



COMPLIANCE REVIEW REPORT

SAN GABRIEL AND LOWER LOS ANGELES RIVERS AND MOUNTAINS CONSERVANCY

Compliance Review Unit
State Personnel Board
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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.

Pursuant to Government Code section 18502, subdivision (c), the SPB and the California Department of Human Resources (CalHR) may "delegate, share, or transfer between them responsibilities for programs within their respective jurisdictions pursuant to an agreement." SPB and CalHR, by mutual agreement, expanded the scope of program areas to be audited to include more operational practices that have been delegated to departments and for which CalHR provides policy direction. Many of these delegated practices are cost drivers to the state and were not being monitored on a statewide basis.

As such, SPB also conducts compliance reviews of appointing authorities' personnel practices to ensure that state departments are appropriately managing the following non-merit-related personnel functions: compensation and pay, leave, and policy and processes. These reviews will help to avoid and prevent potential costly litigation related to improper personnel practices, and deter waste, fraud, and abuse.

The SPB conducts these reviews on a three-year cycle.

The CRU may also conduct special investigations in response to a specific request or when the SPB obtains information suggesting a potential merit-related violation.

It should be noted that this report only contains findings from this hiring authority’s compliance review. Other issues found in SPB appeals and special investigations as well as audit and review findings by other agencies such as the CalHR and the California State Auditor are reported elsewhere.

EXECUTIVE SUMMARY

The CRU conducted a routine compliance review of the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC) personnel practices in the areas of examinations, appointments, EEO, PSC’s, mandated training, compensation and pay, leave, and policy and processes. The following table summarizes the compliance review findings.

Area	Finding
Examinations	Examinations Complied with Civil Service Laws and Board Rules
Appointments	Probationary Evaluations Were Not Provided for All Appointments Reviewed
Equal Employment Opportunity	A Disability Advisory Committee Has Not been Established
Personal Services Contracts	Unions Were Not Notified of Personal Services Contracts
Personal Services Contracts	Written Justification Was Not Provided for All Personal Services Contracts
Mandated Training	Mandated Training Complied with Statutory Requirements
Compensation and Pay	Salary Determinations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines
Leave	Department Has Not Implemented a Monthly Internal Audit Process to Verify All Leave Input is Keyed Accurately and Timely
Leave	Incorrectly Posted Leave Usage and/or Leave Credit
Policy	Department Does Not Maintain a Current Written Nepotism Policy

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

- Red = Very Serious
- Orange = Serious
- Yellow = Technical
- Green = In Compliance

BACKGROUND

The RMC was created by the California Legislature in 1999, and is one of ten conservancies within the California Resources Agency. Its mission is to preserve open spaces and habitats in order to provide for low-impact recreation and educational uses, wildlife habitat restoration and protection, and watershed improvements within its jurisdiction.

Its territory covers eastern Los Angeles County and western Orange County. This vast and varied area includes mountains, valleys, rivers, coastal plain, and coastline. The RMC governing board is comprised of 13 voting and 7 non-voting members who are appointed or are designated by virtue of the office they hold: local, state and federal.

The Department of General Services (DGS) performs human resources operations for the RMC.

SCOPE AND METHODOLOGY

The scope of the compliance review was limited to reviewing the RMC's examinations, appointments, EEO program, PSC's, mandated training, compensation and pay, leave, and policy and processes¹. The primary objective of the review was to determine if the RMC's personnel practices, policies, and procedures complied with state civil service laws and Board regulations, Bargaining Unit Agreements, CalHR policies and guidelines, CalHR Delegation Agreements, and to recommend corrective action where deficiencies were identified.

A cross-section of the RMC's 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 RMC provided, which included examination plans, examination bulletins, job analyses, and scoring results.

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

The RMC did not conduct any permanent withhold actions during the compliance review period.

A cross-section of the RMC's 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 RMC provided, which included Notice of Personnel Action (NOPA) forms, Request for Personnel Actions (RPA's), vacancy postings, certification lists, transfer movement worksheets, employment history records, correspondence, and probation reports.

The RMC did not conduct any unlawful appointment investigations during the compliance review period. Additionally, the RMC did not make any additional appointments during the compliance review period.

The RMC's appointments were also selected for review to ensure the RMC applied salary regulations accurately and correctly processed employees' compensation and pay. The CRU examined the documentation that the RMC provided, which included employees' employment and pay history and any other relevant documentation such as certifications, degrees, and/or the appointee's application.

During the compliance review period, the RMC did not issue or authorize hiring above minimum requests, red circle rate requests, arduous pay, bilingual pay, monthly pay differentials, alternate range movements or out-of-class assignments.

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

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

The RMC's mandated training program was reviewed to ensure all employees required to file statements of economic interest were provided ethics training, and that all

²If 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.

supervisors, managers, and CEAs were provided leadership and development training and sexual harassment prevention training within statutory timelines.

The CRU also identified the RMC's 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.

The CRU reviewed the RMC's Leave Activity and Correction Certification forms to verify that the RMC 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 RMC's units in order to ensure they maintained accurate and timely leave accounting records.

During the compliance review period, the RMC did not have any employees with non-qualifying pay period transactions. The RMC also did not authorize Administrative Time Off. Additionally, the RMC did not track any temporary intermittent employees by actual time worked during the compliance review period.

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

The RMC declined to have an exit conference. The CRU received and carefully reviewed the RMC's written response on June 22, 2020, 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, subd. (a).) 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 with the department or a designated appointing power as directed by the examination announcement. (Gov. Code, § 18934, subd. (a)(1).) 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, October 1, 2018, through September 30, 2019, the RMC conducted one examination. The CRU reviewed this examination, which is listed below:

Classification	Exam Type	Exam Components	Final File Date	No. of Apps
Conservancy Project Development Analyst II	Open	Training and Experience (T&E) ³	2/28/2019	5

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

The CRU reviewed one open examination which the RMC administered in order to create eligible lists from which to make appointments. The RMC published and distributed an examination bulletin containing the required information for this examination. Applications received by the RMC 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 no deficiencies in the examinations that the RMC conducted during the compliance review period.

Appointments

In all cases not excepted or exempted by Article VII of the California Constitution, the appointing power must fill positions by appointment, including cases of transfers, reinstatements, promotions, and demotions in strict accordance with the Civil Service Act and Board rules. (Gov. Code, § 19050.) The hiring process for eligible candidates chosen

³ The Training and Experience 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.

for job interviews shall be competitive and be designed and administered to hire candidates who will be successful. (Cal. Code Regs., tit. 2, § 250, subd. (b).) Interviews shall be conducted using job-related criteria. (*Ibid.*) Persons selected for appointment shall satisfy the minimum qualifications of the classification to which he or she is appointed or have previously passed probation and achieved permanent status in that same classification. (Cal. Code Regs., tit. 2, § 250, subd. (d).) while persons selected for appointment may meet some or most of the preferred or desirable qualifications, they are not required to meet all the preferred or desirable qualifications. (*Ibid.*) This section does not apply to intra-agency job reassignments. (Cal. Code Regs., tit. 2, § 250, subd. (e).)

For the purposes of temporary appointments, an employment list is considered not to exist where there is an open eligible list that has three or fewer names of persons willing to accept appointment and no other employment list for the classification is available. (Cal. Code Regs., tit. 2, § 265.) In such a situation, an appointing power may make a temporary appointment in accordance with section 265.1 (*Ibid.*) A Temporary Authorization Utilization (TAU) appointment shall not exceed nine months in a 12-month period. (Cal. Const., art. VII.) In addition, when a temporary appointment is made to a permanent position, an appropriate employment list shall be established for each class to which a temporary appointment is made before the expiration of the appointment. (Gov. Code, § 19058.)

During the period under review, October 1, 2018, through September 30, 2019, the RMC made four appointments. The CRU reviewed all four of those appointments, which are listed below:

Classification	Appointment Type	Tenure	Time Base	No. of Appts
Conservancy Project Development Analyst II	Certification List	Permanent	Full Time	1
Conservancy Project Development Analyst II	Certification List	Temporary	Full Time	1
Staff Services Manager I	Certification List	Permanent	Full Time	1
Executive Secretary I	Transfer	Permanent	Full Time	1

FINDING NO. 2 – Probationary Evaluations Were Not Provided for All Appointments Reviewed

Summary: The RMC did not provide 5 probationary reports of performance for 3 of the 4 appointments reviewed by the CRU, as reflected in the table below.

Classification	Appointment Type	Number of Appointments	Total Number of Missing Probation Reports
Conservancy Project Development Analyst II	Certification List	1	2
Staff Services Manager I	Certification List	1	1
Executive Secretary I	Transfer	1	2

Criteria: The service of a probationary period is required when an employee enters or is promoted in the state civil service by permanent appointment from an employment list; upon reinstatement after a break in continuity of service resulting from a permanent separation; or after any other type of appointment situation not specifically excepted from the probationary period. (Gov. Code, § 19171.) During the probationary period, the appointing power shall evaluate the work and efficiency of a probationer in the manner and at such periods as the department rules may require. (Gov. Code, § 19172.) A report of the probationer’s performance shall be made to the employee at sufficiently frequent intervals to keep the employee adequately informed of progress on the job. (Cal. Code Regs., tit. 2, § 599.795.) A written appraisal of performance shall be made to the Department within 10 days after the end of each one-third portion of the probationary period. (*Ibid.*) The Board’s record retention rules require that appointing powers retain all probationary reports for five years from the date the record is created. (Cal. Code Regs., tit. 2, § 26, subd. (a)(3).)

Severity: Serious. The probationary period is the final step in the selection process to ensure that the individual selected can successfully perform the full scope of their job duties. Failing to use the probationary period to assist an employee in improving his or her performance or terminating the appointment upon determination that the appointment is not a good job/person match is unfair to the employee and serves to erode the quality of state government.

Cause: The RMC states that one probationary report was not completed due to recent staff turnover and redirection of tasks. The remaining probationary reports were not filed in their respective personnel files; therefore, they were not provided to SPB.

Corrective Action: Within 90 days of the date of this report, the RMC must submit to the SPB a written corrective action response which addresses the corrections the department will implement to demonstrate conformity with the probationary requirements of Government Code section 19172 and California Code of Regulations, title 2, section 599.795. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

Equal Employment Opportunity

Each state agency is responsible for an effective EEO program. (Gov. Code, § 19790.) The appointing power for each state agency has the major responsibility for monitoring the effectiveness of its EEO program. (Gov. Code, § 19794.) To that end, the appointing power must issue a policy statement committed to EEO; issue procedures for filing, processing, and resolving discrimination complaints; and cooperate with the CalHR, in accordance with Civil Code section 1798.24, subdivisions (o) and (p), by providing access to all required files, documents and data necessary to carry out these mandates. (*Ibid.*) In addition, the appointing power must appoint, at the managerial level, an EEO Officer, who shall report directly to, and be under the supervision of, the director of the department to develop, implement, coordinate, and monitor the department's EEO program. (Gov. Code, § 19795, subd. (a).)

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

Each state agency must establish a separate committee of employees who are individuals with a disability, or who have an interest in disability issues, to advise the head of the agency on issues of concern to employees with disabilities. (Gov. Code, § 19795, subd. (b)(1).) The department must invite all employees to serve on the committee and take appropriate steps to ensure that the final committee is comprised of members who have disabilities or who have an interest in disability issues. (Gov. Code, § 19795, subd. (b)(2).)

FINDING NO. 3 – A Disability Advisory Committee Has Not Been Established

Summary: The RMC does not have an active DAC.

Criteria: 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).)

Severity: Very Serious. The agency head does not have direct information on issues of concern to employees or other persons with disabilities and input to correct any underrepresentation. The lack of a DAC may limit an agency's ability to recruit and retain a qualified workforce, impact productivity, and subject the agency to liability.

Cause: The RMC states that a DAC was unable to be formed due to their small personnel size and limited resources.

Corrective Action: Within 90 days of the date of this report, the RMC must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure the establishment of a DAC, or that the RMC has become an active participant on a combined DAC with other Conservancies within the Natural Resources Agency. Copies of relevant documentation demonstrating that the corrective action has been implemented, including the DAC roster, agenda, and meeting minutes, must be included with the corrective action response.

Personal Services Contracts

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

incidental to a contract for the purchase or lease of real or personal property, and services that are of an urgent, temporary, or occasional nature.

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

During the period under review, October 1, 2018, through September 30, 2019, the RMC had four PSC's that were in effect. The CRU reviewed all four, which are listed below:

Vendor	Services	Contract Dates	Contract Amount	Justification Identified?	Union Notification?
Jennifer Samson	Maintenance	9/1/2018-12/31/2018	\$9,900	No	No
North Star Alliances	Maintenance	4/1/2019-7/31/2019	\$12,000	Yes	No
Suely Saro	Maintenance	7/1/2019-9/30/2019	\$9,999.99	Yes	No
Urbanism Advisors	Maintenance	3/1/2019-12/31/2019	\$9,999.99	No	No

FINDING NO. 4 – Unions Were Not Notified of Personal Services Contract

Summary: The RMC did not notify unions prior to entering into all four of the PSC's.

Criteria: The contract shall not be executed until the state agency proposing to execute the contract has notified all organizations that represent state employees who perform the type of work to be contracted. (Gov. Code, § 19132, subd. (b)(1).)

Severity: Serious. Unions must be notified of impending personal services contracts in order to ensure they are aware contracts are being proposed for work that their members could perform.

Cause: The RMC states that it was their understanding that consultant services contracts and other contracts that were not under DGS review, specifically short form agreements with a value of less than \$10,000, did not require union notification.

Corrective Action: It is the contracting department's responsibility to identify and notify any unions whose members could potentially perform the work to be contracted prior to executing the PSC. The PSC's reviewed during this compliance review involved maintenance services, functions which various rank-and-file civil service classifications perform. Within 90 days of the date of this report, the RMC must submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure conformity with the requirements of Government Code section 19132. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

FINDING NO. 5 – Written Justification Was Not Provided for All Personal Services Contracts

Summary: The RMC did not prepare or retain sufficient written justification why two of the PSCs reviewed satisfied Government Code section 19130, subdivision (b).

Criteria: Whenever an agency executes a personal services contract under Government Code section 19130, subdivision (b), the agency shall document, with specificity and detailed factual information, the reasons why the contract satisfies one or more of the conditions specified in Government Code section 19130, subdivision (b). (Cal. Code Reg., tit. 2, § 547.60, subd. (a).) The agency shall maintain the written justification for the duration of the contract and any extensions of the contract or in accordance with the record retention requirements of section 26, whichever is longer. (Cal. Code Reg., tit. 2, § 547.60, subd. (b).)

Severity: Serious. Without specific written justification detailing why a PSC satisfies one or more conditions specified in Government Code section 19130, the CRU could not determine whether the department's PSC's complied with current procedural requirements.

Cause: The RMC acknowledges full, detailed written justifications were not recorded or provided for two of the four PSCs.

Corrective Action: Within 90 days of the date of this report, the RMC must submit to the SPB a written corrective action response which addresses the

corrections the department will implement to ensure conformity with Government Code section 19130, subdivision (b), and California Code of Regulations, title 2, section 547.60, subdivision (a). Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

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), & 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 biennial 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.

The CRU reviewed the RMC's mandated training program that was in effect during the compliance review period, October 1, 2017, through March 31, 2019.

FINDING NO. 6 – Mandated Training Complied with Statutory Requirements

The RMC provided ethics training to its one new filer within six months of appointment and for one existing filer, "at least once during each consecutive period of two calendar years, commencing on the first odd-numbered year thereafter." The RMC also provided supervisory training to its 1 new supervisor within 12 months of appointment. In addition, the RMC provided sexual harassment prevention training its one new supervisor within six months of appointment, and sexual harassment prevention training to its one existing supervisor every two years. Thus, the RMC complied with mandated training requirements within statutory timelines.

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 rate⁴ upon appointment depending on the appointment type, the employee's state employment and pay history, and tenure.

Typically, agencies appoint employees to the minimum rate of the salary range for the class. Special provisions for appointments above the minimum exist to meet special recruitment needs and to accommodate employees who transfer into a class from another civil service class and are already receiving salaries above the minimum.

⁴ "Rate" is any one of the salary rates in the resolution by CalHR which establishes the salary ranges and steps of the Pay Plan (Cal. Code Regs., tit. 2, section 599.666).

During the period under review, October 1, 2018, through September 30, 2019, the RMC made four appointments. The CRU reviewed four of those appointments to determine if the RMC applied salary regulations accurately and correctly processed employees' compensation, which are listed below:

Classification	Appointment Type	Tenure	Time Base	Salary (Monthly Rate)
Conservancy Project Development Analyst II	Certification List	Permanent	Full Time	\$5,223
Conservancy Project Development Analyst II	Certification List	Temporary	Full Time	\$5,223
Staff Services Manager I	Transfer	Permanent	Full Time	\$5,917
Executive Secretary I	Certification List	Permanent	Full Time	\$3,251

FINDING NO. 7 – Salary Determinations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines

The CRU found no deficiencies in the salary determinations that were reviewed. The RMC 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.

Leave

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.)

Departments are directed to create a monthly internal audit process to verify all leave input into any leave accounting system is keyed accurately and timely. (Human Resources Manual Section 2101.) Departments shall create an audit process to review and correct leave input errors on a monthly basis. The review of leave accounting records shall be completed by the pay period following the pay period in which the leave was keyed into the leave accounting system. (*Ibid.*) If an employee's attendance record is determined to have errors or it is determined that the employee has insufficient balances for a leave type used, the attendance record must be amended. (*Ibid.*) Attendance

records shall be corrected by the pay period following the pay period in which the error occurred. (*Ibid.*) Accurate and timely attendance reporting is required of all departments and is subject to audit. (*Ibid.*)

During the period under review, April 1, 2019, through June 30, 2019, the RMC reported one unit comprised of six active employees. The pay periods and timesheets reviewed by the CRU are summarized below:

Timesheet Leave Period	Unit Reviewed	Number of Employees	Number of Timesheets Reviewed	Number of Missing Timesheets
April 2019	1	6	6	0
May 2019	1	6	6	0
June 2019	1	6	6	0

FINDING NO. 8 – Department Has Not Implemented a Monthly Internal Audit Process to Verify All Leave Input Is Keyed Accurately and Timely

Summary: The RMC failed to provide documentation demonstrating it implemented a monthly internal audit process to verify all timesheets were keyed accurately and timely.

The RMC failed to provide documentation demonstrating Leave Activity and Certification forms for the one unit reviewed during the April through June 2019 pay periods.

Criteria: Each appointing power shall 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.) Departments are directed to create an audit process to verify all leave input is keyed accurately and timely. (Human Resources Manual Section 2101.) Attendance records shall be corrected by the pay period following the pay period in which the error occurred. (*Ibid.*)

Severity: Serious. In order for Department leave accounting reports to reflect accurate data, the review of the leave accounting records and corrections, if necessary, are to be completed by the pay period following the pay period in which the leave was keyed into the leave

accounting system. This means corrections are to be made prior to the next monthly leave activity report being produced.

Cause: The RMC states that because DGS Human Resources performs all timekeeping and payroll services on behalf of the RMC, they do not have a formal process to verify that all leave input is keyed accurately and timely.

Corrective Action: Within 90 days of the date of this report, the RMC must work with the DGS and submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure that their monthly internal audit process was documented and that all leave input is keyed accurately and timely. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

FINDING NO. 9 – Incorrectly Posted Leave Usage and/or Leave Credit

Summary: The RMC failed to provide documentation demonstrating it correctly entered timesheets into the Leave Accounting System during the June 2019 pay period for three employees.

Criteria: Departments shall create a monthly internal audit process to verify that all leave input into any leave accounting system is keyed accurately and timely. (Human Resources Manual Section 2101.) If an employee's attendance record is determined to have errors or it is determined that the employee has insufficient balances for a leave type used, the attendance record must be amended. (*Ibid.*) Attendance records shall be corrected by the pay period following the pay period in which the error occurred. (*Ibid.*)

Severity: Very serious. Errors in posting leave usage and/or leave credits puts the department at risk of incurring additional costs from the initiation of collection efforts from overpayments, the risk of liability related to recovering inappropriately credited leave hours and funds, and/or the increase of the state's pension payments.

Cause: The RMC states that because DGS Human Resources performs all timekeeping and payroll services on behalf of the RMC, they do not have a formal process to verify that all leave usage is keyed accurately and timely.

Corrective Action: Within 90 days of the date of this report, the RMC must work with the DGS and submit to the SPB a written corrective action response which addresses the corrections the department will implement to ensure conformity with Human Resources Manual Section 2101. Copies of relevant documentation demonstrating that the corrective action has been implemented must be included with the corrective action response.

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. (Human Resources Manual Section 1204.) Nepotism is expressly prohibited in the state workplace because it is antithetical to California's merit based civil service. (*Ibid.*) 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. (*Ibid.*) Personal relationships for this purpose include association by blood, adoption, marriage and/or cohabitation. (*Ibid.*) All department nepotism policies should emphasize that nepotism is antithetical to a merit-based personnel system and that the department is committed to the state policy of recruiting, hiring and assigning employees on the basis of merit. (*Ibid.*)

FINDING NO. 10 – Department Does Not Maintain a Current Written Nepotism Policy

Summary: The RMC failed to provide documentation demonstrating it maintains a current written nepotism policy designed to prevent favoritism or bias in the recruiting, hiring, or assigning of employees.

Criteria: It is the policy of the State of California to recruit, hire and assign all employees on the basis of fitness and merit in accordance with civil service statutes, rules and regulations. (Human Resources Manual Section 1204). All department policies should emphasize that nepotism is antithetical to a merit-based personnel system and that

the department is committed to the state policy of recruiting, hiring, and assigning employees on the basis of merit. (*Ibid.*)

Severity: Very Serious. Nepotism is expressly prohibited in the state workplace because it is antithetical to California's merit based civil service. Departments must take proactive steps to ensure that the recruitment, hiring, and assigning of all employees is done on the basis of merit and fitness in accordance with civil service statutes. Maintaining a current written nepotism policy, and its dissemination to all staff, is the cornerstone for achieving these outcomes.

Cause: The RMC states that the appointment document checklist provided by DGS Human Resources did not include direction to provide new hires an official anti-nepotism policy.

Corrective Action: Within 90 days of the date of this report, the RMC must submit to the SPB a written corrective action response which includes an updated nepotism policy containing the requirements outlined in Human Resources Manual section 1204, and documentation demonstrating that it has been distributed to all staff.

DEPARTMENTAL RESPONSE

The RMC's response is attached as Attachment 1.

SPB REPLY

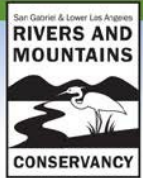
Based upon the RMC's written response, the RMC will comply with the corrective actions specified in these report findings. Within 90 days of the date of this report, a written corrective action response including documentation demonstrating implementation of the corrective actions specified, must be submitted to the CRU.



California Natural Resources Agency

San Gabriel & Lower Los Angeles Rivers and Mountains Conservancy

Attachment 1

**Governing Board of Directors:**

Frank Colonna, Chair
Governor Appointed Public Member

Dan Arrighi, Vice Chair
Central Basin Water Association

Matthew Rodriguez, Secretary
California Environmental
Protection Agency

Denis Bertone
San Gabriel Valley Council of
Governments

Judy Nelson
San Gabriel Valley Water Association

Wade Crowfoot, Secretary
California Natural Resources Agency

Keely Bosler
State of California, Department of
Finance

Rose Espinoza
Orange County Division of the
League of California Cities

Margaret Clark
San Gabriel Valley Council of
Governments

Hilda Solis, Supervisor
Los Angeles County Board of
Supervisors, First District

Roberto Uranga
City of Long Beach

Ali Saleh
Gateway Cities Council of
Governments

Sandra Massa-Lavitt
Orange County Division of the
League of California Cities

Jorge Morales
Governor Appointed Public Member

Liz Reilly
Governor Appointed Public Member

Ex Officio Members

Honorable Ricardo Lara
Member of the CA Senate

Honorable Patrick O'Donnell
Member of the CA State Assembly

Lisa Mangat, Acting Director
State of California, Department of
Parks and Recreation

John Donnelly
State of California, Wildlife
Conservation Board

Colonel Kimberly M. Colloton
US Army Corps of Engineers

Shane Silsby
Orange County Public Works
Department

Stephen Johnson
San Gabriel River Water Master

Randy Moore
Angeles National Forest
US Forest Service

Mark Pestrella
Los Angeles County Department of
Public Works

Executive Officer

Mark Stanley

June 16, 2020

Alton Ford
State Personnel Board
Policy & Compliance Review Division
801 Capitol Mall
Sacramento, CA 95814

Dear Mr. Ford:

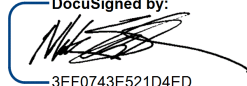
**RE: Confidential Draft Report – San Gabriel and Lower Los Angeles Rivers and
Mountains Conservancy, Compliance Review**

This letter serves as our written response to the May 7, 2020 draft report of the Rivers and Mountain Conservancy's (RMC) State Personnel Board (SPB) Compliance Review. The review evaluated included examinations, appointments, and other personnel items during the period of October 1, 2018 through September 30, 2019.

In coordination with the Department of General Services Human Resources Unit (DGS-HR), the RMC has worked very hard to ensure personnel actions were made in accordance with the statutory provisions. We appreciate the time and effort from the State Personnel Board Policy and Compliance Review Division as well as DGS-HR dedicated to the audit as findings and recommendations provide us valuable guidance that will help to improve how the RMC manages its personnel.

At the time of the SPB review, the RMC consisted of six full time employees with one supervisor out of the office on leave and training for nearly a month. The RMC has since hired an additional 1.5 positions. With new roles and greater spread of work tasks, in the future, the RMC management team will be more diligent in ensuring policies and procedures are followed.

Sincerely,

DocuSigned by:

3EF0743E521D4ED...
Mark Stanley,
Executive Officer

MS:sg

cc: Amy Applegate, DGS Human Resources
Nemi Bohlouli, State Personnel Board

Finding No. 1 – Examinations Complied with Civil Service Laws and Board Rules

No issues.

Finding No. 2 – Probationary Evaluations Were Not Provided for All Appointments Reviewed

The RMC acknowledges that due to recent staff turnover and redirection of tasks, one probationary report was not completed or completed timely. Additionally, the remaining probationary reports were not filed in the respective personnel files shortly after probationary performance reviews and subsequently were not provided to SPB in a timely matter.

Finding No. 3 – A Disability Advisory Committee Has Not Been Established

As stated in the annual Workforce Analysis Reports, due to the small personnel size and limited resources, a DAC is unable to form. We will work with other local Conservancies to join their DAC, or if one is not already in place, we will coordinate to create a DAC.

Finding No. 4 – Unions Were Not Notified of Personal Services Contract

It was our understanding consultant services contracts or other contracts that were not under DGS review, particularly short form agreements with a value of less than \$10,000 and contracts with Joint Point Authorities, did not require union notification. Additionally, all contracts are submitted to RMC's DGS contracted fiscal services (DGS-CFS) assuming a full review. However, the RMC has learned the tasks of procurement and contracting are completely outside of DGS-CFS scope of work. The RMC will ensure all policies and procedures are followed through for consultant/personal services contracts in the future.

Finding No. 5 – Written Justification Was Not Provided for All Personal Services Contracts

The RMC provided the GC §19130 subsections to the SPB Review Unit for the reviewed consultant services contracts. However, RMC acknowledges full, detailed written justifications were not recorded or provided for two of the four Personal Services Contracts. The RMC will ensure full, written justification will be included on any and all future STD 215 documents.

Finding No. 6 – Mandated Training Complied with Statutory Requirements

No issues.

Finding No. 7 – Salary Determinations Complied with Civil Service Laws, Board Rules, and CalHR Policies and Guidelines

No issues.

Finding No. 8 – Department Has Not Implemented a Monthly Internal Audit Process to Verify All Leave Input Is Keyed Accurately and Timely

Because DGS-HR performs all timekeeping and payroll services on behalf of the RMC, the RMC did not have a formal process to verify all leave input is keyed accurately and timely at the time of review. In March 2020, however, RMC developed an internal leave tracker to reconcile with monthly Leave Activity Balance reports from DGS-HR. The RMC will coordinate with DGS-HR should these two documents not reconcile or for any other leave issues.

Finding No. 9 – Incorrectly Posted Leave Usage and/or Leave Credit

DGS-HR performs all timekeeping and payroll services on behalf of the RMC, and therefore may provide additional insight to this finding. Regardless, similar to Finding No. 8, the RMC did not have a formal process to verify all leave input is keyed accurately and timely and subsequently ensuring leave is posted correctly at the time of review. In March 2020, RMC developed an internal leave tracker to reconcile with monthly Leave Activity Balance reports from DGS-HR. The RMC will coordinate with DGS-HR should these two documents not reconcile or for any other leave issues.

Finding No. 10 – Department Does Not Maintain a Current Written Nepotism Policy

As DGS-HR performs human resources functions on behalf of the RMC, the RMC utilizes many personnel forms from DGS, including DGHS OHR 70, Appointment Document Checklist. This checklist includes verifying the new employee receives the Essential Health Questionnaire (STD 910), DGS' Workplace Violence Prevention Policy, DGS' Anti-Discrimination Policy, DGS' Sexual Harassment Memo, and several other new hire documents. An official Anti-Nepotism Policy is not included on this checklist and subsequently, the RMC did not have a formal Anti-Nepotism policy at the time of review. However, the RMC Employee Manual includes a statement under the Equal Employment Opportunity policy, "The basic tenant of the State's merit system requires that individuals hired into and promoted within the civil service be selected on the basis of their job-related qualifications and that such selection decisions be free of illegal discrimination, political affiliation, and personal relationships (including nepotism)." Additionally, the merit system is further discussed during biennial sexual harassment training and on-boarding. While the RMC acknowledges it does not have a fully written nepotism policy, the RMC does ensure staff is aware it is an Equal Employment Opportunity Employer and hiring as well as during the course of employment are free from illegal discrimination and nepotism.