

**BOARD RESOLUTION ADOPTING THE COMPLIANCE REVIEW REPORT AND
FINDINGS BY THE SPB COMPLIANCE REVIEW DIVISION OF
THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**

WHEREAS, the State Personnel Board (SPB or Board) at its duly noticed meeting of November 7, 2013, carefully reviewed and considered the attached Compliance Review Report of the Department of Housing and Community Development submitted by SPB's Compliance Review Division.

WHEREAS, the Report was prepared following a baseline review of the Department of Housing and Community Development'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

SUZANNE M. AMBROSE
Executive Officer



801 Capitol Mall Sacramento, CA 95814 | www.spb.ca.gov

Governor Edmund G. Brown Jr.

October 29, 2013

Mr. Randall Deems
Acting Director
Department of Housing and Community Development
2020 W. El Camino Drive, Ste. 350
Sacramento, CA 95833

RE: Compliance Review Report

Dear Mr. Deems,

The State Personnel Board (Board or SPB) conducted a baseline compliance review of the Department of Housing and Community Development's (HCD's) examinations, appointments, and Equal Employment Opportunity (EEO) program during the period of May 1, 2011 through November 1, 2012. The primary objective of the review was to determine if the HCD's personnel practices, policies, and procedures complied with state civil service laws and board regulations, and to recommend corrective action where deficiencies were identified.

The HCD provided the documents that SPB requested. A cross-section of HCD's examinations and appointments were selected for review to ensure that samples of various examination and appointment types, classifications, and levels were analyzed. The SPB also communicated with and asked questions of appropriate HCD staff.

The Compliance Review Division (CRD) found no deficiencies in the reviews of the HCD's examinations and appointments. The CRD found that the EEO program was in compliance with one exception – the EEO Officer/Staff Services Manager I does not report directly to the Department's Director on EEO related matters. 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, 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.)

Accordingly, HCD must reorganize its organizational structure and ensure that the EEO Officer reports directly to the Director on EEO related matters.

DEPARTMENTAL RESPONSE

HCD recognized the deficiency and has since reorganized their organizational structure so that the EEO Officer, a Staff Services Manager I reports directly to the Department's Director on EEO related matters effective January 2013. On September 13, 2013, a memoranda outlining HCD's effort to ensure compliance is attached, as is their updated organizational chart.

SPB REPLY

Further, SPB commends HCD for taking initiative to promptly and proactively correct their deficiency. After reviewing HCD's memoranda and organizational chart, it is deemed that HCD is in compliance with Gov. Code section 19795. Therefore no corrective action is necessary.

These findings are being provided to the five-member State Personnel Board at its next available meeting for their review. If the Board's agrees with the findings, it shall issue a resolution adopting the recommendations. If the Board does not agree with the findings, it will then issue orders with its own recommendations. In either event, you will be notified of the decision of the Board and any further recommendations it may have. Once the Board has adopted the findings in whole and without further recommendations, the findings will then be posted on our website.

Mr. Randall Deems
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We greatly appreciated the cooperation and assistance provided by HCD personnel. If you have questions, please contact me at (916) 651-0924.

Sincerely,



James L. Murray, Chief
Compliance Review Division
State Personnel Board

Attachments

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
ADMINISTRATION AND MANAGEMENT DIVISION**

Human Resources Branch

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September 13, 2013

MEMORANDUM FOR: JAMES L. MURRAY, CHIEF
Compliance Review Division
State Personnel Board

A handwritten signature in blue ink, appearing to read "Scott A. McLernon".

FROM: SCOTT A. McLERNON, CHIEF
Human Resources Branch

SUBJECT: Response to Compliance Review Report

The purpose of this memorandum is to respond to the State Personnel Board (SPB) Compliance Review Report dated September 6, 2013, which covered a review period of May 1, 2011 through November 1, 2012.

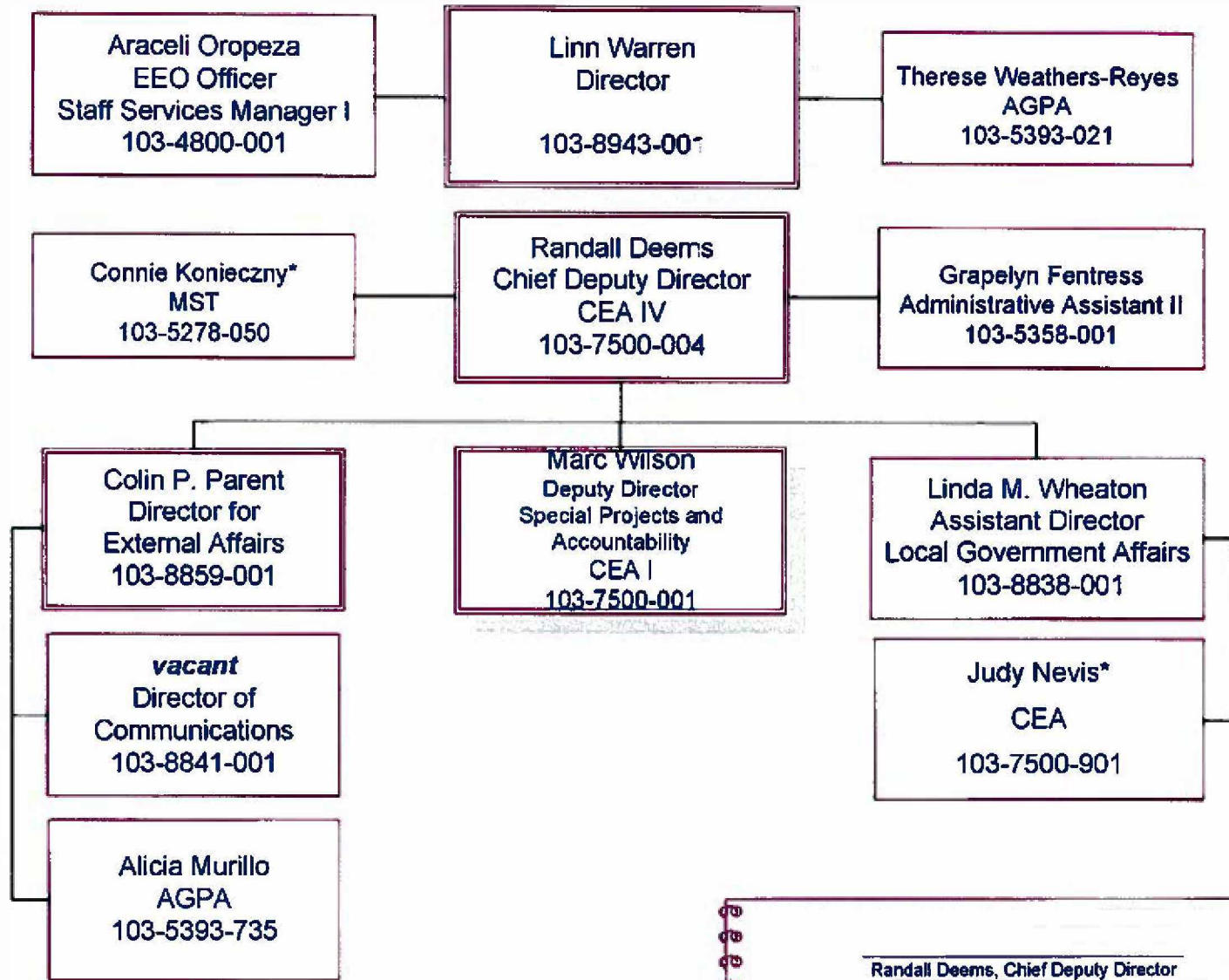
In the report, SPB found that the Department of Housing and Community Development's (HCD's) Equal Employment Opportunity (EEO) Officer / Staff Services Manager I did not report directly to the Department's Director on EEO related matters. SPB, in turn, directed HCD to reorganize the organizational structure and ensure that the EEO Officer reports directly to the Director on EEO related matters. HCD concurred with the finding and implemented the proposed resolution in January 2013.

HCD thanks the Compliance Review Division for their professionalism, guidance and thoroughness. It is through programs such as the compliance review that Departments are able to identify areas for improvement, leading towards more efficient and effective processes, helping us better serve the citizens of California.

If you have questions, please contact me at (916) 263-6870.

cc: Randall Deems
Marc Wilson
Terrie Watson

Department of Housing and Community Development
Director's Office
January 2013



Randall Deems, Chief Deputy Director

Linn Warren, Director

*Retired Annuitant