31/17
Office Technician (Typing)	R04	Executive Assistant	07/15/17 – 11/11/17
Office Technician (Typing)	R04	Executive Secretary I	03/02/17 – 06/29/17
Staff Services Manager I	S01	Staff Services Manager II (Supervisory)	03/08/17 – 01/02/18

FINDING NO. 13 – Out of Class Pay Authorizations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines

The CRU found no deficiencies in the four out of class pay assignments that the DCSS authorized during the compliance review period. Out of Class pay was issued appropriately to employees 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

Administrative Time Off (ATO) is a form of paid administrative leave status initiated by appointing authorities for a variety of reasons. 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. Additionally, ATO may be granted when employees need time off for any of the following: donating blood, extreme weather that makes getting to work impossible, and/or, when employees need time off to attend special events. Any ATO requests lasting over 30 days must be submitted and approved by CalHR. Approval will generally be given in 30 calendar day increments and any extension must be approved prior to the expiration of the 30 calendar days. Departments must properly document and track ATO for any length of time (PML, “Administrative Time Off (ATO) – Policy, Procedure and Documentation Requirements”, 2012-008).

Employees may also be granted a paid leave of absence of up to five days by their appointing power when the employee works or resides in a county where a state of

emergency has been proclaimed by the Governor (§ 599.785.5, Administrative Time Off - During State of Emergency).

During the period under review, January 1, 2017 through December 31, 2017, the DCSS placed 11 employees on ATO. The CRU reviewed eight of these ATO appointments to ensure compliance with applicable laws, regulations and CalHR policy and guidelines, which are listed below:

Classification	Time Frame	No. of Days on ATO
Associate Governmental Program Analyst	10/17/17 – 10/23/17	7
Personnel Specialist	06/19/17 – 06/19/17	4.5 hours
Senior Information Systems Analyst (Specialist)	05/24/17 – 06/01/17	8
Senior Information Systems Analyst (Specialist)	06/29/17 – 07/05/17	7
Staff Services Analyst	06/29/17 – 06/30/17	2
Staff Services Analyst	09/11/17 – 09/15/17	5
Staff Services Management Auditor	02/10/17 – 02/16/17	7
Systems Software Specialist I	11/17/16 – 01/31/17	76

FINDING NO. 14 – Administrative Time Off Authorizations Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

The CRU found no deficiencies in the eight employees placed on ATO during the compliance review period. The DCSS provided the proper documentation justifying the use of ATO and adhered to applicable laws, regulations and CalHR policy and guidelines.

Leave Auditing and Timekeeping

Departments must keep complete and accurate time and attendance records for each employee and officer employed within the agency over which it has jurisdiction (Cal. Code Regs., tit. 2, § 599.665).

Additionally, in accordance with CalHR Online Manual Section 2101, departments must create a monthly internal audit process to verify all leave input into any leave accounting

system is keyed accurately and timely. 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. Attendance records shall be corrected by the pay period following the pay period in which the error occurred. Accurate and timely attendance reporting is required of all departments and is subject to audit.

During the period under review, October 1, 2017 through December 31, 2017, the DCSS reported 54 units comprised of 578 active employees during the October 2017 pay period, 54 units comprised of 581 active employees during the November 2017 pay period, and 54 units comprised of 579 active employees during the December 2017 pay period. The pay periods and timesheets reviewed by the CRU are summarized as follows:

Timesheet Leave Period	Unit Reviewed	Number of Employees	Number of Timesheets Reviewed	Number of Missing Timesheets
October 2017	100	6	6	0
October 2017	112	10	10	0
October 2017	113	20	20	0
November 2017	112	10	10	0
November 2017	113	21	21	0
November 2017	312	17	17	0
December 2017	311	14	14	0
December 2017	312	17	17	0
December 2017	600	4	4	0

FINDING NO. 15 – Leave Auditing and Timekeeping Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

The CRU reviewed employee leave records from three different leave periods to ensure compliance with applicable laws, regulations and CalHR policy and guidelines. Based on our review, the CRU found no deficiencies. The DCSS kept complete and accurate time and attendance records for each employee and officer employed within the department and utilized a monthly internal audit process to verify all leave input into any leave accounting system was keyed accurately and timely.

Leave Reduction Efforts

Departments must comply with the regulations and CalHR policies that require a leave plan for every employee with vacation or annual leave hours over the maximum amount permitted (Cal. Code Regs., tit. 2, § 599.742.1 and applicable Bargaining Unit Agreements). Bargaining Unit Agreements and California Code of Regulations prescribe the maximum amount of vacation or annual leave permitted. For instance, according to California Code of Regulations, title 2, section 599.737, if a represented employee does not use all of the vacation to which he or she is entitled in a calendar year, “the employee may accumulate the unused portion, provided that on January 1st of a calendar year, the employee shall not have more than” the established limit as stipulated by the applicable bargaining unit agreement¹¹. Likewise, if an excluded employee does not use all of the vacation to which he or she is entitled in a calendar year, the “employee may accumulate the unused portion of vacation credit, provided that on January 1st of a calendar year, the excluded employee shall not have more than 80 vacation days.” (Cal. Code Regs., tit. 2, § 599.738).

In accordance with CalHR Online Manual Section 2124, departments must create a leave reduction policy for their organization and monitor employees’ leave to ensure compliance with the departmental leave policy; and ensure employees who have significant “over-the-cap” leave balances have a leave reduction plan in place.

As of December 2017, 35 DCSS employees exceeded the established limits of vacation or annual leave. The CRU reviewed 18 of those employees’ leave reduction plans to ensure compliance with applicable laws, regulations and CalHR policy and guidelines, which are listed below:

Classification	Collective Bargaining Identifier	Total Hours Over Established Limit	Leave Reduction Plan Provided
Accounting Administrator I (Supervisor)	S01	161.5	Yes
Accounting Administrator I (Supervisor)	S01	198	Yes
Accounting Administrator III	M01	547	Yes
Associate Information Systems Analyst (Specialist)	R01	101	Yes

¹¹ For represented employees, the established limit for annual or vacation leave accruals is 640 hours, however for bargaining units 06 there is no established limit and bargaining unit 5 the established limit is 816 hours.

Classification	Collective Bargaining Identifier	Total Hours Over Established Limit	Leave Reduction Plan Provided
CEA	M01	28	Yes
CEA	M01	74	Yes
CEA	M01	243.25	Yes
CEA	M01	343	Yes
CEA	M01	455.75	Yes
Chief Deputy Director	E99	584.5	Yes
Data Processing Manager II	S01	95	Yes
Data Processing Manager III	M01	89.25	Yes
Data Processing Manager III	M01	162.5	Yes
Staff Services Analyst	R01	897.25	Yes
Staff Services Manager II (Supervisory)	S01	96.5	Yes
Staff Services Manager II (Supervisory)	S01	471.5	Yes
Staff Services Manager III	M01	210.75	Yes
Staff Services Manager III	M01	775.75	Yes
Total		5,534.5	

FINDING NO. 16 – Leave Reduction Plans Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines

The CRU reviewed employee vacation and annual leave to ensure that those employees who have significant “over-the-cap” leave balances have a leave reduction plan in place and are actively reducing hours. In addition, the CRU reviewed the department’s leave reduction policy to verify its compliance with applicable rule and law, and to ensure its accessibility to employees. Based on our review, the CRU found no deficiencies in this area.

State Service

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 service¹² (Cal. Code Regs., tit. 2, § 599.608).

¹² Except as provided in sections 599.609 and 599.776.1(b) of these regulations, in the application of Government Code sections 19143, 19849.9, 19856.1, 19858.1, 19859, 19861, 19863.1, 19997.4 and sections 599.682, 599.683, 599.685, 599.687, 599.737, 599.738, 599.739, 599.740, 599.746, 599.747, 599.787, 599.791, 599.840 and 599.843 of these regulations.

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 additional qualifying monthly pay period as defined in section 599.608, the employee shall be allowed credit for vacation with pay on the first day of the following monthly pay period. When computing months of total state service to determine a change in the monthly credit for vacation with pay, only qualifying monthly pay periods of service before and after breaks in service shall be counted. Portions of non-qualifying monthly pay periods of service shall not be counted nor accumulated (Cal. Code Regs., tit. 2, § 599.739). On the first day following a qualifying monthly pay period, excluded employees¹³ 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, April 1, 2017 through December 31, 2017, the DCSS had seven employees with 715 transactions¹⁴. The CRU reviewed 25 715 transactions to ensure compliance with applicable laws, regulations and CalHR policy and guidelines, which are listed below:

Type of 715 Transaction	Time base	Number Reviewed
Qualifying Pay Period	Full Time	22
Non-qualifying Pay Period	Full Time	3

¹³ As identified in Government Code sections 19858.3(a), 19858.3(b), or 19858.3(c) as it applies to employees excluded from the definition of state employee under section Government Code 3513(c), and appointees of the Governor as designated by the Department and not subject to section 599.752.1.

¹⁴ 715 transaction code is used for: temporary leaves of 30 calendar days or less (per SPB Rule 361) resulting in a non-qualifying pay period; used for qualifying a pay period while on NDI; used for qualifying a pay period while employee is on dock and furlough.

FINDING NO. 17 – 715 Transactions Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

The CRU determined that the DCSS ensured employees with non-qualifying pay periods did not receive vacation/sick leave, annual leave, and/or state service accruals. The CRU found no deficiencies in this area.

Policy and Processes

Nepotism

It is the policy of the State of California to recruit, hire and assign 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. Nepotism is defined as the practice of an employee using his or her influence or power to aid or hinder another in the employment setting because of a personal relationship. Personal relationships for this purpose include but are not limited to, association by blood, adoption, marriage and/or cohabitation. In addition, there may be personal relationships beyond this general definition that could be subject to these policies. Overall, departmental nepotism policies should aim to prevent favoritism or bias based on a personal relationship when recruiting, hiring or assigning employees. Departments have the discretion, based on organizational structure and size, to develop nepotism policies as they see fit (CalHR Online Manual Section 1204).

FINDING NO. 18 – Nepotism Policy Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

After reviewing the DCSS' nepotism policy in effect during the compliance review period, the CRU verified that the policy was disseminated to all staff and emphasized the DCSS' commitment to the state policy of recruiting, hiring and assigning employees on the basis of merit. Additionally, the DCSS' 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 as outlined in CalHR's Online Manual Section 1204.

Workers' Compensation

Pursuant to California Code of Regulations, title 8, section 9880, 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. This notice shall also contain a form that the employee can use to pre-designate their personal physician or medical group as defined by Labor Code section 4600. Additionally, employers shall also provide a claim form and notice of potential eligibility to their employee within one working day of notice or knowledge that the employee has suffered a work related injury or illness (Labor Code, § 5401).

According to Labor Code section 3363.5, public employers may choose to extend workers' compensation coverage to volunteers that perform services for the organization. Workers' compensation coverage is not mandatory for volunteers as it is for employees. This is specific to the legally uninsured state departments participating in the Master Agreement. Departments with an insurance policy for workers' compensation coverage should contact their State Compensation Insurance Fund (SCIF) office to discuss the status of volunteers (PML, "Workers' Compensation Coverage for Volunteers," 2015-009). Those departments that have volunteers should have notified or updated their existing notification to the SCIF by April 1, 2015, whether or not they have decided to extend workers' compensation coverage to volunteers.

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

FINDING NO. 19 – Workers' Compensation Process Complied with Civil Service Laws, Board Rules, and/or CalHR Policies and Guidelines

After reviewing the DCSS' workers' compensation process that was in effect during the compliance review period, the CRU verified that when the DCSS provides notice to their employees to inform them of their rights and responsibilities under CA Workers' Compensation Law. Furthermore, the CRU verified that when the DCSS received worker's compensation claims, the CRU properly provided claim forms within one working day of notice or knowledge of injury.

Performance Appraisals

According to Government Code section 19992.2, departments 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 CRU selected 35 permanent DCSS employees to ensure that the department was conducting performance appraisals on an annual basis in accordance with applicable laws, regulations and CalHR policy and guidelines.

In reviewing the DCSS performance appraisals policies and processes, the CRU determined the following:

FINDING NO. 20 – Performance Appraisals Were Not Provided to All Employees

Summary: The DCSS did not provide performance appraisals to 21 of 35 employees reviewed at least once in each twelve calendar months after the completion of the employee’s probationary period.

Classification	Date Performance Appraisal(s) due
Accounting Administrator III	06/07/17
Associate Governmental Program Analyst	11/24/17
Child Support Specialist	11/01/17
Child Support Technician	08/02/17
Child Support Technician	08/02/17
Child Support Technician	08/02/17
Child Support Technician	08/02/17
Child Support Technician	08/02/17
Information Technology Manager I	09/30/17
Information Technology Specialist I	10/13/17
Information Technology Specialist I	11/30/17
Information Technology Specialist II	06/14/17
Information Technology Supervisor II	06/30/17
Management Services Technician	12/01/17
Office Technician (Typing)	09/10/17
Office Technician (Typing)	11/28/17
Program Technician	06/19/17
Staff Services Analyst	06/10/17
Staff Services Manager I	12/31/17
Staff Services Manager III	11/04/17
Staff Services Manager III	12/20/17

- Criteria:** Departments are required to “prepare performance reports and keep them on file as prescribed by department rule” (Gov. Code § 19992.2). 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.
- Severity:** Serious. The department does not ensure that all of its employees are apprised of work performance issues and/or goals in a systematic manner.
- Cause:** Despite DCSS HRB using several methods to inform and remind supervisors of the requirements to complete performance appraisals for all eligible employees, not all managers provided timely performance appraisals to their staff.
- Action:** It is therefore recommended that no later than 60 days after the SPB’s Executive Officer’s approval of these findings and recommendations, the DCSS must establish a plan to implement the completion of all employee’s performance appraisals.

DEPARTMENTAL RESPONSE

The DCSS’ departmental response is attached as Attachment 1.

SPB REPLY

Based upon the DCSS’ written response, the DCSS will comply with the CRU recommendations and findings and provide the CRU with an action plan.

It is further recommended that the DCSS comply with the afore-stated recommendations within 60 days of the Executive Officer’s approval and submit to the CRU a written report of compliance.

CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES

P.O. Box 419064, Rancho Cordova, CA 95741-9064



January 2, 2019

Ms. Suzanne M. Ambrose, Executive Officer
State Personnel Board
801 Capitol Mall
Sacramento, CA 95814

SUBJECT: DCSS RESPONSE TO THE STATE PERSONNEL BOARD DRAFT COMPLIANCE REPORT

Dear Ms. Ambrose:

The Department of Child Support Services (DCSS) is in receipt of the draft State Personnel Board (SPB) Compliance Review Report. Based on the compliance review conducted by the Compliance Review Unit (CRU) of DCSS' personnel practices in the area of Examinations, Appointments, Equal Employment Opportunity (EEO), Personal Services Contracts, Mandated Training, Compensation and Pay, Leave, and Policy and Processes, the DCSS Human Resources Branch (HRB) provides the following response to each of the findings as presented by the SPB.

Finding No. 4: Unlawful appointment investigation did not comply with CalHR Delegation Agreement (Serious)

The summary by the CRU reflected that on November 14, 2017, DCSS discovered a potential unlawful appointment. DCSS appropriately notified the employee on November 15, 2017, and started an unlawful appointment investigation. DCSS determined the appointment was unlawful and the best course of action would be to void the employee's November 13, 2017, appointment and correct it to November 16, 2017, the date the employee became eligible for the Office Technician (Typing) LEAP eligibility list. DCSS reported the unlawful appointment investigation's determination and remedy to California Department of Human Resources (CalHR) on March 1, 2018.

CRU's review of the file indicates that the employee appropriately competed for the appointment as a LEAP candidate and successfully completed the required Job Examination Process (JEP). Therefore, the corrective action that DCSS proposed to CalHR appears appropriate. However, DCSS did not follow through with the final step of correcting the transaction by voiding the original appointment and keying a correction.

Cause: DCSS states that due to multiple changes in management within DCSS HRB, keying instruction had not been relayed to the appropriate staff in order to implement that specific portion of the unlawful appointment corrective action.

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DCSS Response: DCSS HRB has implemented an internal procedure and checklist to ensure compliance with all unlawful appointment necessary steps. Staff have been provided training on this procedure. DCSS is also in the process of implementing the corrective action submitted to CalHR on March 1, 2018, consisting of voiding the employee's unlawful appointment on November 13, 2017, and correcting the date to November 16, 2017, the date the employee became eligible for appointment in the State Controller's Office (SCO) payroll system.

Finding No. 7: Ethics training was not provided for all filers (Very Serious)

The summary by the CRU reflected that DCSS provided Ethics training to 70 of 70 existing filers. However, the DCSS did not provide ethics training to nine of 31 new filers within six months of their appointment.

Cause: The DCSS states that due to both management and staffing changes affecting the primary Conflict of Interest Coordinator position with the Department, the tracking and processes in place were not continuously utilized which caused nine of 31 new filers to not complete the ethics training within six months of their appointment.

DCSS Response: This was due to lack of an effective tracking process, administrative notification, follow-up, and enforcement. The DCSS HRB will put in place a revised tracking system to ensure compliance with this requirement. This revised system will include providing a monthly report listing of all employees out of compliance for the Executive Leadership team. DCSS will follow-up in writing with new hires/appointments and their supervisors at specified intervals to remind them of this requirement.

Additionally, DCSS is also in the process of procuring a Learning Management System (LMS) that will allow for automated compliance tracking. The LMS will provide mechanisms for capturing and reporting on mandatory training data, which is currently manually captured. Furthermore, the LMS will automatically send notifications of upcoming required training to employees in an effort to reduce non-compliance and reduce errors.

Finding No. 20: Performance Appraisals were not provided to all employees. (Serious)

The summary by the CRU reflected DCSS did not provide performance appraisals to 21 of 35 employees reviewed at least once in each twelve calendar months after the completion of the employee's probationary period.

Cause: Despite DCSS HRB using several methods to inform and remind supervisors of the requirements to complete performance appraisals for all eligible employees, not all managers provided timely performance appraisals to their staff.

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DCSS Response: Supervisors and managers are provided the forms and due dates of performance appraisals of their employees. DCSS HRB makes a good faith effort to inform supervisors and managers regarding the requirements of completing annual performance appraisals, including regular and consistent reminders of deadlines. DCSS HRB and Executive Leadership team will continue to emphasize the importance of completing performance appraisals via email to the respective supervisor and/or manager. DCSS HRB will generate a monthly report listing all employees out of compliance for the Executive Leadership team. DCSS will follow-up with supervisors and/or managers at various intervals to remind them of the missing performance appraisals. DCSS Executive staff are committed to ensuring that all required deadlines are met. In addition, the Department is currently in the process of reviewing and revising our Performance Appraisal and Development Plan policy and departmental processes to ensure compliance.

DCSS strives to ensure good employment practices and remains committed to working with the SPB. DCSS Executive staff are committed to ensuring that all required training is taken on a timely basis. Thank you for the opportunity to discuss and respond to the Draft Compliance Review Report.

If you have any questions or concerns regarding this matter, please contact me at (916) 464-5392 or at Tina.Ramirez@dcss.ca.gov.

Sincerely,



TINA RAMIREZ, Chief
Human Resources Branch

cc: Karen Dailey, DCSS Audits Manager
Irene Briggs, DCSS Administrative Deputy Director
Sandra St. Louis, DCSS Personnel Officer